



Annual Report
2006

Groupe Bruxelles Lambert

GBL’s primary objective is to create value for its shareholders over the medium-term.
Therefore, GBL strives to maintain and promote the growth of a portfolio of investments focused primarily on a small number of companies in which it plays its role as a professional shareholder.
This portfolio will evolve over time following the evolution of the different companies as well as market opportunities. The group invests in companies that offer potential to create value for shareholders and sells investments deemed to have reached maturity.

GBL’s dividend policy seeks to achieve a sound balance between providing an attractive cash yield to shareholders and achieving sustained growth in its share price.

GBL

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This English version is a full translation of the French version

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Certification

"To the best of our knowledge, the information provided in this document is accurate. It is free of omissions that could alter its scope."

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Message to shareholders

Ladies and Gentlemen,

The global economy continued to grow at a sustained pace in 2006, bolstered by Asian countries, and particularly China, whereas activity in the United States sent out signals of a slowdown and European growth recovered a bit of health.

Overall, inflation remains quite controlled, notwithstanding the pressure of energy prices. The importance of liquid assets in the system and “easy” credit undoubtedly explain the high price level obtained by some shares, particularly in finance, art and real estate. In this context, the central banks progressively tightened their monetary policies, entailing an increase in money lending rates, which do however remain at historically low levels.

The action taken by GBL these last two years, and especially in 2006, confirms its business as a professional investor, supporting its stakes until they mature and progressively redeploying its capital in new industrial-type investments.

During the past financial year, GBL sold its 25.1% stake in Bertelsmann for EUR 4.5 billion, thereby responding to the Mohn family’s desire to maintain the company’s capacity as a private group rather than float it on the Stock Exchange.
This stake was the fruit of a long evolution which started with an investment in Audiofina in the 1970s. It was the subject of numerous partnerships and progressively changed completely with the successive creation of CLT, CLT-UFA, and then RTL Group which became a part of Bertelsmann five years ago.
These stages, which led to the creation of one of the European media sector’s flagships, created significant value.
GBL booked a capital gain of EUR 2,378 million on this sale in its accounts for the financial year.

Over the last two years, GBL has invested an amount exceeding the proceeds on the sale of Bertelsmann both to consolidate its position in Suez and to initiate new partnerships for the future with Lafarge and Pernod Ricard.

Today, GBL owns 9.6% of Suez (compared to 7.1% at the start of 2005). The increase in its interest and the higher share price mean that the group will have added almost EUR 2 billion in market value to this shareholding. GBL is consequently consolidating its position as a leading shareholder, supporting an industrial strategy defined with the company’s management and Board of Directors.
Apart from the planned merger with Gaz de France which remains its strategic priority, Suez continues to vigorously develop in all its business areas and has an excellent bill of health. Its potential is still remarkable and its good results should enable it to continue its generous distribution policy.

The investment in Lafarge started at the end of 2005 and continued in 2006 and 2007. Today, GBL has a 16.1% capital stake and 15% voting rights in the world’s number one cement manufacturing group.
Its holding in this company coincided with Bruno Lafont’s taking up of his duties as new Managing Director. He has already made a mark on the company by initiating the purchase of minority holdings in Lafarge North America and, more recently, the sale of Lafarge Roofing. Given these changes, the sound results registered for 2006 and the 2008 Excellence plan announced by management, the group’s future looks promising.

The 5% stake in Pernod Ricard is more recent, as it was only acquired in the second half of 2006. It consists of a friendly shareholding alongside the Ricard family in an excellent company whose performance in the last few years has been remarkable and whose prospects are attractive.

Total is still one of the pillars of the portfolio and once again had brilliant results in 2006, bolstered by the high level of crude prices.
The intrinsic qualities of the group and its management should enable Total to continue its development and to keep its place amongst the leaders whilst dealing with the more difficult conditions in the sector, particularly costs and access to reserves.

Finally, Imerys’ operating performance once again demonstrates the competence of its managers. Industrial measures taken both on an economic basis and more structurally have enabled it to boost its profit and loss account whilst sustaining the profitable development model of the last ten years.

Apart from its investment portfolio in big listed groups, GBL is present in private equity through two funds in which it is a major shareholder.
GBL has committed to subscribe to Ergon Capital Partners II (ECP II), the successor of the Ergon Capital Partners (ECP) fund, co-founded in 2005 with Parcom Ventures (ING group) around a young team of entrepreneurs. ECPII will be given resources of its own of EUR 350 million.
Furthermore, GBL will invest up to EUR 150 million in Sagard II which takes over from Sagard, the initial fund launched under the leadership of the Desmarais family and in which it has had a stake since 2002.

The pursuit of the GBL investment strategy requires major resources. For the time being, the group can rely on liquid assets of around EUR 1.5 billion and on its credit lines, although within the limits of a very conservative leverage policy.

The company’s cash earnings are solid, with earnings from new shareholdings taking over from the contractual dividend paid by Bertelsmann. They enable the company to foresee the continuation of a dividend payout policy that ensures steady growth in the remuneration paid to its shareholders. At the next General Meeting, GBL will propose a gross dividend per share of EUR 1.90, an increase of over 10%.

Baron Frère
6 March 2007

Selected financial information

I. Stock Exchange data

1. GBL's share on the Stock Exchange

in EUR	2006	2005	2004	2003	2002
Share price					
At the end of the year	91.05	82.85	59.90	44.67	39.01
Maximum	93.95	83.55	59.95	45.00	64.85
Minimum	73.75	59.80	44.50	29.32	33.10
Yearly average	86.00	73.46	52.49	39.11	50.91
Dividend					
Gross dividend	1.90	1.72	1.60	1.49	1.42
Net dividend	1.43	1.29	1.20	1.12	1.07
Net dividend with VVPR strip	1.62	1.46	1.36	1.27	1.21
Stock Exchange ratios (in %)					
Dividend/average share price	2.2	2.3	3.0	3.8	2.8
Gross annual return	12.0	41.0	37.4	18.1	(31.7)
Number of shares at 31 December					
Issued	147,167,666	138,300,053	138,300,053	138,300,053	138,300,053
Treasury shares	5,272,701	5,382,726	6,134,556	6,313,032	5,647,376
Stock market capitalisation (in EUR million)	13,399.6	11,458.2	8,284.2	6,177.9	5,395.1
Variation (in %)	+ 16.9	+ 38.3	+ 34.1	+ 14.5	- 33.9

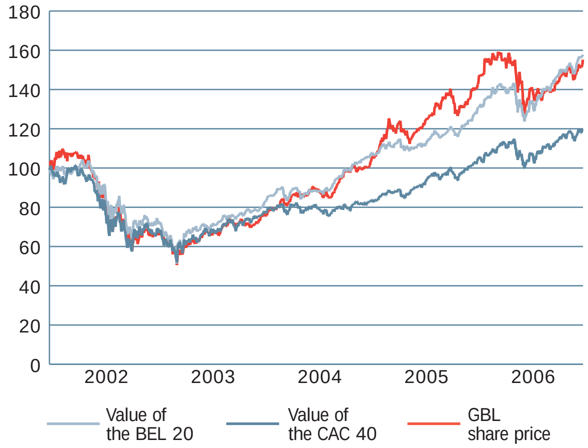
2. Stock market listings

GBL shares are listed on Euronext Brussels and form part of the BEL 20 and Euronext 100 indices, which reflect the performance of the combined markets of Paris, Amsterdam, Brussels and Lisbon.

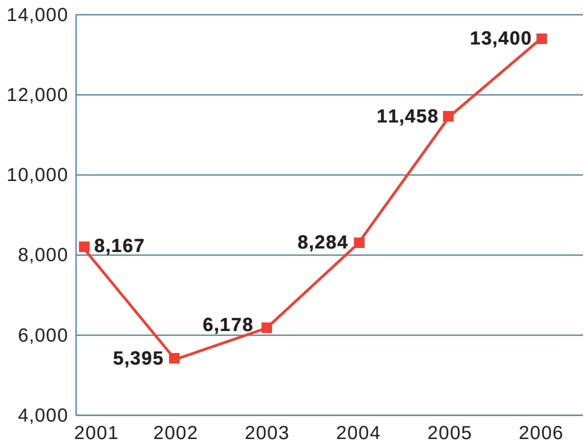
	2006	2005	2004	2003	2002
Volume traded (in EUR billion)	5.3	3.2	1.8	1.2	1.7
Number of shares traded (in EUR thousand)	62,390	43,200	35,167	30,343	34,412
Average number of shares traded daily	244,665	168,092	135,780	118,991	134,948
Capital traded on the Stock Exchange (in %)	43.3	31.2	25.4	21.9	24.9
Velocity on float (in %)	90.0	65.6	53.6	45.9	51.7
Weight in the BEL 20 (in %)	4.8	5.4	4.3	4.4	4.6
Ranking in the BEL 20	7	7	10	10	8
Weight in the Euronext 100 (in %)	0.6	0.7	0.6	0.5	0.5
Ranking in the Euronext 100	46	45	48	57	56

GBL share price (2/1/2002 = 100)

GBL share price and value of the BEL 20 and of the CAC 40 (2/1/2002 = 100)



GBL stock market capitalisation (in EUR million)



Financial calendar 2007 - 2008

2007 Ordinary General Meeting	24 April 2007
Payment of coupon nr 8	25 April 2007
Publication of results to 31 March 2007	3 May 2007
Publication of half-yearly results	begin August 2007
Publication of results to 30 September 2007	6 November 2007
Publication of 2007 annual results	March 2008
2008 Ordinary General Meeting (submitted to the Extraordinary General Meeting on 24 April 2007)	8 April 2008

3. Shareholder information

Dividend

The payment in respect of the 2006 financial year of a gross dividend of EUR 1.90 per GBL share, a 10.5% increase over the dividend of EUR 1.72 paid for the previous year, will be submitted for approval to the Ordinary General Meeting on 24 April 2007. This dividend is equal to:

- EUR 1.425 net per share
- EUR 1.615 net per share with VVPR strip.

The total distribution for the year amounts to EUR 280 million, based on the number of shares entitled to dividend (147,167,666).

The net dividend will be payable from 25 April 2007, either by bank transfer to registered shareholders or in cash upon presentation of coupon nr 8 detached from bearer shares (and, where appropriate, of VVPR strips) at branches of approved Belgian banks and financial institutions, with the financial service being provided by ING Belgium.

II. Portfolio and adjusted net assets

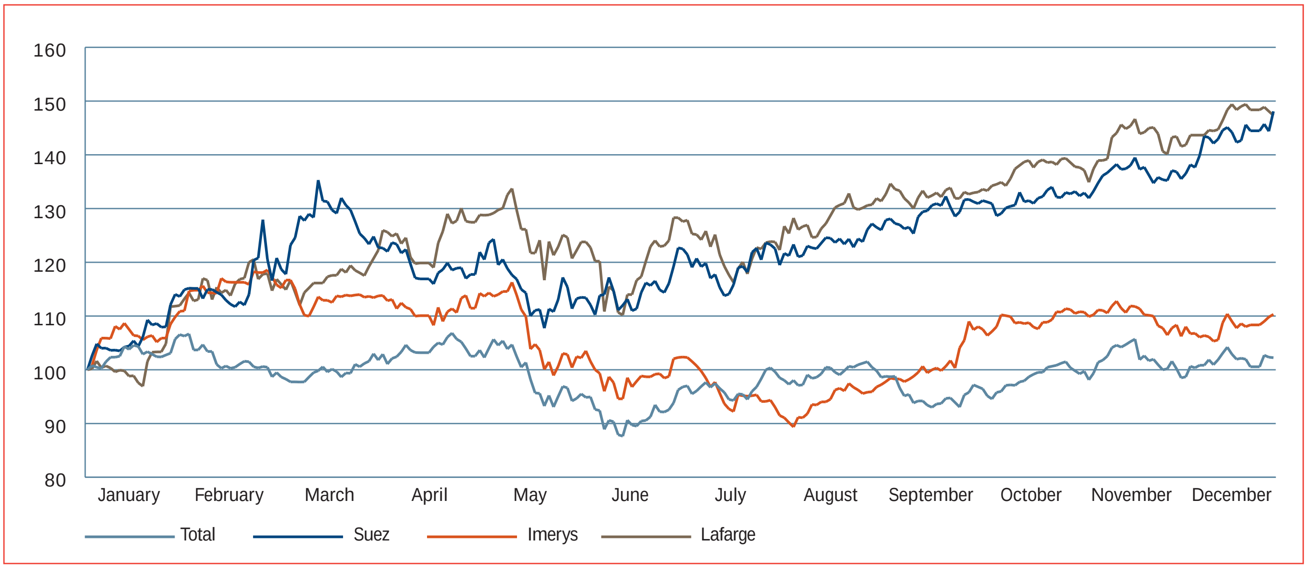
1. GBL organisation chart at 31 December 2006

% of share capital / (% of voting rights)

GBL
3.6% (0.0%)

Total	Suez	Lafarge	Imerys	Pernod Ricard
3.9% / (4.0%)	**8.0%** / (11.9%)	**15.9%** / (14.8%)	**26.4%** / (34.4%)	**2.8%** / (2.6%)

2. Share price of investments in 2006



3. Valuation principles of the adjusted net assets and publication

GBL's adjusted net assets are a conventional reference obtained by adding to the group's net cash the investments constituting the financial assets valued according to the following principles:

- the share price for listed companies;
- the group share of shareholders' equity of unlisted companies and consolidated using the equity method;
- the book value of unlisted companies, not consolidated and not integrated using the equity method.

The adjusted net assets making up the portfolio are communicated quarterly. The value per share is also published weekly on GBL's website (http://www.gbl.be) and the value is calculated on the basis of the same criteria as those applied to determine the quarterly adjusted net assets. However, certain minor events occurring since the previous statement of account may occasionally not be taken into account in the value published weekly. The combined effect of all these factors will nonetheless not exceed 2% of the adjusted net assets.

4. Breakown of adjusted net assets at 31 December 2005 and 2006

The evolution of GBL's adjusted net assets, like its profits, is an important criterion for assessing the group's performance.

At 31 December 2006, adjusted net assets amounted to EUR 16,763 million, or EUR 113.91 per share, compared to EUR 11,110 million and EUR 80.33 respectively at the previous year-end.

The table below gives a detailed view of GBL's adjusted net assets.

	31 December 2006				31 December 2005			
	Portfolio	Share price			Portfolio	Share price		
	% in capital	in EUR	in EUR million	%	% in capital	in EUR	in EUR million	%
Total	3.9	54.65	5,134	30.6	3.8	53.05	4,984	44.9
Suez	8.0	39.23	3,990	23.8	7.3	26.30	2,418	21.8
Bertelsmann	-	-	-	-	25.1	-	2,090	18.8
Lafarge	15.9	112.70	3,170	18.9	3.4	76.00	450	4.1
Imerys	26.4	67.40	1,129	6.7	26.2	61.10	1,023	9.2
Pernod Ricard	2.8	145.00	446	2.7	-	-	-	-
Other investments			258	1.6			89	0.7
Portfolio			**14,127**	**84.3**			**11,054**	**99.5**
Net cash/trading/ treasury shares			2,636	15.7			56	0.5
Adjusted net assets			**16,763**	**100.0**			**11,110**	**100.0**
Number of shares				**147,167,666**				**138,300,053**

GBL's portfolio expanded in 2006, increasing by EUR 3,073 million, or an increasing of 27.8% over end December 2005.

In May, **Total** spun off Arkema. This spin-off operation was given effect through the distribution to Total shareholders of one Arkema share for every 10 Total shares held. The resulting 3.9% shareholding in Arkema represented EUR 91 million in the adjusted net assets at end 2006 (included with other investments). At end 2006, GBL owned 3.9% of Total's capital and 4.0% voting rights. Indeed, further to an internal restructuring at end 2006, the shares held by GBL lost their double voting rights, which they will recover after a two-year period. Total accounted for 31% of the adjusted net assets at end 2006 (EUR 5,134 million). Total's year-on-year valuation in the portfolio was slightly higher, reflecting the positive stock market evolution of the share between these two dates, notwithstanding the effects of the Arkema spin-off.

With the acquisition during the first half of the year of 9.8 million **Suez** shares for EUR 296 million, GBL raised its shareholding from 7.3% at end 2005 to 8.0% at end 2006. This investment and the 49.2% increase in the Suez share price explain the greater Suez weight (EUR 3,990 million - 23.8%) in the adjusted net assets on 31 December 2006. In early 2007, GBL pursued its acquisitions (EUR 798 million), thus building up its holding in Suez to 9.6% capital and 13.4% voting rights.

Bertelsmann was sold for EUR 4.5 billion during the summer of 2006, resulting in an increase of EUR 2,410 million in the adjusted net assets. That shareholding was previously valued in the adjusted net assets at GBL's share (25.1%) in the company's shareholders' equity (EUR 2,090 million).

GBL already held a 3.4% stake in **Lafarge** at end 2005. It continued its investment programme in 2006, spending EUR 2.1 billion and reaching a 15% stake in this group's capital. Given the favourable evolution of the share price (+ 48.3%), which rose from EUR 76.00 to EUR 112.70, the shareholding now has a market value of EUR 3,170 million.

The contribution of **Imerys** to GBL's adjusted net assets rose by EUR 106 million, reflecting the 10.3% increase in the Imerys share price during the financial year. The capital shareholding remained stable at 26.4% but GBL recovered its double voting rights, and thus holds 34.4% of voting rights in Imerys.

GBL's portfolio at end 2006 also included a 2.8% stake in the share capital of **Pernod Ricard**, acquired for EUR 428 million in the last quarter of the year and worth EUR 446 million on 31 December 2006. The stake was raised to 5.1% in January 2007.

Private equity investments (included with other investments) amounted to EUR 165 million at end 2006, compared to EUR 88 million a year earlier.

Cash at end 2006 amounted to EUR 2.6 billion. That figure reflects, along with cash earnings and GBL's dividends, the cash from the sale of Bertelsmann (EUR 4.5 billion), the net proceeds on the capital increase launched in April 2006 (EUR 703 million) less portfolio investments of EUR 2.9 billion.

5. Adjusted net assets over 5 years

in EUR million	2006	2005	2004	2003	2002
Adjusted net assets at the end of the year	16,763.2	11,110.3	8,889.2	7,528.1	7,040.5
Portfolio	14,127.1	11,054.6	8,164.0	7,051.6	6,686.1
Net cash/trading/treasury shares	2,636.1	55.7	725.2	476.5	354.4
of which treasury shares	*445.3*	*427.9*	*337.3*	*267.6*	*212.5*
Year-on-year change **(in %)**	+ 50.9	+ 25.0	+ 18.1	+ 6.9	- 24.9
in EUR					
Adjusted net assets per share	113.91	80.33	64.27	54.43	50.91
Share price	91.05	82.85	59.90	44.67	39.01

III. Consolidated figures IFRS

On 31 December 2006, GBL showed net earnings of EUR 2,883 million (EUR 20.76 per share) compared to EUR 523 million (EUR 3.94 per share) for the same period in 2005. This important increase mainly reflects the capital gain realised during the first half of the year on the disposal of the 25.1% stake in Bertelsmann, i.e. EUR 2,378 million.

Excluding the positive effect of the disposal of the Bertelsmann stake, GBL's results show a strong increase in cash earnings, which rose from EUR 324 million to EUR 441 million in 2006, a 36% increase. That performance resulted mainly from the rise in dividends received on shareholdings and the increase in other cash earnings stemming from the sale of Bertelsmann for EUR 4.5 billion, collected in early July 2006.

1. Key figures

in EUR million	2006	2005	2004	2003	2002
Consolidated result					
Cash earnings	440.5	323.7	327.9	284.4	302.4
Mark to market and other non-cash	22.2	(4.9)	(16.8)	(29.4)	(14.5)
Associated companies	179.7	342.8	386.3	132.5	(362.7)
Eliminations and capital gains	2,240.9	(138.6)	(103.4)	(177.1)	(163.0)
Consolidated result for the period	**2,883.3**	**523.0**	**594.0**	**210.4**	**(237.8)**
Total distribution	**279.6**	**237.9**	**221.3**	**206.1**	**196.4**
Consolidated balance sheet					
Assets					
Non-current assets	13,496.0	10,533.6	7,543.1	6,777.6	6,646.5
Current assets	2,737.2	123.6	411.4	594.2	964.6
Liabilities					
Shareholders' equity	15,682.0	10,159.7	7,911.6	6,966.4	6,772.3
Non-current liabilities	434.6	437.6	22.5	24.4	359.9
Current liabilities	116.6	59.9	20.4	381.0	478.9
Number of shares at the end of the year (1)					
Basic	138,864,253	132,761,384	132,069,978	132,257,409	132,891,094
Diluted	139,114,418	133,121,574	133,181,998	135,851,260	138,906,866
Pay-out (in %)					
Dividend/cash earnings	63.5	73.5	67.5	72.5	64.9
Dividend/consolidated result	9.2	43.7	35.6	93.7	(79.3)
Consolidated result per share	**20.76**	**3.94**	**4.50**	**1.59**	**(1.79)**
Consolidated cash earnings per share	**3.17**	**2.44**	**2.48**	**2.15**	**2.28**

(1)The calculation of the number of basic and diluted shares is detailed on page 58

2. Consolidated earnings analysis

The table contained in this analysis is intended to present a more precise picture of the different elements that make up GBL's consolidated result, stated in accordance with the IFRS requirements. The elements shown in the different columns are described in the glossary.

	2006					2005	2004
in EUR million	Cash earnings	Mark to market and other non-cash	Associated companies	Eliminations and capital gains	Consolidated	Consolidated	Consolidated
Net earnings from associated companies	-	-	131.7	(61.0)	70.7	83.2	62.5
Result on discontinued operations	-	-	48.0	2,439.0	2,487.0	259.6	323.8
Net dividends on investments	406.0	-	-	(148.8)	257.2	169.3	186.0
Interest income and expenses	41.7	(3.5)	-	-	38.2	1.2	3.7
Other financial income and expenses	13.4	15.1	-	-	28.5	21.5	1.8
Other operating income and expenses	(29.8)	1.2	-	-	(28.6)	(19.0)	(18.6)
Earnings on disposals and impairments of non-current assets	-	-	-	11.7	11.7	6.5	37.5
Income taxes	9.2	9.4	-	-	18.6	0.7	(2.7)
Consolidated result for the period	**440.5**	**22.2**	**179.7**	**2,240.9**	**2,883.3**	**523.0**	**594.0**

A. Cash earnings (EUR 441 million in 2006 compared to EUR 324 million in 2005)

The EUR 117 million increase in cash earnings (+ 36%) resulted from a combination of factors.
In terms of its investments, GBL's acquisition of a shareholding in Lafarge as from October 2005 and its further building up of the stake in 2006, brought in EUR 39 million in dividends for the first time in 2006.

Investments in Suez in 2005 and the higher dividend per share (+ 25%) raised the Suez contribution to GBL's earnings to EUR 78 million, an increase of EUR 29 million compared to 2005.

GBL's shareholding in Total remained unchanged in 2006. The higher dividends received, totalling EUR 139 million, resulted from the 16% rise in the dividend per share paid by Total, both from the balance and an advance payment of an identical amount.
Dividends paid by Bertelsmann and Imerys added up to EUR 148 million in 2006, up EUR 3 million as a result of the higher dividend per share paid by Imerys.

Net dividends on investments in EUR million	2006	2005	2004
Total	138.9	119.8	141.6
Bertelsmann	120.0	120.0	120.0
Suez	78.2	49.3	43.8
Lafarge	38.8	-	-
Imerys	27.6	25.1	20.9
Other	2.5	0.2	0.6
Total	**406.0**	**314.4**	**326.9**

On interest income and expenses, GBL showed a profit for the year of EUR 42 million. Indeed, during the first six months of the year, GBL made ample use of its credit lines and of the funds raised as part of the capital increase of EUR 703 million to finance its investments in Lafarge and Suez. On the other hand, the cash amount of EUR 4.5 billion collected in early July on the sale of Bertelsmann and used partially to continue GBL's investments in Lafarge and Pernod Ricard, contributed positively to the financial results for the latter half of the year.

The decline in other financial income and expenses compared to 2005 is essentially due to the lower level of share trading activity, partially offset by derivatives activities and by financial expenses related to investment operations and the capital increase.
In 2006, GBL was also reimbursed withholding tax on foreign dividends (in particular Suez and Total) in the amount of EUR 9 million.

B. Mark to market and other non-cash (EUR 22 million in 2006 compared to EUR - 5 million in 2005)

in EUR million	2006	2005	2004
Interest income and expenses	(3.5)	(2.2)	(2.5)
Other financial income and expenses	15.1	(2.5)	(10.7)
Other operating income and expenses	1.2	(0.9)	(0.9)
Income taxes	9.4	0.7	(2.7)
Total	**22.2**	**(4.9)**	**(16.8)**

Changes in the fair value of optional financial instruments (rate swap and calls options on Total, Arkema and puts on Lafarge) also contributed another EUR 15 million to the heading "Other financial income and expenses". Moreover, the elimination of the dividend on treasury shares (EUR - 9 million) counterbalances, pursuant to IFRS requirements, the reversing entry on expenses related to the GBL capital increase (EUR 6 million) and portfolio acquisitions in 2006 (EUR 3 million).

In addition to the EUR 9 million in tax reimbursements collected in 2006 (in cash earnings), the variation of the mark to market tax heading stems from the recognition of an additional claim (EUR 9 million) with the tax administration, collected in January 2007.

C. Imerys – Ergon Capital Partners (ECP) (EUR 71 million in 2006 compared to EUR 83 million in 2005)

Share in the net earnings from associated companies in EUR million	2006	2005	2004
Imerys	49.5	81.8	62.5
ECP	21.2	1.4	-
Total	**70.7**	**83.2**	**62.5**

Imerys

Based on the information published by Imerys in compliance with the IFRS requirements, turnover for financial year 2006 amounted to EUR 3,288 million, an 8.0% increase over the same period in 2005.

For the second consecutive year, Imerys had to cope with strong inflation in its variable costs (primarily energy). Against that backdrop, current operating earnings added up to EUR 459 million, a 5.7% increase. That growth resulted from the contribution of acquisitions during the financial year (net of disposals) and the negative exchange rate impact. At comparable scope and exchange rates, current operating income climbed by EUR 11 million, with the improved price/product mix impact compensating for inflation in external costs and the negative impact of volumes.

Net income, group share, amounted to EUR 187 million, compared to EUR 309 million. This result takes into account an after-tax amount of EUR - 121 million in other income and expenses having no impact on cash flows from:

- provisions for depreciation on industrial assets, rehabilitation of sites and restructuring expenses linked to the major reorganisation of kaolin production in the United Kingdom, for a total amount of EUR - 86 million;
- other expenditure in the amount of EUR - 46 million related to the depreciation of assets and cost-cutting actions taken by the group as a whole;
- transfers of non-industrial assets in the amount of EUR 11 million.

Imerys contributed EUR 50 million to GBL's result in 2006, compared to EUR 82 million in 2005.

ECP

Taking into account GBL's 43% stake in ECP, the latter contributed for EUR 21 million to GBL's results.

During 2006, ECP pursued its investment policy and expanded its portfolio with the acquisition of three additional assets, namely King Benelux, La Gardenia and Seves, for a total amount of EUR 99 million.

On 31 December 2006, the portfolio of assets valued at fair value showed unrealized capital gains of EUR 13 million (GBL's share). The balance of ECP's contribution is composed primarily of the capital gain on the partial disposal of Stroili in the third quarter of 2006.

The private equity company ECP II, the successor to ECP I, created in late December 2006 did not contribute to GBL's results.

Bertelsmann

It should be noted that Bertelsmann was consolidated using the equity method up to 30 June 2006. As an associated company, Bertelsmann contributed EUR 109 million of the total of EUR 180 million (Imerys and ECP included). Following the disposal of this interest, GBL's share in Bertelsmann's net result (EUR 61 million) and the preferential share of the dividend collected (EUR 48 million) have been entered separately under the heading "Result on discontinued activities" along with the capital gain of EUR 2,378 million.

D. Result on discontinued operations – Sale of Bertelsmann (EUR 2,487 million in 2006 compared to EUR 260 million in 2005)

At the end of May, GBL's and Bertelsmann's groups concluded an agreement in principle on the disposal to the German group of the 25.1% interest owned by GBL at a price of EUR 4.5 billion. GBL collected its proceeds on the sale in early July 2006, making a net capital gain of EUR 2,378 million.

GBL's share in Bertelsmann's net income up to the divestment operation totalled EUR 61 million in 2006. Bertelsmann also paid, for the last time, a dividend of EUR 120 million entered under cash earnings. In the consolidated results, the ordinary part of this dividend is eliminated (EUR 72 million) and only the privileged part (EUR 48 million) is entered in the results.

in EUR million	2006	2005	2004
Net capital gains	2,378.0	-	-
Share in the net income	61.0	220.9	259.0
Net dividend	48.0	38.7	64.8
Total	**2,487.0**	**259.6**	**323.8**

Overview of the activities

GBL's primary objective is to create value for its shareholders over the medium-term.
Therefore, GBL strives to maintain and promote the growth of a portfolio of investments focused primarily on a small number of companies in which it plays its role as a professional shareholder. These companies are at present Total, Suez, Lafarge, Imerys and Pernod Ricard besides several other interests in private equity.

This portfolio will evolve over time following the evolution of the different companies as well as market opportunities. The group invests in companies that offer potential to create value for shareholders and sells investments deemed to have reached maturity.

GBL's dividend policy seeks to achieve a sound balance between providing an attractive cash yield to shareholders and achieving sustained growth in its share price.

Risk factors

Each of the large investments held by GBL is exposed to specific risks, the details and analysis of which are described in their respective management reports and registration documents in compliance with current law.

The possible realisation of these risks for one or more investments may change the overall value of GBL's portfolio. GBL strives to limit these risks by diversifying its portfolio, by analysing its investments and by following up its interests.

The exact reference of the chapters on the management of the risks of GBL's investments are indicated below.

Investments	Pages	Reference (link)
Total	77-93	http://www.total.com/static/fr/medias/topic768/Total_2005_document_reference.pdf
Suez	9-20	http://www.suez.com/fr/finance/rapport-annuel/2005/document-reference/document-de-reference/
Lafarge	8-9	http://www.lafarge.fr/lafarge/PUBLICATION/20060406/03272006-publication_finance-doc_de_reference_2005-fr.pdf
Imerys	166-178	http://files.imerys.com/Imerys_ra2005_fra/index.htm
Pernod Ricard	159-160	http://www.pernod-ricard.com/medias/resources/static/Rapport%20annuel/RA%202006/RA05-06-Partie-financiere.pdf

No public information is available on risks factors for private equity funds held by GBL. These investments represent less than 1% of the adjusted net assets.

Investments at 31 December 2006

The following pages present for each operating investment:
- a description of the company's activities, key events during the year and financial results;
- a table of key figures showing Stock Exchange data and consolidated operating data for each company;
- the contribution to GBL's adjusted net assets and result.

A glossary containing definitions of key words used in this annual report can be found on page 107.

TOTAL

www.total.com

Total financial communication
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Created from the successive mergers of Total, PetroFina and Elf Aquitaine, Total is one of the world's leading oil and gas groups, and a major operator in Chemicals

Activities

Total is one of the leading international oil and gas groups. Its activities are based in more than 130 countries and cover the entire oil industry chain, Upstream (exploration, development and production of oil and gas) and Downstream (refining and distribution of petroleum products and international trading of crude oil and refined products). Total is also a major player in Chemicals and is also committed to the development of renewable energies.

Upstream, the group's proven hydrocarbon reserves, calculated according to SEC rules, guarantee the company some 13 years of production at its current rate. The group, with a diversified portfolio of assets, has some of the oil industry's highest growth prospects as a result of its participation in major projects with competitive technical costs and in highly promising areas. Operating in the liquefied natural gas industry, Total is also extending its activities to related market segments such as gas distribution and electricity generation.

Downstream, the group is a leader in Europe and Africa. It manages refining capacity of 2.7 million barrels a day and sells 3.8 million barrels a day of refined products. Total owns shares in 27 refineries and operates a network of around 16,500 service stations, mostly under the Total, Elf and Elan banners, and primarily in Europe and Africa.

Total's Chemical activities place it amongst European and world leaders on most of the group's markets. These include petrochemical and long-chain polymers, activities typical of major integrated oil companies, and specialty chemicals focusing on processing technologies for rubber and coating products.

Key events in 2006

The year 2006 saw continuing globally favourable conditions on the oil market. Crude oil prices increased on average relative to 2005, driven by robust demand and sustained production capacity. Refinery margins, while significantly lower than in 2005, remained on average at satisfactory levels.

Against that backdrop, Total registered record results, in spite of pressure on oil services prices, higher taxation and lower production. The group is continuing to benefit from its ongoing productivity and buyback of shares programmes, the latter resulting in increased earnings per share and an average return on invested capital of 26%, among the highest in the industry.

Upstream

In 2006, Total's hydrocarbon production amounted to 2.36 million boe/d (barrels of oil equivalent/day), as against 2.49 million boe/d in 2005, a 5.3 % decline. Corrected for price/group structure effects, and excluding the impact of halt as a result of upheaval in Nigeria, Total's hydrocarbon production nevertheless remained stable in 2006; production from new oilfields offset the decline or halt at North Sea production installations.

In exploration, several discoveries and continuing assessments of different permits maintained the level of proven hydrocarbon reserves, calculated according to SEC rules at 11.12 billion boe at end 2006. Also calculated on the same principles, the reserve replacement rate was 102% in 2006 and 110% for the period 2004-2006 (calculated on brent constant at USD 40 a barrel). In addition, the company's level of proven and likely reserves totalled 20.5 billion boe at end 2006, which represents more than 23 years of production at today's rate.

Downstream

In refining, the group continued investing with a view to adapting the industrial tool to market developments, in particular the processing of crude oil with high sulphur content. In marketing, Total continued optimising its service station networks on its key markets, as well as its selective development projects in China, Pakistan, Cambodia and the Philippines.

For the year 2006 as a whole, refined volumes rose by 2% to 2.5 million barrels a day; capacity utilisation rate totalled 88%, unchanged from 2005. At the same time, sales of refined products remained stable at 3.8 million barrels a day.

Chemicals

The rebalancing of the Chemical division continued in 2006 with the spin-off of Arkema, a listed company with turnover of around EUR 5.6 billion and grouping Total's chlorochemical, performance polymers and intermediary product activities.

In Petrochemicals, Total benefited from the speedy development of its petrochemicals platform in South Korea, owned 50-50 with Samsung. In specialties, an area that includes the resins and adhesives activities of Hutchinson and Atotech, the group consolidated its position and performances through internal and targeted external growth.

Management expects the group as a whole to benefit in 2007 from the placing into production and development of major projects in the Upstream segment, as well as the increasing production of the distillate hydrocracker at the Normandy refinery. Between 2006 and 2010, the growth target for hydrocarbon production is over 5% a year on average (based on a barrel of brent selling at USD 60 in 2007 and USD 40 subsequently), including 6% expansion from 2007 (excluding scope effects), after factoring in an impact of OPEC quotas estimated at - 1%. To that end, the group will rely in the coming years on a stable annual investment programme budgeted for 2007 with EUR 12.8 billion (excluding acquisitions and based on parity of USD 1.25/EUR), which gives priority (75%) to the Upstream segment.

Total has confirmed its objective of maintaining a debt-equity ratio of around 25 to 30% and of pursuing a dynamic dividend policy that can be complemented by share buyback; its shareholding in Sanofi-Aventis was valued at EUR 12 billion at end 2006.

Financial report

In a favourable environment for the oil industry, consolidated turnover for 2006 amounted to EUR 154 billion, a 12% increase over 2005.

Adjusted net operating income from business segments for the year 2006 rose by 4% to EUR 12.4 billion, as against EUR 11.9 billion in 2005.

In particular,

- in the Upstream segment, adjusted net operating income came to EUR 8.7 billion, increasing by 8% over 2005 (EUR 8.0 billion). This increase resulted in large part from the positive effect of the higher average price of liquids (+ 21% at USD 61.8/barrel), in line with the increase in the price of brent (+ 19% at USD 65.1/barrel). The positive effect was lessened, however, by a 5.3% year-on-year decline in production and by higher technical costs, which rose to USD 9.9/boe in 2006 compared to USD 8.5/boe in 2005 as well as by increased taxation.
- in the Downstream segment, productivity measures have mostly halted the decline in refining margins (- 31% at USD 28.9/t); adjusted net operating income for this branch came to EUR 2.8 billion, a 5% decrease compared to 2005.
- in Chemicals, adjusted net operating income amounted to EUR 0.9 billion, compared to EUR 1.0 billion in 2005; it was impacted by non-recurring elements related to Arkema.

Adjusted net earnings, group share, expanded by 5% in 2006 to EUR 12.6 billion. Taking into account the group's share buyback in 2006 (75.9 million shares for EUR 4.0 billion, i.e. nearly 3% of its share capital), adjusted net earnings per share came to EUR 5.44, a 7% improvement.

Net earnings, group share, added up to EUR 11.8 billion, a 4% decrease compared to 2005. This includes adjustment items for a negative total of EUR 0.8 billion (positive total of EUR 0.3 billion in 2005).

In 2006, the group's gross investments expanded by 6%, totalling EUR 11.9 billion (EUR 11.2 billion in 2005). Investments broke down as follows: 76% Upstream, 16% Downstream and 8% in Chemicals. Divestments calculated at sale price amounted to EUR 2.3 billion. The group's net cash flow came to EUR 6.5 billion, compared to EUR 4.6 billion in 2005. The net debt to equity ratio was 34% at end 2006, a level almost equivalent to that registered on 31 December 2005 (32%).

The General Meeting of shareholders on 11 May 2007 will be asked to approve the Board's proposal to distribute a net dividend of EUR 1.87 per share for 2006, a 15% increase over the previous year (EUR 1.62). After payment of an advance of EUR 0.87 per share on 17 November 2006, the balance of the dividend payout, i.e. EUR 1.00 per share, will be payable in cash on 18 May 2007.

Data stated in accordance with the IFRS

Stock Exchange data (1)

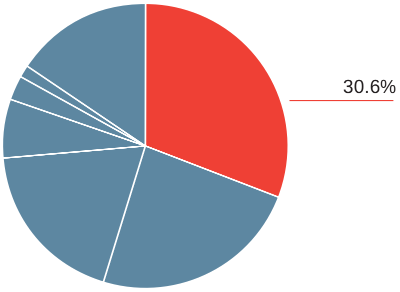
	2006	2005	2004
Number of shares in issue	2,425,767,953	2,460,465,184	2,540,060,432
Percentage of share capital	3.9	3.8	3.7
Percentage of voting rights (2)	4.0	7.0	6.9
Share price	54.65	53.05	40.17
Market capitalisation (in EUR million)	132,568	130,528	102,047
Adjusted net income per share diluted (group share)	5.44	5.08	3.76
Net dividend per share (3)	1.87	1.62	1.35

Operating data (4)

in EUR million	2006	2005	2004
Turnover	153,802	137,607	116,842
Adjusted operating income of sectors	25,166	23,408	17,039
Adjusted net income	12,585	12,003	9,131
Net income (group share)	11,768	12,273	10,868
Capital expenditures	11,852	11,195	8,904
Shareholders' equity (group share)	40,321	40,645	31,608
Net debt	13,220	12,617	9,393
Debt/equity ratio (in %)	34.0	32.0	30.7
Hydrocarbon reserves (in million boe)	11,120	11,106	11,148
Hydrocarbon production (in thousand boe/d)	2,356	2,489	2,585
- liquid (in thousand barrels/d)	1,506	1,621	1,695
- gas (in million cubic feet/d)	4,674	4,780	4,894
Sales of oil products (in thousand barrels/d)	3,786	3,792	3,761
Employees (in units)	95,070	112,877	111,401

(1) Adjusted retroactively to take account of the division of the face value by four on 18 May 2006
(2) Based on the number of voting rights published by the company at 31 December
(3) Distributed for the year under review
(4) Pursuant to IFRS requirements, the historic data of the income statement, with the exception of net income, have been recalculated to exclude Arkema's contribution

Contribution to GBL's adjusted net assets



EUR 5,134 million
(EUR 4,984 million in 2005)

Number of GBL representatives in statutory bodies in 2006: 2

Total's contribution to GBL's adjusted net assets and result

The stock market value of GBL's 3.9% stake in Total at end 2006 amounted to EUR 5,134 million compared to EUR 4,984 million a year earlier. This progression of EUR 150 million resulted from the 3% year-on-year appreciation in Total's share price; the closing share price at end 2006 was EUR 54.65, up from EUR 53.05 at end 2005. Total's contribution to GBL's adjusted net assets amounted to 31%. This does not, however, include the valuation (EUR 91 million) of GBL's 3.9% shareholding in Arkema, further to Total's spin-off of that company during 2006.

Total's contribution to GBL's net income corresponds to the net dividend paid by the oil group, namely EUR 139 million in 2006 as against EUR 120 million in 2005.
The amount for 2006 collected by GBL comprises, in application of Total's payout policy, the balance of the 2005 dividend and an advance on its dividend for the year in progress. In both cases, it amounts to EUR 69.4 million, compared with EUR 60 million for each of the 2005 periods.
This 16% increase reflects the higher dividends paid by Total from one year to the next.

www.suez.com

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Suez is an international industrial and services group operating in the sectors of Energy (electricity-gas) and Environment (water-waste), serving industry, local communities and individuals

Activities

Suez is organised into four operating branches in its two areas of activity, namely Energy and Environment: Suez Energy Europe (SEE), Suez Energy International (SEI), Suez Energy Services (SES) and Suez Environment (SE).

In its Energy business, Suez focuses its activities on the generation of electricity and heat, trading, transmission and distribution of electricity and gas (natural and liquefied), and energy and industrial services: engineering as well as installation, maintenance and operation of industrial and tertiary sites or heat-generating networks. The strategy pursued by Suez in its Energy business is based on strengthening its positions in Europe from its home base (France and Benelux) and on the selective international development of existing positions and in gas (LNG).

The group's Environment business concerns Water and Waste activities. In Water, the group designs and manages drinking water production and distribution systems and waste water treatment systems, provides engineering services and provides a wide range of services to industry. In the Waste sector, Suez manages (collection, sorting, recycling, treatment, recovery and storage) industrial and household waste, including special waste. In its Environment activities, Suez gives priority to organic growth targeted on the developed nations, particularly Europe. Outside Europe, emphasis is given to the most promising markets and activities, with opportunities being carefully selected around strong bases (China, US, Australia, Middle East and North Africa).

Key events in 2006

Suez group's performances in 2006 were driven by organic growth in its two businesses and optimization of its positions, with the following results:

- in Energy: the improvement and expansion of production capacities, the development of sales in Europe and on international markets, the continued rationalisation of the portfolio risk profile, the implementation of the deconsolidation of activities in Belgium, the ongoing development of LNG activities and the diversification of supply and the dynamism of its business activities in installations, engineering and services;
- in Environment: evolution of the portfolio towards more technology-based activities, improved profitability and strong business performances.

Based on these achievements, the group continued implementing its "Optimax" cost-cutting policy. This generated savings of EUR 591 million, giving Suez a lead on its target of EUR 550 million for end 2006 in relation to a 2004 cost basis.

Financial discipline and optimisation of return on capital employed were maintained through actions on investments, whose level at end 2006 remained in line with the target of EUR 10.5 billion set for the period 2004-2006 and on working capital needs, which declined by EUR 0.3 billion compared to 2004. Suez consequently registered a return on capital employed (ROCE) of 13.0% at end 2006, compared to 10.7% at end 2005; all branches contributed to this improvement.

In addition, 2006 saw the integration of Electrabel into Suez following the successful public offer brought to a close on the subsidiary on 6 December 2005. The transaction had a relutive impact of 5% in 2006, with a year's advance over the initial objective.

Since then, Suez, which owns 98.6% of Electrabel, has announced its plans to make a public takeover bid on all outstanding Electrabel shares. The full integration of Electrabel is expected to result in operating and financial synergies estimated globally at over EUR 440 million.

For 2007, Suez has confirmed its strategy based on the development of its Energy and Environment activities, for which it projects growth in gross operating results and in current operating results of more than 10% and 15% respectively. To achieve those goals, the group intends to continue its drive to increase operating return and to generate cash in all its businesses, and it will boost investments to EUR 15 billion over the 2007-2009 period.

The group's medium-term prospects could be strengthened by the planned merger with Gaz de France, which is still being prepared by its teams. That transaction will result in the creation of a European energy leader whose portfolio will turn to good account the gas-electricity convergence and geographical complementarity. The planned friendly merger promises to bring significant synergistic effects.

Financial report

Suez continued to improve its performances in 2006 through organic growth in its two businesses (Energy and Environment), with the result that operating income increased faster than turnover.

The group's turnover of EUR 44.3 billion in 2006 was 6.7% higher than its 2005 level (EUR 41.5 billion). Underlying organic growth, excluding the scope effects, exchange rates and variation in gas prices, amounted to 8.2%, thus falling within the target range set for 2004-2006 (4 to 7% average annually). All Suez turnover is generated by the Energy and Environment businesses; 89% of total turnover is generated in Europe and North America, with 80% deriving from the European continent alone.

Gross operating result (EBITDA) amounted to EUR 7.1 billion, an 8.8% increase compared to 2005 (+ 11.2% excluding scope and exchange rates effect). This increase reflects the improved performances of the four branches, part of which results from cost-cutting measures:

- Suez Energy Europe (SEE) accounted for 43% of operating earnings with EUR 3.1 billion. The gross increase of 7.2% over 2005 (9.2% on a comparable basis) reflects the favourable dynamic of electricity and gas prices, a strong operating performance and the gradual expansion of Electrabel's growth markets outside Belux (Netherlands, France, Italy and Germany), in spite of non-recurring regulatory costs in Belgium.
- Suez Energy International (SEI) contributed for EUR 1.6 billion to that result (EUR 1.3 billion at end 2005). This 17.3% improvement (17.1% organic) stemmed mainly from strong growth in LNG activities, progress on the merchant activity and business successes with tertiary and industrial clients in the United States, higher sales in Thailand and new projects in the Middle East.
- Suez Energy Services (SES) registered an EBITDA of EUR 0.6 billion, an increase of 5.1% over its level for 2005. This branch profited from restructuring measures and commercial successes in the area of installations, engineering and services.
- Suez Environment (SE) contributed for EUR 2.0 billion, up 3.6% over the previous year; on a comparable basis, EBITDA increased by 7.8%. This performance was driven by sustained organic growth in Waste operations in Europe and Water activities in France, as well as the positive effects of the selective development of less capitalistic activities in Water in Europe (France, United Kingdom) and internationally (Middle East, China, North Africa, etc.).

Current operating income came to EUR 4.5 billion, a noteworthy expansion on both a gross (+ 15.2%) and organic (+ 15.9%) basis. Growth of this heading surpassed growth in gross operating results and reflects the impact of the "Optimax" cost-cutting programme, which has exceeded the target of EUR 550 million for 2005 and 2006.

Net income, group share, at end 2006 came to EUR 3.6 billion, a 43.5% increase over 2005. This result includes capital gains on disposals in the amount of EUR 1.1 billion, compared to EUR 1.5 billion in 2005, turning to good account the evolution of the fair value of financial instruments on raw materials, asset depreciation and restructuring costs. It also includes a smaller minority share taking account of the effect of 98.6% ownership of Electrabel for the entire year 2006.

The group's cash flow before financial expenses and taxes came to EUR 6.4 billion at end 2006, an 11% increase over its 2005 level.

Investments in 2006 added up to EUR 3.8 billion, compared to EUR 3.5 billion in 2005 (excluding the acquisition of Electrabel minority shares). Maintenance and development accounted for EUR 1.4 billion and EUR 2.4 billion respectively.

Disposals in 2006, as in 2005, amounted to nearly EUR 3.3 billion and primarily consisted in the disposal of shares in intermunicipal companies and residual holdings in M6 and Neuf Cegetel. In that context, the net surplus of cash and cash equivalents (after acquisitions, disposals and dividends) came to EUR 2.7 billion.

The group's net financial debt at end 2006 totalled EUR 10.4 billion, as compared to EUR 13.8 billion at end 2005, representing 46% of shareholders' equity (72% at end 2005).

The General Meeting of shareholders on 4 May 2007 will be asked to approve the Board's proposal to distribute a net dividend of EUR 1.20 per share, a 20% increase over the previous year. The dividend will be payable from 7 May 2007.

Data stated in accordance with the IFRS

Stock Exchange data

	2006	2005	2004
Number of shares in issue	1,277,444,403	1,270,756,255	1,020,465,386
Percentage of share capital	8.0 (1)	7.3	7.1
Percentage of voting rights	11.9 (1)	11.5	12.3
Share price	39.23	26.30	19.62
Market capitalisation (in EUR million)	50,114	33,421	20,022
Net income per share	2.86	2.39	1.70
Net dividend per share	1.20	1.00	0.80

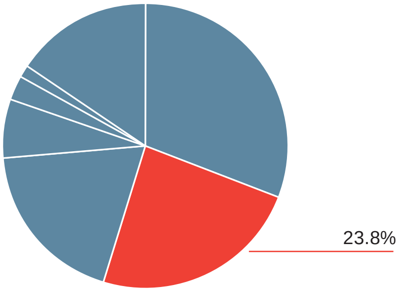
Operating data

in EUR million

	2006	2005	2004
Turnover (excluding trading activities)	44,289	41,489	38,058
Gross operating income (EBITDA)	7,083	6,508	5,932
Current operating income	4,497	3,902	3,737
Result from ordinary activities	5,368	4,522	3,540
Net income (group share)	3,606	2,513	1,696
Operating cash flow	6,383	5,751	5,681
Capital expenditures	3,826	3,543	2,927
Shareholders' equity (group share)	19,504	16,511	8,030
Net debt	10,449	13,809	11,696
Debt/equity ratio (in %)	46	72	91
Employees (in units)	140,000	157,650	160,700

(1) At the date of this report, GBL holds respectively 9.6% and 13.4%

Contribution to GBL's adjusted net assets



EUR 3,990 million
(EUR 2,418 million in 2005)

Suez's contribution to GBL's adjusted net assets and result

The stock market value of GBL's 8.0% stake in Suez at end 2006 came to EUR 3,990 million, as against EUR 2,418 million a year earlier. The acquisition in 2006 of 9.8 million Suez shares on the Stock Exchange and the appreciation of the Suez share price (+ 49.2%) explain the greater weight of the Suez holding on adjusted net assets from year to the next (up by EUR 1,572 million). The Suez contribution to GBL's adjusted net assets rose from 21.8% to 23.8%.

The contribution of Suez to GBL's net income in 2006 corresponds to its net dividend payout, which amounted to EUR 78 million. This figure resulted from the distribution of a Suez dividend of EUR 1.00, a 25.0% increase over its previous level.

Number of GBL representatives in statutory bodies in 2006: 3

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With a presence in over 70 countries, Lafarge is the world's leader in building materials: Cement, Aggregates & Concrete and Gypsum

Activities

Lafarge holds a leading position in each of its business divisions: number one worldwide in Cement, number two worldwide in Aggregates & Concrete, and number three worldwide in Gypsum.

Key events in 2006

2006 was a year of transformation for Lafarge, with the acquisition of minority shareholdings in Lafarge North America, the sale of its Roofing division and the launch of the strategic plan, Excellence 2008.

The year also saw a sharp increase in Lafarge's results, resulting from a favourable environment on its markets, strong organic growth and cost control. The favourable trend continued during the last quarter of the year and strong results are expected to continue in 2007.

Cement

The Cement business operated in a climate of major increases in the costs of energy, transport and raw materials, but these were largely offset by price increases on most of its markets.

Sales volumes rose from 123 million tonnes to 132 million tonnes, primarily in the emerging countries, whose contribution to current operating income rose to 49% compared to 47% in 2005.

Turnover for the Cement division rose by 16.0% to EUR 9,641 million, compared to EUR 8,314 million in 2005, sustained by a favourable exchange rate impact of 0.9% and a scope effect of 1.2%, related essentially to the creation of Lafarge-Shui On joint venture in China and the acquisition by the joint venture of operations in Yunnan. At comparable scope and exchange rates, turnover increased by 13.9%. The price and product mix increases impact (+ 8.6%) were the drivers of this performance. Growth in volume of sales accelerated to 5.3% (2.2% in 2005), particularly in Europe and in the emerging countries, while North America registered a slowdown.

Aggregates & Concrete

Turnover for the Aggregates & Concrete division was also in large measure determined by the impact of higher energy costs. Growth resulted primarily from strong pricing gains on all product lines, combined with positive volume trends on certain markets, in particular in Western and Central Europe. Investments in growing markets also contributed to year-on-year sales improvement.

Turnover of the Aggregates & Concrete division added up to EUR 6,449 million, an increase of 19.6% over 2005. Exchange rate fluctuations had a positive impact of 1.5%. Group consolidation changes accounted for an increase in sales of 3.9%, mainly from the impact of acquisitions in Central Europe and North America. At comparable scope and exchange rates, turnover grew by 14.2% over 2005, i.e. a 12.4% progression in aggregates (2.9% in volume and 9.5% in price and product mix) and 16.4% in ready-mix concrete (7.3% in volume and 9.1% in price and product mix).

Gypsum

Higher sales were partly driven by favourable pricing conditions in North America up to the end of July and to the good market environment in Western Europe. 2006 also saw the inauguration of new production lines in Vietnam and Morocco.

Turnover by the Gypsum division rose by 10.3% to EUR 1,632 million, compared to EUR 1,479 million in 2005, including a positive exchange rate impact of 0.2% and a negative consolidation scope impact of 1.4%. At comparable scope and exchange rates, turnover expanded by 11.5%, which included volume growth of 2.5% and a favourable price and product mix, particularly in North America.

Roofing (discontinued operations)

The Roofing division, the disposal of which will be finalised in the first quarter of 2007, is entered in the group's income statement as discontinued operations. Sales for this activity increased by 7.3% to EUR 1,624 million in 2006, compared to EUR 1,514 million in 2005, driven in particular by the overall positive market situation in Western Europe.

Financial report

Lafarge's turnover amounted to EUR 16,909 million, an increase of 16.7% over 2005. This result stemmed from organic growth, which was favoured by the group's solid positions on its different markets. At constant scope and exchange rates, turnover rose by 13.9% under the positive influence of generally favourable market conditions and active sale price management to cover sharp increases in costs in most of the group's markets.

Current operating income grew to EUR 2,772 million, a 23.4% increase (23.1% at constant scope and exchange rates). All divisions showed vigorous growth:

- in Cement, current operating income expanded by 18.8% to EUR 2,103 million. This improvement of margins from 21.3% to 21.8% was linked to both higher sales volumes, price increases in a context of rising costs, and additional cement and clinker purchases;
- In Aggregates & Concrete, current operating income increased by 41.7% to EUR 564 million, with operating margins rising from 7.4% to 8.7%. This performance was driven by price increases combined with cost control, as well as the further growth in value added products;
- in Gypsum, current operating income expanded by 31.1% to EUR 198 million. This increase in margins from 10.2% to 12.1% resulted basically from price increases in North America and strong volumes and prices in Western Europe.

Net income from continuing operations amounted to EUR 1,593 million (+ 20.0%). This includes the restructuring provision of EUR 99 million relating to the Excellence 2008 plan, a financial result that reflects higher financial expenses linked to the acquisition of minority shareholdings in Lafarge North America and the increase in the effective taxation rate to 28.3% in 2006, up from 26.2% in 2005.

Net loss on discontinued operations amounted to EUR 4 million, as compared to a profit of EUR 97 million in 2005. In spite of growth in operating results, this loss stemmed from the write-off in 2006 of a deferred tax recorded in 2005.

Net income, group share, increased by 25.2% to EUR 1,372 million, compared to EUR 1,096 million in 2005. Minority interests declined by 33.8% further to the acquisition of minority interests in Lafarge North America.

Cash flow from operations added up to EUR 2,639 million, while investments amounted to EUR 4,814 million, compared to EUR 1,715 million in 2005. Sustaining capital expenditures rose by 13.2% to EUR 978 million and internal development capital expenditures climbed by 61.4% to EUR 549 million. These essentially concerned the construction of new cement production capacities in growth countries. Acquisitions amounted to EUR 3,287 million and included the buyback of minority interests in Lafarge North America in the amount of EUR 2,884 million, while asset disposals amounted to EUR 180 million. Consolidated net financial debt was up by 36.3% to EUR 9,845 million on 31 December 2006, as compared to EUR 7,221 million at end 2005.

The General Meeting of shareholders, on 3 May 2007, will be asked to approve a net dividend of EUR 3.00 per share (up by 17.6% over 2005), payable from 25 May 2007. The company has announced its intention of making use in 2007 of its share buyback authorisation in the amount of EUR 500 million.

Data stated in accordance with the IFRS

Stock Exchange data

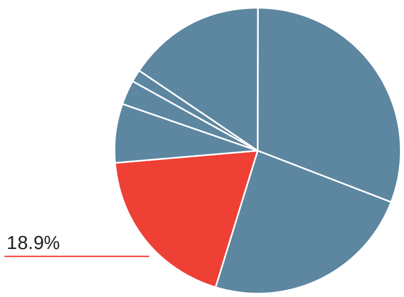
	2006	2005 [(1)]	2004 [(1)]
Number of shares in issue	176,625,142	175,985,303	170,919,078
Percentage of the share capital	15.9	3.4	-
Percentage of the voting rights	14.8	3.3	-
Share price	112.70	76.00	71.00
Market capitalisation (in EUR million)	19,834	13,344	12,135
Net income per share (group share)	7.86	6.39	6.26
Net income per share diluted (group share)	7.75	6.34	6.13
Net dividend per share	3.00	2.55	2.40

Operating data

in EUR million	2006	2005	2004
Turnover	16,909	14,490	12,976
Current operating income	2,772	2,246	2,039
Net income (group share)	1,372	1,096	1,046
Operating cash flow [(2)]	2,639	2,085	1,922
Capital expenditures	1,639	1,313	1,008
Shareholders' equity (group share)	10,403	9,758	7,782
Net debt	9,845	7,221	8,358
Debt/equity ratio (in %)	83	59	84
Employees (in units)	71,000	80,146	77,075

(1) Adjusted in compliance with IFRS 5 requirements, for the planned disposal of the Roofing division
(2) Current operating income plus net depreciation and provisions (EBITDA) less taxes on current operating income, excluding cash flow from operations related to the Roofing division

Contribution to GBL's adjusted net assets



EUR 3,170 million
(EUR 450 million in 2005)

Lafarge's contribution to GBL's adjusted net assets and result

GBL's stake in Lafarge, which amounted to 3.4% at end 2005, increased to 15.9% at end 2006. Its stock market value came to EUR 3,170 million, compared to EUR 450 million, an increase of EUR 2,720 million due to the increase in the shareholding and the appreciation (+ 48.3%) of the share price. Lafarge contributed 18.9% to GBL's adjusted net assets.

The contribution by Lafarge to GBL's net income for 2006 corresponds to the net dividend collected by GBL for the first time from the cement group, i.e. EUR 39 million on the basis of a Lafarge dividend of EUR 2.55.

Number of GBL representatives in statutory bodies in 2006: 0

IMERYS

www.imerys.com

Imerys financial communication
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With a presence in 45 countries and more than 250 industrial sites, Imerys is the worldwide leader in adding value to minerals

Activities

Imerys has leading positions in each of its four business groups: Specialty Minerals, Pigments for Paper, Materials & Monolithics, Refractories, Abrasives & Filtration. Its minerals have a great many applications in everyday life, including construction, personal care, paper, paint, plastics, ceramics, telecommunications or filtration.

Key events in 2006

Throughout the 2006 financial year, Imerys made progress on different markets and was affected by restructuring operations particularly in the paper and ceramic industries. The financial year was also marked by increased costs, which were particularly strong in the first six months and by a slowdown in the construction market in the United States in the fourth quarter.

Imerys continued to grow against that backdrop. Turnover increased by 8.0%, operating profits remained high and, for the fifteenth consecutive year, net current income was up by 7.2%.

After a particularly active 2005 in terms of external growth, in 2006, Imerys continued to consolidate the companies it had purchased. The group also started major restructuring in kaolins for paper, which will enable it to establish a sustainably competitive cost platform. The level of industrial investments remained sustained.

Specialty Minerals

In 2006, this division's markets showed contrasting conditions:

- performance mineral markets (paint, plastics, adhesives, etc.) focused greatly on Europe, particularly thanks to their good construction performance. The favourable economic climate in North America in the first half of the year did, however, record a significant slowdown in the fourth quarter;
- fine ceramic markets were affected by reduced capacities in Western Europe and North America and by the transfer of production to Eastern Europe and Latin America;
- graphite markets were dynamic, whereas clay markets showed a downturn owing to increased competition.

In this context marked by the weakness of some markets and energy price inflation, restructuring efforts were stepped up throughout this market and industrial investments, which increased to EUR 61.3 million, focused on improving productivity and selective capacity increases.

The Specialty Materials business group's turnover amounted to EUR 891.9 million, up by 10.2% compared to 2005. This increase takes account of a scope impact of + 8.9% reflecting the acquisitions made at the end of the previous financial year. At comparable scope and exchange rates, the improvement of the price/product mix compensated for the reduction in sales volumes in the latter half of the year, particularly in the United States.

Pigments for Paper

The year 2006 saw growth in the world's production of printing and writing paper, estimated at 2.4%. In spite of this mainly favourable context, the existence of excess production capacities on some market segments, particularly in Europe, led to the closing down of a series of production units. This programme is expected to result in better use of European paper producing capacities.

Industrial investments amounted to EUR 60.9 million and corresponded to the pursuit of the group's development strategy in calcium carbonates. Furthermore, Imerys announced an investment programme totalling EUR 100 million for reorganising its production of kaolin for paper particularly to limit its exposure to energy costs in Great Britain.

The Pigment for Paper business group's turnover amounted to EUR 762.7 million, up by 1.0% compared to 2005. Excluding scope and exchange rates impact, it is up by 1.4%. This change reflects an improvement of the price/product mix offset by a reduction in sales volumes further to the closure of factories by some large European paper clients and by industrial disruptions in North America.

Materials & Monolithics

This business group gained the most from strong markets in 2006:

- the progress made on the French building materials market continued. The roofing segment was up by 3%, with a slight increase in single-family housing start-ups and a dynamic renovation market. For wall bricks, clay products continued to grow (+ 13%) and increased their market share;
- the monolithic refractory market benefited from a sound level of activity, particularly in the steel industry.

The investment, rationalisation and industrial and commercial optimisation programmes continued in 2006 and represented most of the EUR 45.7 million invested during the year.

The Materials & Monolithics business group's turnover amounted to EUR 893.0 million, down by 3.2% compared to 2005. This change results from the sale of the Larivière specialised distribution network. At comparable scope and exchange rates, sales were up by 6.4% and reflect the combined impact of the progress made in the price/product mix and higher sales volumes.

Refractories, Abrasives & Filtration

This division's market environment was mostly favourable during the last year: progress was made in steel production and applications in the construction and aeronautics sectors were dynamic.

Industrial investments increased to EUR 55.7 million. This increase resulted from improved operating efficiency and modernisation programmes to reduce the impact of higher energy costs and increased capacities.

Turnover amounted to EUR 787.8 million, up by 30.5% compared to 2005. This growth reflects the consolidation of World Minerals and AGS as of July 2005 and March 2006 respectively, net of the sale of American Minerals in March 2005. At comparable scope and exchange rates, sales were up by 3.6% with an improvement of the price/product mix.

Restructuring of operating structures

On 1 January 2007, the group decided to change its operating organisation, dividing its activities into three business groups in order to boost growth and optimise costs, resources and process synergies between the different divisions. The three business groups are: Performance Minerals & Pigments, Materials & Monolithics, and Ceramics, Refractories, Abrasives & Filtration.

Financial report

Imerys' turnover amounted to EUR 3,288.1 million, up by 8.0% compared to 2005. This change takes account of a major consolidation effect (+ 5.3%). At comparable scope and exchange rates, turnover is up by 3.2% with an improvement of the price/product mix and a slight reduction in sales volumes.

Current operating income amounted to EUR 458.8 million (+ 5.7%). For the second consecutive year, the group had to cope with inflation from variable costs, mainly energy. In this context, the increase in the current operating income for the financial year resulted from:

- the contribution of acquisitions, whose impact, net of sales, added up to EUR 20.9 million;
- the increase of the price/product mix by EUR 122.5 million which compensates for inflation from external costs;
- the negative impact of sales volumes (EUR - 17.8 million);
- the strict control of fixed costs which were almost stable from one period to the next (EUR - 1.7 million).

Over the year, the slowdown in the performance of Specialty Minerals was more than compensated for by the progress made by the other three business groups. In total, the group's operating margin remained high (14.0% in 2006 compared to 14.3% in 2005) and return on capital employed amounted to 14.5% in 2006 compared to 14.9% in 2005.

Net current income, group share, amounted to EUR 308.3 million (+ 7.2%). This increase takes account of stable financial income, particularly due to foreign exchange gains, with the effective tax rate being almost stable at 25.8% in 2006 compared to 26.1% in 2005.

In 2006, net income, group share, amounted to EUR 187.4 million, compared to EUR 309.4 million the previous year. In 2005, net income comprised EUR 21.8 million in other income and expenses, including the net capital gain on the disposal of Larivière. In 2006, it comprised an amount, net of tax, of EUR - 120.9 million in other income and expenses resulting from provisions for depreciation of industrial assets, restructuring costs and cost-cutting operations.

Capital expenditures remained high over the period at EUR 217.0 million compared to EUR 251.0 million in 2005.

External growth operations had an impact of EUR - 31.1 million on cash flow (EUR - 439.6 million in 2005) and sales of assets amounted to EUR 17.9 million (EUR 183.9 million in 2005).

Imerys continues to have good financial flexibility. Current free cash flow remained at EUR 199.0 million compared to EUR 195.1 million in 2005 and net consolidated financial debt dropped to EUR 1,086.1 million at 31 December 2006, compared to EUR 1,140.0 million at the end of 2005.

The General Meeting of shareholders on 2 May 2007 will be asked to approve a proposal to distribute a net dividend per share of EUR 1.80 (up by 9.1% compared to 2005), payable from 15 May 2007.

Data stated in accordance with the IFRS

Stock Exchange data

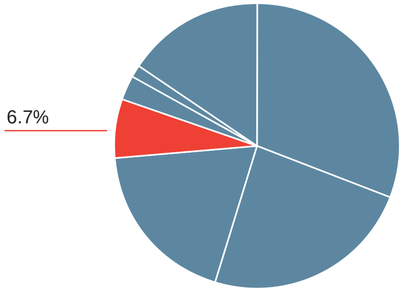
	2006	2005	2004
Number of shares in issue	63,334,620	63,971,865	63,450,020
Percentage of share capital	26.4	26.2	26.4
Percentage of voting rights	34.4	20.7	20.7
Share price	67.40	61.10	61.75
Market capitalisation (in EUR million)	4,269	3,909	3,918
Net current income per share (group share)	4.86	4.53	4.12
Net income per share diluted (group share)	2.96	4.83	3.76
Net dividend per share	1.80	1.65	1.50

Operating data

in EUR million	2006	2005	2004
Turnover	3,288	3,045	2,871
Current operating income	459	434	422
Net current income (group share)	308	288	261
Net income (group share)	187	309	240
Operating cash flow (1)	522	480	445
Capital expenditures	217	251	194
Shareholders' equity (group share)	1,630	1,672	1,354
Net debt	1,086	1,140	890
Debt/equity ratio (in %)	66	68	65
Employees (in units)	15,776	15,934	14,088

(1) Current operating income plus net depreciations and provisions (EBITDA) less taxes on current operating income

Contribution to GBL's adjusted net assets



EUR 1,129 million
(EUR 1,023 million in 2005)

Imerys' contribution to GBL's adjusted net assets and result

The stock market value of GBL's 26.4% stake in Imerys at the end of 2006 amounted to EUR 1,129 million, an increase of EUR 106 million over the previous financial year, reflecting the 10% increase in the Imerys share price over this period. Imerys' share in GBL's adjusted net assets amounted to 6.7%.

Imerys' contribution to GBL's net income in 2006 using the equity method amounted to EUR 50 million, down by EUR 32 million compared to 2005. This change results from the cost of the restructuring operations put in place in the kaolin sector, whereas the current net income rose by 7.2%.

Number of GBL representatives in statutory bodies in 2006: 2

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The world's number two in wine and spirits, Pernod Ricard holds a leading position on every continent worldwide

Activities

Since its founding in 1975, the group has achieved significant internal growth and made numerous acquisitions, in particular Seagram in 2001 and Allied Domecq in 2005. Pernod Ricard has consequently become the world's second largest company in wines and spirits.

With a large presence on every continent and a strong position in the emerging Asian and South American countries, the group produces and distributes a wide range of wines and spirits under 15 key brands, 30 local brands that are leaders on their markets and a large number of regional brands. The group's leading brands are:

- Spirits: Ricard, Ballantine's, Chivas Regal, Malibu, Stolichnaya, Havana Club, Beefeater, Kahlua, Jameson, Martell and The Glenlivet;
- Wines: Jacob's Creek, Montana and the champagnes Mumm and Perrier Jouët.

Key events in 2006

The year 2006 saw the integration of Allied Domecq, acquired in 2005 with the cooperation of Fortune Brands for EUR 10.7 billion. In January 2006, in accordance with their agreements, Pernod Ricard transferred to Fortune Brands a number of Allied Domecq brands (in particular Canadian Club, Courvoisier, Sauza and Maker's Mark), together with certain of its own brands, such as Larios gin, for a total value of EUR 4.3 billion.

On 30 June 2006, Pernod Ricard had slashed its debt by EUR 3.6 billion thanks to the cash flow generated by its activities and the disposal of non-strategic assets or those with competition issues: Dunkin' Brands Inc. (sold to a consortium of financial investors for USD 2.4 billion), Britvic, Bushmills, Glen Grant, etc. These divestments brought in a pre-tax total of nearly EUR 2.6 billion and net indebtedness on 30 June 2006 totalled EUR 6.4 billion.

Pernod Ricard integrated the brands acquired from Allied Domecq into its organisation, while maintaining its decentralised model that resides on the coexistence of management by brand and by distribution subsidiary. The speedy integration of Allied Domecq resulted in a synergy level of over 60% for 2005-2006 (the full EUR 270 million in synergy will emerge in 2006-2007), while the integration costs of between EUR 350 and 400 million were less than anticipated (EUR 450 million). The group's positions have consequently been strengthened through:

- a rebalancing of the portfolio towards high-growth products (liqueurs, white spirits, new world wines) and the bolstering of the Premium positioning of the Pernod Ricard range (whiskies, cognac, champagne);
- the concentration of efforts on the 15 new strategic brands;
- the extension of the distribution network to the countries where Pernod Ricard's market share was smaller (Mexico, South Korea, Canada, New Zealand and central Europe) as well as a strengthening of structures in high-growth countries (United States, China and Russia).

Financial report

The figures presented refer to the 2005-2006 financial year, which ended on 30 June 2006.

On 30 June 2006, the turnover for the new consolidated group amounted to EUR 6,066 million, an increase of 68%. Turnover for Pernod Ricard's historic portfolio came to EUR 3,676 million, an organic growth of 4.4%. The scope effect linked to the contribution of the Allied Domecq brands (turnover of EUR 2,390 million) represented + 61% and the exchange rate effect + 3.1%. From the geographical standpoint, growth was higher in the Americas and in Asia/rest of the world than in Europe:

- Asia, the group's most dynamic growth area and the engine of its expansion (+ 9.6%), included spectacular progress in China (volumes + 50%), but also in South Korea and India, whereas Thailand suffered from an unstable political and economic environment.
- The Americas (+ 6.7%) proved to be the region benefiting the most from the acquisition of Allied Domecq. Pernod Ricard strengthened its positions on the North American markets and now holds the number one position in Latin America, a constantly expanding market.
- Europe, apart from France (- 1.6%), the group's number one region with more than 30% of sales volumes, showed contrasting results due to unfavourable economic conditions.
- The French market continued being affected by a downturn in consumption. In spite of an approximate 1% decrease in activity during the year, there was a return to internal growth towards the end of the period.

The group's historic portfolio showed vigorous growth, particularly on its Premium brands, with double-digit expansion in terms of volumes for Chivas Regal (+ 11%), Martell (+ 11%), Jameson (+ 12%), Havana Club (+ 13%) and The Glenlivet (+ 10%). These international brands continue to drive the group's organic growth, which is also sustained by local successful brands (Royal Stag in India, Ruavieja in Spain and Montilla in Brazil). The brands taken over from the Allied Domecq portfolio, especially Ballantine's and Beefeater, were affected during the year by a non-recurring phenomenon of a rundown of inventories on certain markets where stocks were abnormally high.

Current operating earnings amounted to EUR 1,255 million (+ 72%) thanks to the acquisition of Allied Domecq, the realisation of synergies effects and the decline in the ratio of structural costs to turnover. The financial income came to EUR - 410 million (EUR - 88 million in 2004-2005) owing to the increased financial debt.

Net current earnings, group share, amounted to EUR 711 million, a 49.4% increase. Net profit, group share, added up to EUR 639 million (+ 32.1%). This includes an amount of EUR 126 million (after tax) in other income and expenses resulting from net capital gains on the disposal of shares in the amount of EUR 326 million and restructuring expenses of EUR 333 million, as well as acquisition expenses of EUR 54 million.

The General Meeting of shareholders on 7 November 2006 approved the distribution of a net dividend per share of EUR 2.52 (a 17% increase over 2005). An advance payment of EUR 1.12 was distributed on 5 July 2006 and the balance of EUR 1.40 was paid on 15 November 2006.

The Board of Directors decided on 16 January 2007 to increase the company's share capital through the incorporation of reserves and the distribution of shares in the amount of one new share for every five existing shares held. These new shares will be eligible for dividends to be paid for the 2006-2007 financial year.

On 31 December 2006 (first half of the 2006-2007 financial year), turnover had risen by 7.3% to EUR 3,507 million. This growth resulted from an internal expansion of 9.7%, an unfavourable exchange rate effect of 2.7% and a scope effect of 0.7%. Spirits registered internal growth of 12.5%, primarily as a result of the strong performances in Asia/rest of the world and the Americas. Turnover in the wine division slipped by 1.1% due to a decline in Australian wine brands.

Data stated in accordance with the IFRS

Stock Exchange data (before distribution of shares free of charge) (1)

	30 June 2006	30 June 2005 (2)	31 December 2003
Number of shares in issue	94,061,439	70,484,081	70,484,081
Percentage of share capital	-	-	-
Percentage of voting rights	-	-	-
Share price	155.00	132.00	88.15
Market capitalisation (in EUR million)	14,580	9,304	6,213
Net income per share diluted (group share) (3)	7.29	6.81	6.25
Net dividend per share	2.52	2.15	1.96

Operating data

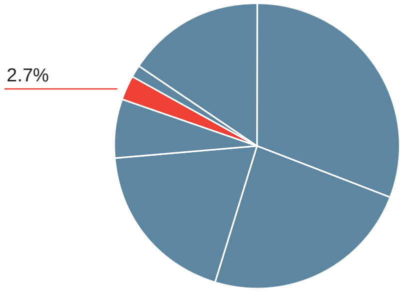
in EUR million	30 June 2006	30 June 2005 (2)	31 December 2003
Turnover	6,066	3,611	3,534
Current operating income	1,255	729	739
Net current income (group share)	711	476	464
Net income (group share)	639	484	464
Cash flow from operations	988	791	473
Capital expenditures	338	154	116
Shareholders' equity (group share)	5,700	2,530	2,731
Net debt	6,351	2,145	2,109
Debt/equity ratio (in %)	108	84	77
Employees (in units)	17,602	12,304	12,254

(1) The Board of Directors adopted a decision to increase the company's share capital, on 16 January 2007, through the incorporation of reserves and the distribution of shares in the amount of one new share distributed for every five existing shares held. These new shares will entitle their holders to dividends to be paid for financial year 2006-2007. The Stock Exchange data are presented on the basis of the number of shares existing prior to such distribution

(2) The results for the periods ended 30 June 2005 and 30 June 2006 were prepared in accordance with the IFRS, while the figures for the period ended 31 December 2003 were prepared on the basis of French standards. The 2005 results cover a 12 months period

(3) On the basis of the average number of issued shares, excluding treasury shares, diluted

Contribution to GBL's adjusted net assets



EUR 446 million

Pernod Ricard's contribution to GBL's adjusted net assets

In the fourth quarter of 2006, GBL gradually acquired shares of Pernod Ricard on the Stock Exchange and is continuing to build up its shareholding in 2007.

On 31 December 2006, GBL owned a 2.8% stake in Pernod Ricard. On that date, the stock market value of that shareholding amounted to EUR 446 million and represented 2.7% of the group's adjusted net assets. Pernod Ricard did not contribute to GBL's results for 2006 since GBL collected no dividends on its shareholding during the year.

On 26 January 2007, GBL announced that it had raised its stake in Pernod Ricard to 5.1%.

Number of GBL representatives in statutory bodies in 2006: 0

Bertelsmann

A top-ranked private international group in which GBL held joint control (25.1%), alongside the Mohn family, up until the end of the first half of 2006, Bertelsmann is a major and diversified operator in the media sector.

Bertelsmann's activities are organised into six autonomous divisions, each of which holds a leading international position in production, marketing and distribution of media content and services:

- RTL Group is the European leader in television, radio and TV production; its activities encompass a network of 34 commercial television channels and radio stations broadcasting in 11 countries built primarily on the RTL Television families in Germany, M6 and RTL Radio in France, Five in the United Kingdom, RTL in Benelux and Antena 3 in Spain.
- Random House has a portfolio of some 100 independent publishing companies, making it the world's biggest publisher of paperback and hardback fiction for adults and children.
- Gruner + Jahr is Europe's leader in magazine publishing.
- Bertelsmann Music Group (BMG) comprises the 50-50 joint venture Sony BMG Music Entertainment, the second largest recorded music company, along with publishing activities through BMG Music Publishing.
- Arvato is one of the top-ranking international media service providers, with activities as printing, data storage, management and processing, tasks logistics, administrative services, …
- Direct Group Bertelsmann is active in direct sales activities (book, music and DVD clubs, bookshops, etc.) worldwide.

During the first half of 2006, which saw a favourable environment on the whole for the media business, Bertelsmann's performance at end June was led by the expansion of its different businesses, with operating profits varying in terms of the activity.

The group's consolidated income added up to EUR 9.1 billion on 30 June 2006, a 14.5% increase over the first half of 2005 (EUR 8.0 billion). The rise in turnover resulted primarily from the investments made in the course of 2005, with organic growth in the firm's activities reaching 4.0% (1.2% at mid-2005), a development that was particularly pronounced in the case of RTL Group.

Operating EBIT at mid-2006 came to EUR 701 million, an increase of 8.9% over its level of June 2005 (EUR 644 million). Operational profitability amounted to 7.7%, a slight dip from the previous year's figure (8.0%).

Net income, group share, amounted to EUR 243 million, i.e. an 8.5% increase over its 2005 level; GBL's share came to EUR 61 million.

	Turnover		Operating EBIT	
in EUR million	**30 June 2006**	**30 June 2005**	**30 June 2006**	**30 June 2005**
RTL Group	2,854	2,397	471	371
Random House	859	799	48	48
Gruner + Jahr	1,374	1,188	111	126
BMG	888	952	2	48
Arvato	2,202	1,874	96	100
Direct Group	1,264	1,016	13	(11)
Total of the divisions	*9,441*	*8,226*	*741*	*682*
Corporate and consolidation	(297)	(238)	(40)	(38)
Group's total	**9,144**	**7,988**	**701**	**644**

Other investments

PAI Europe III (PAI)

Of GBL's 2001 subscription undertaking of EUR 40 million in PAI (EUR 1,816 million), it had paid EUR 38 million as of 31 December 2006 and collected cumulated dividends of over EUR 26 million.

During 2006, PAI implemented refinancing operations on FTE Automotive, Compagnie Européenne de Prévoyance, Chr Hansen and Saur.

During the summer of 2006, it also recapitalised Vivarte and Saeco which, together with the refinancing operations, made it possible to reimburse investors.

When Neuf Cegetel was floated on the Stock Exchange in late October 2006, the fund sold 50% of its investment on the Stock Exchange, and the remainder was placed under lock-up for six months.

During that same period, United Biscuits, owned since 2000 and 2001 by PAI LBO Fund and PAI, was sold by auction to Blackstone group and to the PAI Europe IV fund.

At end December 2006, PAI granted exclusivity to Charterhouse in the context of the disposal of Vivarte, a major French operator in clothing and footwear distribution. The deal is set to be closed in March 2007.

As a result of all the different transactions effected in 2006, GBL had a capital gain of EUR 1.9 million. Revaluations at fair value on PAI amounted to EUR 24 million at end December 2006 on a cumulative basis.

In January 2007, PAI received a bid from the Permira fund on the disposal of Provimi at a price of EUR 30 per share. This transaction must be cleared by the competent antitrust authorities.

Sagard Private Equity Partners (Sagard)

In 2002, GBL made an undertaking to subscribe to the initial Sagard fund (Sagard I FCPR) in the amount of EUR 50 million, out of a total of EUR 536 million. During financial year 2006, GBL subscribed to Sagard's successor, Sagard II, in the amount of EUR 150 million, out of a total of EUR 1,010 million.

State of play of Sagard initial fund

On 31 December 2006, GBL had paid a total of EUR 44 million and collected dividend payouts from Sagard adding up to EUR 14 million on a cumulative basis.

In 2006, Sagard pursued its investment policy and expanded its portfolio by acquiring shares in:

- Souriau, an industrial company that manufactures high-value-added connectors resistant to harsh environments.
- Régie Linge, number three in France in the leasing and maintenance of flat work, work clothing and hygiene items.
- Dépolabo, number one pharmaceutical depository in France.
- Olympia, one of the leading independent groups in Europe in the sector of alternative management.

With these latest acquisitions, the Sagard I fund concluded its investment period on 31 July 2006, and after divestments in AFE and Le Moniteur, the group still held 10 investments on 31 December 2006.

State of play of Sagard II fund

On 31 December 2006, GBL had invested a total of EUR 1 million in this new fund.

An initial transaction was finalised in January 2007: Aliplast, one of Europe's leaders in closure systems and aluminium sections for windows, doors, verandas and curtain-walls. The company deals primarily with window manufacturers and installers from its different production sites in Belgium, France, the United Kingdom, Poland and China.

Ergon Capital Partners (ECP)

ECP is a private equity fund set up in February 2005 by GBL in partnership with Parcom Ventures, an ING subsidiary. With the creation of a second fund in December 2006, ECP has a total investment capacity of EUR 500 million. The company invests in firms with leading positions on growth markets offering expansion opportunities, and located primarily in Belgium, Italy, Spain and France.

In February 2006, ECP paid EUR 24.3 million for an 80% stake in King Benelux, the biggest wholesaler and distributor of consumer goods for a wide range of industries and sectors, including health, public institutions, catering and cleaning.
In November 2006, ECP hiked up its investment in King Benelux by EUR 2.6 million on the occasion of the King Benelux takeover of Variapack, Belgium's leader in food packaging products.

In April 2006, ECP acquired a share giving it joint control over La Gardenia, the leading perfume distribution chain in Tuscany and Italy's fourth largest perfume distributor, at a cost of EUR 27.3 million, and in Seves, the world's number-one manufacturer of glass insulators used on high-voltage electrical lines and glass bricks used in the construction industry, at a cost of EUR 45.3 million.

In July 2006, the stake in Stroili & Franco was partially sold.

At the end of 2006, two agreements were signed with a view to the takeover of Belgian firms: the first for a shareholding in Aliplast, one of the leading manufacturers of aluminium frames for windows, doors and verandas, alongside Sagard; and the second for a majority shareholding in Joris Ide Group, the top-ranking independent manufacturer of steel roofing and siding sections in Benelux. The acquisition of Aliplast was concluded in January 2007, at a cost of EUR 35.8 million.

Accounts at 31 December 2006

Consolidated income statement for the period ended 31 December

in EUR million	Notes	2006	2005	2004
Net earnings from associated companies	1	**70.7**	**83.2**	**62.5**
Result on discontinued operations	2	**2,487.0**	**259.6**	**323.8**
Share of net earnings		61.0	220.9	259.0
Net dividend		48.0	38.7	64.8
Net capital gain		2,378.0	-	-
Net dividends on investments	3	**257.2**	**169.3**	**186.0**
Gross dividends		302.3	199.2	218.9
Withholding taxes		(45.1)	(29.9)	(32.9)
Interest income and expenses	4	**38.2**	**1.2**	**3.7**
Non-current assets		2.0	2.8	1.7
Current assets		59.5	10.0	6.9
Financial debt		(23.3)	(11.6)	(4.9)
Other financial income and expenses		**28.5**	**21.5**	**1.8**
Gains on trading assets and derivatives	5	29.6	23.3	2.5
Other		(1.1)	(1.8)	(0.7)
Other operating income and expenses	6	**(28.6)**	**(19.0)**	**(18.6)**
Earnings on disposals and impairments of non-current assets	7	**11.7**	**6.5**	**37.5**
Taxes	8	**18.6**	**0.7**	**(2.7)**
Consolidated result of the period		**2,883.3**	**523.0**	**594.0**
Minority interests		0.0	0.0	0.0
Share of the group in the consolidated result		**2,883.3**	**523.0**	**594.0**
Basic earnings per share	12	20.76	3.94	4.50
Diluted earnings per share	12	20.73	3.93	4.46

In application of IFRS 5, the impact of the sale of Bertelsmann has been clearly identified in the section “Result on discontinued operations”. Consequently, the presentation of the 2005 and 2004 results has been modified for the sake of comparability and readability with respect to 31 December 2006. This modification in the presentation does not affect the net results published in the preceding years.

Consolidated balance sheet for the period ended 31 December

in EUR million	Notes	2006	2005	2004
Non-current assets		**13,496.0**	**10,533.6**	**7,543.1**
Tangible assets	9	17.0	16.6	15.4
Investments		*13,471.6*	*10,515.1*	*7,524.5*
Shareholdings in associated companies	1	*536.6*	*2,582.7*	*2,279.4*
Investments available-for-sale	3	*12,935.0*	*7,932.4*	*5,245.1*
Other non-current assets		6.9	1.4	0.0
Deferred tax assets	8	0.5	0.5	3.2
Current assets		**2,737.2**	**123.6**	**411.4**
Trading assets	5	43.4	34.8	57.3
Cash and cash equivalents	4	2,648.2	82.5	315.8
Other assets	13	45.6	6.3	38.3
Total assets		**16,233.2**	**10,657.2**	**7,954.5**

Shareholders' equity		**15,682.0**	**10,159.7**	**7,911.6**
Capital	11	595.7	559.8	559.8
Share premium account	11	2,690.7	2,023.3	2,023.3
Reserves		12,395.6	7,576.6	5,328.5
Minority interests		0.0	0.0	0.0
Non-current liabilities		**434.6**	**437.6**	**22.5**
Exchangeable bonds	4	412.7	409.0	0.0
Other financial debt	4	15.2	20.0	17.3
Deferred tax liabilities	8	5.8	6.7	2.9
Provisions		0.9	1.9	2.3
Current liabilities		**116.6**	**59.9**	**20.4**
Financial debt		4.3	1.4	1.4
Tax liabilities		3.4	1.9	1.7
Derivatives	5	35.4	11.0	7.1
Other creditors	13	73.5	45.6	10.2
Total liabilities and shareholders' equity		**16,233.2**	**10,657.2**	**7,954.5**

Consolidated cash flow statement

in EUR million	2006	2005	2004
Cash flow from current operations	**421.8**	**401.3**	**268.6**
Net earnings before interest and taxes	2,826.5	521.1	593.0
Adjustments for:			
Net earnings from associated companies	(131.7)	(304.1)	(321.5)
Result on discontinued operations	(2,378.0)	-	-
Dividends paid by associated companies	100.8	106.4	76.1
Fair value revaluation	(12.9)	(2.4)	0.8
Earnings on disposals and impairments of non-current assets	(11.7)	(6.5)	(37.5)
Other	1.2	1.0	1.0
Interest income and expenses received (paid)	9.2	12.1	1.4
Taxes received	9.3	-	-
Change in trading securities and derivatives	(8.6)	22.5	(26.7)
Change in working capital requirements	17.7	51.2	(18.0)
Cash flow from investing activities	**1,668.5**	**(874.9)**	**52.6**
Acquisitions of:			
Investments	(2,897.7)	(900.0)	-
Tangibles assets	(3.2)	(0.3)	(0.4)
Other financial assets	(37.7)	(186.8)	(31.5)
Proceeds from disposals of tangible assets	0.1	0.2	0.1
Disposals on investments and other financial assets	4,607.0	212.0	84.4
of which disposal of Bertelsmann	*4,500.0*	-	-
Cash flow from funding activities	**475.4**	**240.3**	**(520.3)**
Net capital increase	703.3	-	-
Dividends paid	(228.8)	(212.4)	(196.8)
Amounts received from financial debt	-	428.0	2.5
Repayment of financial debt	(2.7)	-	(334.0)
Net changes in treasury shares	3.6	24.7	8.0
Net increase (decrease) in cash and cash equivalents	**2,565.7**	**(233.3)**	**(199.1)**
Cash and cash equivalents at beginning of financial year	82.5	315.8	514.9
Cash and cash equivalents at end of financial year	2,648.2	82.5	315.8

Statement of changes in shareholders' equity

in EUR million	Capital subscribed	Share premium account	Revaluation reserve	Differences on translation	Treasury shares	Exchangeable bonds 2005-2012	Retained earnings	Total
Notes	11	11	3	1	11	4	11	
At 31 December 2003	**559.8**	**2,023.3**	**1,142.0**	**(13.5)**	**(220.4)**	**0.0**	**3,475.2**	**6,966.4**
Imerys difference (IFRS 1)	-	-	-	39.5	-	-	(75.8)	(36.3)
At 1 January 2004	**559.8**	**2,023.3**	**1,142.0**	**26.0**	**(220.4)**	**0.0**	**3,399.4**	**6,930.1**
Fair value of investments	-	-	598.2	-	-	-	-	598.2
Differences on translation	-	-	-	(115.8)	-	-	-	(115.8)
Other	-	-	-	-	-	-	94.8	94.8
Elements of expenses and income directly inputted in shareholders' equity	*0.0*	*0.0*	*598.2*	*(115.8)*	*0.0*	*0.0*	*94.8*	*577.2*
Result of the period	-	-	-	-	-	-	594.0	594.0
Total of expenses and income for the period	*0.0*	*0.0*	*598.2*	*(115.8)*	*0.0*	*0.0*	*688.8*	*1,171.2*
Dividends	-	-	-	-	-	-	(196.8)	(196.8)
Movements on treasury shares	-	-	-	-	6.2	-	0.9	7.1
Total of movements	*0.0*	*0.0*	*598.2*	*(115.8)*	*6.2*	*0.0*	*492.9*	*981.5*
At 31 December 2004	**559.8**	**2,023.3**	**1,740.2**	**(89.8)**	**(214.2)**	**0.0**	**3,892.3**	**7,911.6**
Fair value of investments	-	-	1,800.0	-	-	-	-	1,800.0
Differences on translation	-	-	-	93.9	-	-	-	93.9
Option related to exchangeable bonds 2005-2012	-	-	-	-	-	17.6	-	17.6
Other	-	-	-	-	-	-	1.3	1.3
Elements of expenses and income directly inputted in shareholders' equity	*0.0*	*0.0*	*1,800.0*	*93.9*	*0.0*	*17.6*	*1.3*	*1,912.8*
Result of the period	-	-	-	-	-	-	523.0	523.0
Total of expenses and income for the period	*0.0*	*0.0*	*1,800.0*	*93.9*	*0.0*	*17.6*	*524.3*	*2,435.8*
Dividends	-	-	-	-	-	-	(212.4)	(212.4)
Movements on treasury shares	-	-	-	-	26.3	-	(1.6)	24.7
Total of movements	*0.0*	*0.0*	*1,800.0*	*93.9*	*26.3*	*17.6*	*310.3*	*2,248.1*
At 31 December 2005	**559.8**	**2,023.3**	**3,540.2**	**4.1**	**(187.9)**	**17.6**	**4,202.6**	**10,159.7**
Fair value of investments	-	-	2,176.6	-	-	-	-	2,176.6
Differences on translation	-	-	-	(11.4)	-	-	-	(11.4)
Net capital increase	35.9	667.4	-	-	-	-	-	703.3
Other	-	-	-	-	-	-	(4.3)	(4.3)
Elements of expenses and income directly inputted in shareholders' equity	*35.9*	*667.4*	*2,176.6*	*(11.4)*	*0.0*	*0.0*	*(4.3)*	*2,864.2*
Result of the period	-	-	-	-	-	-	2,883.3	2,883.3
Total of expenses and income for the period	*35.9*	*667.4*	*2,176.6*	*(11.4)*	*0.0*	*0.0*	*2,879.0*	*5,747.5*
Dividends	-	-	-	-	-	-	(228.8)	(228.8)
Movements on treasury shares	-	-	-	-	3.8	-	(0.2)	3.6
Total of movements	*35.9*	*667.4*	*2,176.6*	*(11.4)*	*3.8*	*0.0*	*2,650.0*	*5,522.3*
At 31 December 2006	**595.7**	**2,690.7**	**5,716.8**	**(7.3)**	**(184.1)**	**17.6**	**6,852.6**	**15,682.0**

Accounting policies

The accounting period covers 12 months and relates to the consolidated financial statements for the period ending 31 December 2006 as drawn up by the Board of Directors at its meeting of 6 March 2007.

General accounting principles and standards

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.
In the context of the internationalization of the financial markets, the harmonization of the European accounting standards and the growing interest among foreign investors, GBL decided to publish its report on the consolidated financial statements in accordance with the IFRS since financial year 2001.
The accounts have been prepared in accordance with the historical cost valuation method, except for certain financial instruments, which are stated at their fair value.
GBL did not anticipate the application of accounting standards and interpretations, which are effective subsequent to 31 December 2006, and which have been published prior to the authorization date of the publication of the consolidated financial statements.
The application of IFRS 7 – *Financial Instruments: disclosures* –, which entered into effect on 1 January 2007, entails a modification in the information included in the notes relating to the financial instruments. The application of IFRS 8 – *Operating segments* – which will enter into force in 2009, will require GBL to present certain information concerning the origin of its income and assets.
The company decided not to opt for the recognition of actuarial differences directly in shareholders' equity according to the modification of IAS 19 – *Employee Benefits* – which is effective from 2006.
The application of these new standards and interpretations in the coming financial years should not have any significant impact on the consolidated financial statements.
The closing date of the major subsidiaries and associated companies accounts is 31 December.

Methods and scope of consolidation

The consolidated financial statements, stated before appropriation of profit, include those of GBL and its subsidiaries ("the Group") and the interests of the Group in joint ventures and associated companies.

Controlled companies

Companies controlled by the Group are fully consolidated. Control is presumed to exist when the Group holds more than 50% of voting rights of an entity, directly or indirectly.
The equity method is applied to companies jointly controlled with the Group's partners (joint ventures).
Intra-group balances and transactions and latent income have been eliminated.
Newly-acquired companies are consolidated from the date of control of those acquisitions.

Associated companies

If the Group has a significant influence in a company, the interest it holds in that company is treated as an associated company. The exercise of significant influence is presumed to exist if the group holds more than 20% of the voting rights, directly or indirectly through its subsidiaries.
Associated companies are entered in the consolidated financial statements under the equity method.

Business combinations and goodwill

When the Group acquires a business, the assets, liabilities, and possible identifiable liabilities of the acquired entity are recorded at fair value.
The difference between the acquisition cost and the fair value of the identifiable net assets acquired constitutes the goodwill and is shown under assets on the balance sheet.
Goodwill is subjected to an annual depreciation test, which consists of comparing the recoverable amount of the cash generating units to which the goodwill has been allocated at their book value (including goodwill). If the latter is higher, an impairment must be recorded.
Any resulting negative goodwill is recorded as income in the income statement.

Tangible assets

Tangible assets are recorded at cost, less accumulated and any other specific depreciation.
Tangible assets are depreciated over their estimated useful life using the straight-line method.

Investments available-for-sale

Investments available-for-sale include investments in companies in which the Group does not exercise a significant influence. The absence of significant influence is presumed if the Group does not hold more than 20% of the voting rights, directly or indirectly. These investments are recorded at fair value based on the share price for listed companies. Any changes in the fair value of those investments are recorded in shareholders' equity.
When an investment is sold, the difference between the net proceeds of the sale and the book value (book value on the date of sale, adjusted by the amount of shareholders' equity accumulated through periodic revaluations to the fair value of the investment) is recorded as a credit or debit to the income statement.

Held-to-maturity investments, loans and receivables

Bonds considered as investments held to maturity (subject to the Group having the expressed intention and the ability to hold them to maturity) and loans and receivables issued by the Group are valued at their amortised cost, i.e. the amount at which they were initially recorded in the accounts plus or minus the accumulated amortization of any difference between this initial amount and the amount at maturity, and less any amounts recorded for depreciation or non-recoverability.

Current financial assets

Trading securities include derivatives and other such instruments held for trading purposes. They are recorded at fair value at the end of each closure. Any changes in fair value between two closures are recorded in the income statement.
Bonds considered as investments held to maturity (subject to the Group having the expressed intention and the ability to hold them to maturity) and loans and receivables issued by the Group are valued at their amortised cost, i.e. the amount at which they were initially recorded in the accounts plus or minus the accumulated amortization of any difference between this initial amount and the amount at maturity, and less any amounts recorded for depreciation or non-recoverability.
Cash includes current deposit balances.
Cash equivalents include bank deposits and investments with a maturity date equal or of less than three months from the date of acquisition.

Impairment of assets

With the exception of goodwill (that would arise with business combinations), which is assessed at least annually for extraordinary impairment, tangible and intangible fixed assets are only examined for an extraordinary impairment when there are indications that the value might be impaired. When there has been an indication of impairment, an estimation will be made of the recoverable value of the asset. The net recoverable value is the higher of either the fair value less the book value and selling costs, or the discounted value of future expected cash flows. When the book value is higher than the recoverable value, the difference will be booked as an impairment charge.
A previously booked asset impairment is reversed when the expectations used for the estimation of the recoverable value have changed. The book value of the asset, after reducing the impairment loss previously booked, should not be higher than the net recoverable value that would have been recorded if there had no prior period impairment losses.
Any impairment loss on goodwill may not be reversed.
With regard to financial assets, the Group will at each financial year-end make an estimation whether there is an objective indication for impairment. If there is an indication, the difference between the accounted value and the depreciated value will be recorded in the income statement.

Taxes

Taxes payable on the result of the financial year include both current and deferred taxes. They are recorded in the income statement unless they relate to recorded items directly related to shareholders' equity, in which case they also are recorded in the accounts in shareholders' equity.
Current taxes are the taxes to be paid on the taxable profit for the financial year and are calculated in accordance with the tax rates in effect or that will be in effect on the last day of the financial year, plus any adjustments relating to prior years.
Deferred taxes are calculated in accordance with the variable carry-over method, which is applied to the temporary differences between the book values and tax basis of the assets and liabilities recorded in the balance sheet.
The following book to tax differences are disregarded: non-tax-deductible goodwill and initial valuations of assets and liabilities not affecting the book or taxable profit.
Deferred taxes are calculated according to the manner in which the related assets and liabilities are expected to be realised or settled, based on the tax rates in effect or that will be in effect on the last day of the financial year. Additionally, deferred tax liabilities related to investments in subsidiaries are not recorded when the Group is able to control the date on which the temporary difference will reverse and when the Group does not expect the temporary difference to reverse within a foreseeable future.
Deferred tax assets are recorded if the taxable profits are likely to materialise in such a manner as to allow them to be offset against tax losses and tax credits. Deferred tax assets are not recorded in the accounts if it is unlikely that the taxable profits against which they could be offset will be realised.

Treasury shares

When treasury shares are bought or sold by GBL, the amount paid or received is recorded as a decrease or increase in shareholders' equity. Movements in these shares are shown in the statement of changes in shareholders' equity. No profits or losses on these movements are recorded in the income statement.

Stock option plan

GBL share options

GBL share options are not reflected in consolidated financial statements as the attribution of the options was prior to 7 November 2002. IFRS 2 – *Share based payments* –, applied for the first time in 2005, only requires an accounting treatment for options attributed after that date. There have been no other attributions since that date, and no costs have been included in the income statement.

Pargesa share options

The Pargesa shares, corresponding to the options issued, are held by GBL and included under trading securities. Options are entered in liabilities in the balance sheet.
The changes in fair value of shares and options are recorded in income statement.

Pensions and similar obligations

The Group's commitments for defined pension plans and similar obligations are valued using the Projected Unit Credit method in compliance with the IAS 19.
If cumulative actuarial differences are higher than the greater of the following two amounts:

- 10% of the present value of the commitments for pension plans;
- 10% of the fair value of the assets assigned to cover these commitments;

the excess is depreciated over the average number of remaining working years of the employees covered by the plan. This method, relating to treatment of the actuarial differences, has been used since financial year 2004.

Appropriation of profit

Dividends paid by GBL to its shareholders are included as a reduction of shareholders' equity for their gross amount, i.e. before withholding tax. The financial statements are established before appropriation of profit.

Provisions

Provisions are recorded at the end of each financial year when a company of the Group has a legal or implicit obligation resulting from a past event, when it is probable that an amount will have to be paid out to settle this obligation, and if the amount of the obligation can be determined reliably.
The amount recorded as a provision should be most accurate estimation of the expenditure required to meet the obligation existing on the last day of the financial year.
Provisions for restructuring are not recorded unless the Group has approved a detailed and formal restructuring plan and the restructuring has either begun or been publicly announced. Costs relating to the Group's current operations are not taken into account.

Current and non-current debt

Non-current debt (bank loans, bonds) and current debt (bank deposits, bonds) are initially recorded in the accounts at their fair value less, in the case of a financial liability that has not been recorded at fair value through the income statement, the transaction costs that are directly imputed to the acquisition or release of the financial liability. After initial recording, they are valued at their amortised cost (initial amount less repayments of principal plus or minus the cumulative amortization of any difference between the initial amount and their value on maturity).

Exchangeable loans

The exchangeable loans issued by the Group are considered as hybrid instruments. At the date of issue, the fair value of the liability component is estimated based on the prevailing market interest rate for similar non-exchangeable bonds. The difference between the proceeds of issuance of the exchangeable bond and the fair value assigned to the debt component, representing the embedded option to exchange the bonds into shares is included in the shareholders' equity. The exchange cost of the liability component is calculated by applying the prevailing interest market rate.

Derivatives

Derivative financial instruments are recorded at their fair value at the end of each financial year. Changes in fair value between two closures are recorded in the income statement.

Items denominated in foreign currencies

Assets and liabilities denominated in foreign currencies in the accounts of Group's companies are translated into euros utilizing the exchange rates of the last day of the financial year. Unrealised differences on translation resulting from the application of this methodology are recorded as gains and losses. Non-monetary assets and liabilities are recorded using the exchange rates applicable on the date of the transaction. In the consolidated financial statements, differences on translation on the shareholders' equity of fully consolidated companies and companies consolidated using the equity method are not recorded in the income statement, but are included in shareholders' equity under the "Differences on translation" heading. Gains and losses in foreign currencies are translated into euros at the average exchange rates for the financial year. Translation differences arising from the difference between average rates and year-end rates are included in shareholders' equity under the "Differences on translation" heading.

Interest

Interest income and expenses include interest to be paid on loans and interest to be received on deposits. Interest income received is recorded prorata temporis in the income statement, taking into account the effective interest rate on the deposit.

Dividends

Dividends relating to investments available-for-sale or trading securities are booked on the date at which their distribution is determined. The amount of withholding tax is recorded as a deduction of gross dividends.

Information by sector

As a result of the Group's activities as a holding company, it is not possible to present information by sector of operation or geographical area. However, it is possible for readers of the financial statements to find this information with respect to companies in which the Group holds an interest in the section relating to investments as well as in their financial statements.

Exchange rates used

	Closing rate			Average rate		
	2006	**2005**	**2004**	**2006**	**2005**	**2004**
US Dollar	1.32	1.18	1.36	1.25	1.24	1.24
Swiss Franc	1.57	1.56	1.52	-	-	-

Notes

For the sake of consistency, the notes to the financial statements are grouped by nature and not in the order of occurrence of the headings in the income statements and in the balance sheet. This grouping should facilitate the analysis of all factors influencing the financial statements relating to assets and liabilities of the same nature.

1. Companies consolidated using the equity method

A. List of associated companies

In accordance with the IFRS and in particular the IFRS 5, the sale of Bertelsmann has been recorded in the first half of 2006, and the impact of this transaction on GBL's results has been identified in the section "Result on discontinued operations" (see note 2.). Consequently, the presentation of the 2005 and 2004 results has been modified for the sake of comparibility and readability with respect to 31 December 2006. The modification in the statement does not affect the net results published in the preceding years.

At the end of December 2006, the private equity company, Ergon Capital Partners II (ECP II), had been set up by GBL in partnership with Parcom Ventures, an ING subsidiary. The percentage of the shares held by GBL amounts to 41.5%. In the remainder of the notes, ECP I and ECP II are jointly stated as ECP.

Name	Head office	% of shares hold			% of voting rights			Main
		2006	2005	2004	2006	2005	2004	activity
Bertelsmann AG	Gütersloh	-	25.1	25.1	-	25.0	25.0	Media
Imerys	Paris	26.4	26.4	26.4	34.4	20.7	20.7	Minerals processing
Ergon Capital Partners I	Brussels	43.0	43.0	-	43.0	43.0	-	Private equity
Ergon Capital Partners II	Brussels	41.5	-	-	41.5	-	-	Private equity

B. Group share of net result

in EUR million	2006	2005	2004
Imerys	49.5	81.8	62.5
ECP	21.2	1.4	-
Total	**70.7**	**83.2**	**62.5**

Details concerning the evolution of the results of the associated companies are set out in the consolidated earnings analysis on page 8, as well as in the section of the annual report dealing with investments.

Significant non-recurring items in financial year 2006:

- In 2006, Imerys' net income, group share, included an after-tax amount of EUR - 121 million relating to:
  - provisions for depreciation of industrial assets, redevelopment of sites and restructuration costs related to the important reorganization plan for the kaolin production in Great Britain for a total amount of EUR - 85.9 million;
  - other costs for an amount of EUR - 45.9 million relating to depreciations of industrial assets and to the cost reduction actions, in which the entire group is investing;
  - the sale of non-industrial assets for an amount of EUR 10.9 million.
- The consolidated result on 31 December 2006 of ECP (EUR 49 million) comprises EUR 31 million of non-realized capital gains on its investment portfolio and EUR 18 million of realized capital gains in the period.

Significant non-recurring items in financial year 2005:

- In 2005, the net income of Imerys, group share, comprises EUR 22 million net capital gains on disposals for an amount of EUR 96 million relating to the disinvestment of Larivière and EUR - 74 million of restructuring costs and adjustments to the assets value.
- The consolidated result on 31 December 2005 of ECP comprises EUR 5 million of non-realized capital gains on its investment portfolio.

Significant non-recurring items in financial year 2004:

- The group share taken into account for Imerys in IFRS in 2004 differed from the results stated in French GAAP published by Imerys, which was essentially due to the discontinuation of goodwill amortization.
- The early adoption of IFRS 3 – *Business Combinations* –, stipulating that the straight-line goodwill depreciation method must be replaced by an annual impairment test, had an effect on the contribution of the associated companies. On 31 December 2004, Bertelsmann and Imerys recorded impairments amounting to EUR 26 million and EUR 4 million, respectively.
- During its official conversion to IFRS, Imerys applied IFRS 1 – *First-time application of International Financial Reporting Standards* –, which offers a number of options facilitating the transposition of the accounts into IFRS and generates differences affecting the shareholders' equity of Imerys.
  Given the fact that GBL has been publishing consolidated financial statements in accordance with the IFRS since 2001, IFRS 1 cannot be applied. Nevertheless, in order to guarantee uniformity and consistency in the IFRS figures published by Imerys and GBL, all of these differences are entered as such in GBL's shareholders' equity.
  These differences (EUR - 36 million entered into the accounts for GBL's share on 1 January 2004) mainly relate to pension provisions: the difference between the current value of pension fund assets and the current value of pension commitments was entirely charged against shareholders' equity on 1 January 2004.

C. Dividends

Dividends generated in cash earnings by consolidated companies using the equity method are eliminated and substituted by GBL's share in their earnings.

D. Share in the shareholders' equity of associated companies

in EUR million	Bertelsmann	Imerys	ECP	Total
At 31 December 2003	**1,673.1**	**402.1**	**0.0**	**2,075.2**
Imerys difference (IFRS 1)	-	(36.3)	-	(36.3)
Earnings for the year	259.0	62.5	-	321.5
Distribution	(55.2)	(20.9)	-	(76.1)
Differences on translation	(100.4)	(15.5)	-	(115.9)
Change in revaluation reserves	13.3	2.2	-	15.5
Other	95.2	0.3	-	95.5
At 31 December 2004	**1,885.0**	**394.4**	**0.0**	**2,279.4**
Modification of scope of consolidation	-	-	7.9	7.9
Earnings for the year	220.9	81.8	1.4	304.1
Distribution	(81.3)	(25.1)	-	(106.4)
Differences on translation	59.5	34.5	-	94.0
Change in revaluation reserves	1.5	(2.5)	-	(1.0)
Other	4.7	-	-	4.7
At 31 December 2005	**2,090.3**	**483.1**	**9.3**	**2,582.7**
Exit from scope of consolidation	(2,079.3)	-	-	(2,079.3)
Investment	-	-	35.4	35.4
Earnings for the year	61.0	49.5	21.2	131.7
Distribution	(72.0)	(27.6)	(1.3)	(100.9)
Differences on translation	-	(29.1)	-	(29.1)
Change in revaluation reserves	-	0.6	-	0.6
Other	-	(4.5)	-	(4.5)
At 31 December 2006	**0.0**	**472.0**	**64.6**	**536.6**

The column relating to Imerys contains a goodwill of EUR 41 million, which is identical to the 2005 amount (EUR 42 million in 2004).

E. Differences on translation

in EUR million	Bertelsmann	Imerys	Other	Total
At 31 December 2004	**(77.1)**	**(15.0)**	**2.3**	**(89.8)**
Change during the year	59.5	34.5	(0.1)	93.9
At 31 December 2005	**(17.6)**	**19.5**	**2.2**	**4.1**
Change during the year	17.6	(29.1)	0.1	(11.4)
At 31 December 2006	**0.0**	**(9.6)**	**2.3**	**(7.3)**

F. Complementary disclosures

Risk factors

Among the companies consolidated using the equity method, only Imerys publicly reports on its risk management. The information relating thereto is to be found on page 13.

Aggregated financial information of companies consolidated using the equity method

in EUR million	2006	2005	2004
Total assets	4,225.7	27,112.6	24,384.4
Total shareholders' equity	1,783.1	10,035.2	8,873.0
Total turnover	12,493.5	20,935.2	19,886.5
Total result	479.6	1,192.6	1,272.0

Fair value

The fair value of Imerys at closing amounts to EUR 1,129 million. The other companies consolidated using the equity method are unlisted investments.

2. Result on discontinued operations – Sale of Bertelsmann

On 25 May 2006, GBL, Bertelsmann and Bertelsmann Verwaltungsgesellschaft mbH controlled by the Mohn family, concluded an agreement in principle relating to the sale of the German group, i.e. the 25.1% held by GBL, for an amount of EUR 4.5 billion.
This agreement was adopted by the Board of GBL end May and led to the signature of a sale agreement between the GBL group and Bertelsmann on 28 June 2006.
The sale earnings of EUR 4.5 billion have been collected at the start of the third quarter.

in EUR million	2006	2005	2004
Share of net earnings	61.0	220.9	259.0
Net dividend	48.0	38.7	64.8
Net capital gains	2,378.0	-	-
Total contribution	**2,487.0**	**259.6**	**323.8**

The overall contribution of Bertelsmann in 2006, identical to june, amounts to EUR 2,487 million compared to EUR 260 million in 2005. It mainly arises of the net capital gains of the transaction obtained from the sale (EUR 2,378 million).

Bertelsmann, which has been consolidated using the equity method until 30 June 2006, has maintained its share in the net result of EUR 61 million.

In the course of the last three years, GBL received a dividend (EUR 120 million), which exceeds its share in the shareholders' equity. In consolidation, only the "ordinary" share of the dividend (EUR 72 million in 2006 and EUR 81 million in 2005) is eliminated and an amount of EUR 48 million (EUR 39 million in 2005) is maintained in the result.

Non-recurring items of 2006, 2005 and 2004 relating to Bertelsmann:

- On 30 June 2006, the restructuration and integration costs, which were lower than in the first half of 2005, contain EUR 31 million of costs relating to Sony BMG and EUR 7 million relating to Direct Group.
- On 31 December 2005, Bertelsman recorded EUR 246 million capital gains from disposals and impairments mainly realized on the sales of the US magazines of Gruner + Jahr and on the set-up of the Infoscore and Prinovis joint ventures. In addition, Bertelsmann recorded EUR 185 million of restructuration and integration costs with BMG/Sony and Direct Group.
- On 31 December 2004, the earnings on disposals and impairments recorded by Bertelsmann amounted to EUR 325 million. They are mainly generated by the merger between Sony Music and BMG, as well as by the sale of a building.

3. Total, Suez, Lafarge, Pernod Ricard and other investments

A. Dividends

	2006		2005		2004	
in EUR million	Gross	Net	Gross	Net	Gross	Net
Total	163.4	139.0	141.0	119.8	166.6	141.6
First half-year	*81.7*	*69.5*	*70.5*	*59.9*	*110.4*	*93.8*
Second half-year	*81.7*	*69.5*	*70.5*	*59.9*	*56.2*	*47.8*
Suez	91.9	78.2	58.0	49.3	51.5	43.8
Lafarge	45.6	38.8	-	-	-	-
Other	1.4	1.2	0.2	0.2	0.8	0.6
Total	**302.3**	**257.2**	**199.2**	**169.3**	**218.9**	**186.0**

The dividends received in 2006 do not represent the portfolio at the end of the year since GBL acquired the securities following payment of the coupon.

B. Fair value and variations

The investments in listed companies are valued on the basis of the share price at the end of the financial year.
The investments in the Funds comprising PAI, Sagard and Sagard II, are revaluated at fair value depending on their investment portfolio. The difference between the cost price and the fair value of investments at the closing date is recorded in revaluation reserves (note 3. C.)

in EUR million	Total	Suez	Lafarge	Pernod Ricard	Funds	Other	Total fair value
At 31 December 2003	**3,461.6**	**1,154.3**	**0.0**	**0.0**	**18.1**	**44.4**	**4,678.4**
Fund earnings	-	-	-	-	4.0	-	4.0
Acquisitions	-	-	-	-	26.4	-	26.4
Disposals/reimbursements	-	-	-	-	(5.0)	(41.3)	(46.3)
Impairments	-	-	-	-	-	-	0.0
Change in revaluation reserves	312.3	267.3	-	-	3.0	-	582.6
At 31 December 2004	**3,773.9**	**1,421.6**	**0.0**	**0.0**	**46.5**	**3.1**	**5,245.1**
Fund earnings	-	-	-	-	6.0	-	6.0
Acquisitions	-	439.8	424.4	-	27.9	-	892.1
Disposals/reimbursements	-	-	-	-	(13.0)	(1.1)	(14.1)
Impairments	-	-	-	-	-	-	0.0
Change in revaluation reserves	1,209.5	556.8	25.6	-	11.4	-	1,803.3
At 31 December 2005	**4,983.4**	**2,418.2**	**450.0**	**0.0**	**78.8**	**2.0**	**7,932.4**
Fund earnings	-	-	-	-	11.8	-	11.8
Acquisitions	-	295.8	2,130.9	428.5	7.1	-	2,862.3
Disposals/reimbursements	-	-	-	-	(21.7)	(0.4)	(22.1)
Transfer	(64.6)	-	-	-	-	64.6	0.0
Impairments	-	-	-	-	-	-	0.0
Change in revaluation reserves	215.0	1,276.2	589.5	17.6	25.6	26.7	2,150.6
At 31 December 2006	**5,133.8**	**3,990.2**	**3,170.4**	**446.1**	**101.6**	**92.9**	**12,935.0**

C. Revaluation reserves

in EUR million	Total	Suez	Lafarge	Pernod Ricard	Funds	Other	Total
At 31 December 2004	**1,620.3**	**139.3**	**0.0**	**0.0**	**3.0**	**(22.4)**	**1,740.2**
Change in fair value	1,209.5	556.8	25.6	-	11.4	(3.3)	1,800.0
At 31 December 2005	**2,829.8**	**696.1**	**25.6**	**0.0**	**14.4**	**(25.7)**	**3,540.2**
Change in fair value	215.0	1,276.2	589.5	17.6	25.6	52.7	2,176.6
Other changes (transfer)	(36.2)	-	-	-	-	36.2	0.0
At 31 December 2006	**3,008.6**	**1,972.3**	**615.1**	**17.6**	**40.0**	**63.2**	**5,716.8**

The share of the variation of GBL in the revaluation reserves of the associated companies is contained in section “Other”.

D. Risk factors

The risk factors relating to investments available-for-sale are described on page 13.

4. Treasury

A. Cash and cash equivalent

in EUR million	2006	2005	2004
Deposit	2,645.6	74.3	311.1
Maturity < 1 month	*129.1*	*60.7*	*311.1*
Maturity < 3 months	*2,516.5*	*13.6*	-
Current accounts	2.6	8.2	4.7
Total fair value	**2,648.2**	**82.5**	**315.8**

B. Non-current financial liabilities

in EUR million	Exchangeable loans	Bank debts	Total
At 31 December 2004	**0.0**	**17.3**	**17.3**
Additions of the year	406.6	-	406.6
Amortized cost	2.4	-	2.4
Differences on translation	-	2.7	2.7
At 31 December 2005	**409.0**	**20.0**	**429.0**
Changes of the year	-	(2.7)	(2.7)
Amortized cost	3.7	-	3.7
Differences on translation	-	(2.1)	(2.1)
At 31 December 2006	**412.7**	**15.2**	**427.9**

Exchangeable loans (Bloomberg: GLBB 2.95 04/12 Corp.; Reuters: BE021670693=)

On 27 April 2005, Sagerpar, a 100% subsidiary of GBL, issued bonds for an amount of EUR 435 million that are exchangeable into 5,000,000 GBL shares. This financial instrument, quoted on the Luxembourg Stock Exchange, has a coupon of 2.95% (nominal rate) and will be reimbursed at par value on 27 April 2012 (7 years) if the bonds have not yet been converted into GBL shares.

The conversion price is set at EUR 87, representing a 25.5% premium compared to the GBL share price at that time. The bonds are redeemable at the option of the issuer as from 11 May 2008 with a trigger at 130%.

In the consolidated financial statements, this financial debt (issued for EUR 435 million) amounts to EUR 407 million at the issue date. The difference of EUR 28 million corresponds to the value of the option sold to the bond keepers and the incurred transaction costs. On due date, the value of the debt will be equal to the nominal value if the bonds have not been exchanged. This reconstruction of debt is annually recorded in the income statement. The average effective annual interest rate is 3.64%.

This instrument’s quotation stood at 119% on 31 December 2006 compared to 114% end 2005.

Bank debt
The bank debt expressed in USD has been renegotiated in 2006 for a period of 15 months at an interest rate of 5.34%.

C. Interest income and charges

in EUR million	2006	2005	2004
Income from non-current assets	2.0	2.8	1.7
Income from current assets	59.5	10.0	6.9
Interest on exchangeable loans	(16.5)	(10.9)	(4.6)
Nominal interest (cash earnings)	*(12.8)*	*(8.7)*	*(2.1)*
Amortized cost (discount)	*(3.7)*	*(2.2)*	*(2.5)*
Interest on other financial debt	(6.8)	(0.7)	(0.3)
Total	**38.2**	**1.2**	**3.7**

The net interest income and charges amount to EUR 38 million end 2006. In the course of the first half of the year, GBL indeed largely made use of its credit lines as well as the funds obtained from the capital increase of GBL amounting to EUR 703 million in order to finance its investments in Lafarge and Suez. However, the cash of EUR 4.5 billion recorded beginning of July as a result of the sale of Bertelsmann and partially used to pursue the investment policy of GBL, has positively contributed to the financial result obtained in the second half of the year.

On 31 December 2006, the interests on exchangeable loans comprise an amount of EUR 4 million (EUR 2 million in 2005) of actuarial depreciation of the difference between the nominal interest rate and the prevailing market rate on the date of issuance of the 2005-2012 exchangeable bond. This amount is to be added to the nominal interest rate of EUR 13 million (EUR 9 million in 2005).

5. Trading assets and derivatives

A. Trading assets

in EUR million	2006	2005	2004
Shares	26.0	34.7	51.2
Interest rate swap	17.4	-	-
Other	-	0.1	6.1
Total fair value	**43.4**	**34.8**	**57.3**

The section “Shares” includes the trading portfolio of the Group as well as the Pargesa shares held to cover the exercise of the options described in notes 6. D. and 15.
These securities are evaluated on the basis of the stock market quotations on the closing date.

In the framework of its general finance policy, GBL concluded end 2005 an interest rate swap of which the notional value amounts to EUR 500 million. The valuation of this financial instrument at fair value amounts to EUR 17 million, which has been recorded in the income statement (see note 5. C. Losses and gains on sales/revaluation).

B. Outstanding financial derivatives (liabilities)
In the course of 2006, GBL sold option instruments. The main characteristics of the options on the closing date are included in the table below:

	Total	Arkema	Lafarge
Notional amount (in EUR million)	507.2	47.4	104.8
Maturity	2009	2008	2007
Type	Call	Call	Put

On 31 December 2006, all these options are not in the money. In February, Lafarge options came to maturity without having been exercised.

Valuation at closing

in EUR million	2006	2005	2004
Options on trading assets	**12.2**	**8.9**	**6.7**
Pargesa	12.2	8.9	6.7
Other options	**23.2**	**0.0**	**0.3**
Total	17.4	-	0.3
Arkema	4.7	-	-
Lafarge	1.1	-	-
Other	**0.0**	**2.1**	**0.1**
Total	**35.4**	**11.0**	**7.1**

In application of IAS 39, options are evaluated at fair value in the income statement.

C. Result on trading assets and derivatives

in EUR million	2006	2005	2004
Dividends	0.3	5.5	0.4
Losses and gains on sales/revaluation	29.3	17.8	2.1
Total	**29.6**	**23.3**	**2.5**

In 2006, the losses and gains included the valuation at fair value of the IRS (EUR 17 million) and of the option (EUR 4 million) described above. The remaining amount corresponds to the gain realized on the trading activities (EUR 3 million) and on the derivatives (EUR 5 million).
In 2005, the trading activities contributed as much as EUR 16 million and allowed to obtain dividends amounting to EUR 5 million.

6. Other operating income and expenses

A. Details on other operating income and expenses

in EUR million	2006	2005	2004
Other operating income	**0.9**	**0.9**	**0.8**
Services and other goods	(21.5)	(13.2)	(13.4)
Personnel costs	(6.7)	(5.4)	(4.7)
Depreciation	(1.2)	(1.2)	(1.2)
Other	(0.1)	(0.1)	(0.1)
Other operating expenses	**(29.5)**	**(19.9)**	**(19.4)**

B. Evolution of the average number of employees

	2006	2005	2004
GBL	12	13	13
GBL and its subsidiaries	33	34	35

C. Personnel costs and management bodies

in EUR million	2006	2005	2004
Remuneration	(3.7)	(3.3)	(2.8)
Social security	(1.1)	(1.0)	(0.9)
Contributions to defined benefit pension plans	(1.6)	(0.9)	(0.8)
Other	(0.3)	(0.2)	(0.2)
Total	**(6.7)**	**(5.4)**	**(4.7)**

Directors' remuneration is entered under the heading "Services and other goods" and detailed on page 78 of the annual report.

D. Employee stock option plan

Description and stipulations of the plan

In 1999, a profit sharing plan for GBL shares and Pargesa shares had been subscribed by the personnel members employed by GBL and its Belgian subsidiaries, as well as by its Managing Directors. The initial period of 10 years has been prolonged by 3 years until 30 June 2012.

The exercise price of the GBL option (EUR 32.78 per share) corresponded to the last closing price prior to the offer. The plan related to 1,248,250 GBL shares, of which 250,165 have not been exercised on 31 December 2006. In the event of exercise of the options, the company has the choice between the allocation of existing shares or the issuance of new shares.

The exercise price of the Pargesa option (CHF 46.76 per share) corresponded to an average price during 30 days prior to the offer. The plan related to 575,000 shares, of which 225,000 have not been exercised on 31 December 2006.

Stock option plan on GBL shares

	2006	2005	2004
Rights obtained at the beginning of the period	360,190	1,112,020	727,465
Rights exercised during the period	(110,025)	(751,830)	(98,070)
Rights obtained at the end of the period	250,165	360,190	629,395
Rights obtained beginning 2005	-	-	482,625

The options exercised in 2006 have been honoured by allocating existing shares and did not have any impact on GBL's consolidated income statement. The allocated shares were accounted for as treasury shares at 31 December 2005.

Stock option plan on Pargesa shares

	2006	2005	2004
Rights obtained at the beginning of the period	225,000	525,000	412,500
Rights exercised during the period	-	(300,000)	(50,000)
Rights obtained at the end of the period	225,000	225,000	362,500
Rights obtained beginning 2005	-	-	162,500

E. Pension and similar obligation

The valuation of the pension liabilities and annual obligations is performed by an actuary.

The Managing Directors and the majority of the GBL group employees benefit from a pension plan with fixed contributions financed by GBL through a pension fund.

The pension liabilities of GBL on 31 December 2006 were covered and are detailed below.

in EUR million	2006	2005	2004
Fair value of plan assets	68.5	66.6	57.7
Present value of funded obligations	52.4	57.6	45.1
Surplus	**16.1**	**9.0**	**12.6**
Unrecognised actuarial losses	-	-	-
Unrecognised past service costs	-	-	-
Effect of the asset ceiling	(16.1)	(9.0)	(12.6)
Amount included on balance sheet	**0.0**	**0.0**	**0.0**

Fair value of plan assets

in EUR million	2006	2005	2004
Balance at 1 January	**66.6**	**57.7**	**54.1**
Actual return on assets	4.5	8.5	3.9
Contribution by the employer	2.8	1.7	1.7
Benefits paid	(5.4)	(1.3)	(2.0)
Balance at 31 December	**68.5**	**66.6**	**57.7**

Asset plan distribution

	2006	2005	2004
Shares	43%	47%	42%
Bonds	39%	36%	41%
Real estate	8%	8%	6%
Other	10%	9%	11%
Total	**100%**	**100%**	**100%**

Present value of funded obligations

in EUR million	2006	2005	2004
Balance at 1 January	**57.6**	**45.1**	**41.7**
Current service costs	1.5	1.1	1.0
Interest expenses	2.3	2.2	2.3
Acturial loss (gain)	(3.6)	10.5	2.1
Benefits paid	(5.4)	(1.3)	(2.0)
Balance at 31 December	**52.4**	**57.6**	**45.1**

Charges relating to funded obligations

in EUR million	2006	2005	2004
Current service costs	1.5	1.1	1.0
Interest charges	2.3	2.2	2.3
Expected return on plan assets	(4.6)	(4.1)	(3.8)
Net acturial differences	(3.4)	6.1	1.9
Past service costs	-	-	-
Effect of the asset ceiling	7.0	(3.6)	0.3
Net charge	**2.8**	**1.7**	**1.7**

The net charges are entered under “Personnel costs” and “Services and other goods” (note 6. A.).

The variation in the amounts entered in the balance sheet is explained in the table below:

in EUR million	2006	2005	2004
Amount entered at 1 January	**0.0**	**0.0**	**0.0**
Net charge	2.8	1.7	1.7
Contributions paid	(2.8)	(1.7)	(1.7)
Amount entered at 31 December	**0.0**	**0.0**	**0.0**

The main actuarial assumptions are:

	2006	2005	2004
Discount rate	4.40%	4.00%	4.75%
Expected return rate	7.00%	7.00%	7.00%
Average rate of salary increase	5.00%	5.00%	5.00%
Inflation rate	2.00%	2.00%	2.00%

The working assumption of the expected return rate reflects the average return of the pension fund assets over the past 15 years. The MR/FR-5 mortality tables have been used since 2005.

Five-year summary of pension obligations, fair value of the asset plan and experience gains and losses

in EUR million	2006	2005	2004	2003	2002
Fair value of the asset plan	68.5	66.6	57.7	54.1	49.7
Current service costs	52.4	57.6	45.1	41.7	36.6
Surplus	**16.1**	**9.0**	**12.6**	**12.4**	**13.1**
Experience (gains)/losses					
- on obligations	(0.3)	(1.1)	0.3	-	-
- on assets	0.1	(4.4)	(0.2)	-	-

7. Earnings on disposals and impairments of non-current assets

in EUR million	2006	2005	2004
Private equity funds	11.3	4.6	4.3
Other	0.4	1.9	33.2
Total	**11.7**	**6.5**	**37.5**

With respect to private equity funds, Sagard contributes for EUR 9 million in 2006 and PAI for EUR 2 million compared to EUR 4 million in 2005 and 2004.

In 2004, the section "Other" comprises EUR 41 million relating to the sale of BIAC and EUR - 5 million relating to Rhodia.

8. Taxes

During financial year 2006, GBL recorded EUR 17.7 million of reimbursements of withholding taxes on foreign dividends (i.e. Suez and Total).

A. Taxes

in EUR million	2006	2005	2004
Reimbursment of withholding tax	17.7	-	-
Deferred taxes	0.9	0.7	(2.7)
Total	**18.6**	**0.7**	**(2.7)**

in EUR million	2006	2005	2004
Pre-tax profit	2,864.7	522.3	596.7
Taxes at Belgian rate (33.99%)	**973.7**	**177.5**	**202.9**
Result from companies consolidated using the equity method and on discontinued operations	(853.0)	(103.4)	(109.3)
Permanent differences	(135.3)	(72.2)	(91.1)
Unused tax losses	14.7	0.2	1.2
Taxes levied on a basis other than profit	(18.6)	(0.7)	(0.2)
Effect of rates applicable in other jurisdictions	(0.1)	(2.1)	(0.8)
Effective charges for the year	**(18.6)**	**(0.7)**	**2.7**
Effective tax rates for the year	**N/A**	**N/A**	**0.45%**

B. Deferred taxes

Deferred taxes result from a theoretical calculation and not from cash flow.

in EUR million	Liabilities	Assets	Net
At 31 December 2004	**(2.9)**	**3.2**	**0.3**
Included in income statement for the year	3.4	(2.7)	0.7
Deferred tax liabilities on the exchangeable bonds 2005-2012	(7.2)	-	(7.2)
At 31 December 2005	**(6.7)**	**0.5**	**(6.2)**
Deferred tax liabilities on the exchangeable bonds 2005-2012	0.9	-	0.9
At 31 December 2006	**(5.8)**	**0.5**	**(5.3)**

On 31 December 2006, the group's tax losses amounted to EUR 76 million (EUR 62 million in 2005). The deferred taxes on these tax losses have been recognized in the subsidiaries where taxable profits are likely to be manipulated allowing the use of tax losses.

9. Tangible assets

in EUR million	Land and buildings	Furniture and vehicles	Other tangible assets	Total
a. Acquisition value				
At 31 December 2004	**0.2**	**2.6**	**17.3**	**20.1**
Acquisitions	-	0.3	-	0.3
Disposals	-	(0.2)	-	(0.2)
Differences on translation	-	-	2.6	2.6
At 31 December 2005	**0.2**	**2.7**	**19.9**	**22.8**
Acquisitions	-	0.3	2.9	3.2
Disposals	-	(0.1)	-	(0.1)
Differences on translation	-	-	(2.1)	(2.1)
At 31 December 2006	**0.2**	**2.9**	**20.7**	**23.8**
b. Accumulated depreciation				
At 31 December 2004	**0.0**	**1.8**	**2.9**	**4.7**
Changes for the year	-	0.3	0.9	1.2
Cancellation	-	(0.2)	-	(0.2)
Differences on translation	-	-	0.5	0.5
At 31 December 2005	**0.0**	**1.9**	**4.3**	**6.2**
Changes for the year	-	0.3	0.9	1.2
Cancellation	-	(0.1)	-	(0.1)
Differences on translation	-	-	(0.5)	(0.5)
At 31 December 2006	**0.0**	**2.1**	**4.7**	**6.8**
c. Net book value at end of year (a – b)	**0.2**	**0.8**	**16.0** (1)	**17.0**

(1) The balance of “Other tangible assets” primarily corresponds to the net asset value of the Falcon 2000 held by the company for which the depreciation is consistently calculated over a period of 20 years. The 2006 “Acquisitions” comprise an advance of EUR 3 million in view of the acquisition of a new aeroplane which will replace the current one in 2008

10. Subsidiaries

Name	Head office	% of shares hold 2006	2005	2004	% of voting rights 2006	2005	2004	Main activity
Belgian Securities B.V.	Amsterdam	100.0	100.0	100.0	100.0	100.0	100.0	Holding
Brussels Securities RPM - Brussels - 0403.212.964	Brussels	100.0	100.0	100.0	100.0	100.0	100.0	Holding
G.B.L. Coordination Center RPM - Brussels - 0430.169.660	Brussels	100.0	100.0	100.0	100.0	100.0	100.0	Coordination center
GBL Finance S.A. Holding	Luxembourg	100.0	100.0	100.0	100.0	100.0	100.0	Holding
GBL Overseas Finance N.V.	Curaçao	100.0	100.0	100.0	100.0	100.0	100.0	Holding
GBL Participations RPM - Brussels - 0453.689.388	Brussels	100.0	100.0	100.0	100.0	100.0	100.0	Holding
GBL Verwaltung GmbH	Gütersloh	100.0	100.0	100.0	100.0	100.0	100.0	Holding
GBL Verwaltung Sàrl	Luxembourg	100.0	100.0	100.0	100.0	100.0	100.0	Holding
Immobilière rue de Namur	Luxembourg	100.0	100.0	100.0	100.0	100.0	100.0	Real Estate
Sagerpar RPM - Brussels - 0403.205.640	Brussels	100.0	100.0	100.0	100.0	100.0	100.0	Holding

On 5 January 2007, the legal name of the subsidiary, G.B.L. Coordination Center, of which the licence of coordination centre expired end 2006, has been changed into GBL Treasury Center. Its role remains to exercise the function of financial institution within the Group.

11. Capital and dividends

A. Capital

	Capital	Share premium account	Number of shares
	in EUR million	in EUR million	
At 31 December 2004 and 2005	**559.8**	**2,023.3**	**138,300,053**
Capital increase in cash	35.9	667.4	8,867,613
At 31 December 2006	**595.7**	**2,690.7**	**147,167,666**

In April 2006, GBL proceeded to a capital increase in cash with preferential rights for the existing shareholders in the proportion of 1 new share to 15 old shares. The preferential rights linked to the treasury shares held by the subsidiary Sagerpar have not been exercised nor sold, due to the fact that Sagerpar did not participate in the capital increase.

The subscription price fixed at EUR 80 per share related to 8,867,613 new shares entitled to dividend as per 1 January 2006. The issuance, which was particulary welcomed, had a participation rate of 95.2% of the old shareholders, since the balance had been subscribed by new investors using scripts. The transaction allowed GBL to obtain net treasury earnings of EUR 703.3 million.

B. Treasury shares

On 31 December 2006, the Group holds 5,272,701 treasury shares, i.e. 3.6% of the issued capital, of which the acquisition cost is included in the shareholders' equity. 5,000,000 shares from the treasury shares are meant to cover the exchangeable bond launched in April 2005 (see note 4. B).

	Number of treasury shares
At 31 December 2004	**6,134,556**
Disposals during the year	(751,830)
At 31 December 2005	**5,382,726**
Disposals during the year	(110,025)
At 31 December 2006	**5,272,701**

In the course of 2006, GBL sold shares for a total amount of EUR 3.6 million (i.e. EUR 32.78 per share) in the context of the exercise by the employees of the stock option plan of 1999. The sale price corresponded to the exercise price of these options, which had been set in 1999 for the entire duration of the plan in accordance with the stipulations of the law of 26 March 1999 with respect to the Belgian 1998 action plan for employment including several stipulations. The criteria for the price setting decided upon by the General Meeting of 25 April 2006 for the buyback by the company of its treasury shares, are not applicable to this type of sale.

C. Dividends

On 26 April 2006, a dividend of EUR 1.72 per share (EUR 1.60 in 2005 and EUR 1.49 in 2004) had been paid to the shareholders.

The Board of Directors will suggest for the distribution relating to 2006 a gross dividend of EUR 1.90 per share, which will be payable on 25 April 2007. The financial statements presented prior to the distribution do not reflect this dividend, which is subject to approval by the shareholders in their General Meeting on 24 April 2007.

Hence, the total amount of dividends to be paid amounts to EUR 279.6 million, given the fact that the proposal of the Board of Directors relates to 147,167,666 shares.

12. Result per share

A. Consolidated result

in EUR million	2006	2005	2004
Basic and diluted	**2,883.3**	**523.0**	**594.0**
Non-discontinued operations	*396.3*	*263.4*	*270.2*
Discontinued operations	*2,487.0*	*259.6*	*323.8*

B. Number of shares

	2006	2005	2004
Outstanding shares at start of year	138,300,053	138,300,053	138,300,053
Treasury shares at start of year	(5,382,726)	(6,134,556)	(6,313,032)
Weighted changes during the year	5,946,926	595,887	82,957
Weighted average number of shares used to determine basic result per share	**138,864,253**	**132,761,384**	**132,069,978**
Influence of financial instruments with diluting effect:			
Stock options (note 6. D.)	250,165	360,190	1,112,020
Weighted average number of shares used to determine diluted result per share	**139,114,418**	**133,121,574**	**133,181,998**

C. Summary of the result per share

in EUR	2006	2005	2004
Basic	**20.76**	**3.94**	**4.50**
Non-discontinued operations	*2.85*	*1.98*	*2.05*
Discontinued operations	*17.91*	*1.96*	*2.45*
Diluted	**20.73**	**3.93**	**4.46**
Non-discontinued operations	*2.85*	*1.98*	*2.03*
Discontinued operations	*17.88*	*1.95*	*2.43*

13. Other current assets and debts

A. Other current assets

in EUR million	2006	2005	2004
Tax asset	13.7	5.2	36.5
Undue accrued interest	30.5	-	-
Other	1.4	1.1	1.8
Total	**45.6**	**6.3**	**38.3**

B. Other current debts

in EUR million	2006	2005	2004
Debt on investment acquisitions	43.0	22.3	-
Coupons to be paid	16.8	12.3	8.0
Unpaid accrued interests	8.8	9.3	0.2
Other debts	4.9	1.7	2.0
Total	**73.5**	**45.6**	**10.2**

The “Debt on investment acquisitions” corresponds to the amounts due to the financial intermediairies for the investments in Lafarge and Pernod Ricard, which had been acquired during the last three quotation days end 2006 and of which the payment had been settled in the beginning of 2007.

The “Coupons to be paid” mainly represent the coupons of the last three years of GBL, which had not been collected.

The “Unpaid accrued interests” comprise EUR 9 million relating to the exchangeable bonds 2005-2012. The payment of the interests will be made on 27 April 2007.

14. Possible rights, commitments, assets and liabilities

Credit lines and IRS (interest rate swap)

In the framework of its financial policy, GBL also accrued in the beginning of 2006 its bank credit lines, which remained unchanged since 2004 and amount to EUR 300 million up to EUR 950 million.
The company also concluded end 2005 an interest rate swap with a notional amount of EUR 500 million (see note 5. A.).

Financial derivatives

With the aim of increasing cash return, the Group uses financial derivatives. Those financial instruments are recorded at fair value (see note 5. B.). The risk for the Group represents a small percentage of the notional value of each operation.

Investment commitments/subscriptions

Following the investment by GBL in the private equity funds (PAI Europe III, Sagard and Sagard II), the uncalled subscribed amounts totalled EUR 157.6 million (EUR 14.7 million and EUR 42.5 million end 2005 and 2004, respectively).
This important increase can be explain by the GBL's recent investment subscription in Sagard II for EUR 150 million. EUR 1 million has been called on 31 December 2006.

Investments relating to tangible assets also had been made for an amount of EUR 13 million, compared to EUR 9 million in 2004 and 2005. This increase stems from the investments relating to the acquisition of a new company aeroplane (see note 9.).

Foreign dividends/double international taxation

The Group has taken certain measures by way of precaution and in order to preserve its interests in matters of double taxation on its foreign dividends.

Litigation RTL Group

In 2001, GBL, Bertelsmann, RTL Group and the Directors of the latter representing GBL and Bertelsmann, have been summoned before the Luxembourg courts by a few minority shareholders of RTL Group claiming the cancellation of the transfer by the GBL group to Bertelsmann of RTL Group shares and compensation for the alleged losses.
On 8 July 2003, the Luxembourg Court declared the claim of the minority shareholders not acceptable.
On 8 October 2003, the minority shareholders appealed the decision.
On 12 July 2006, the Court of Appeal of Luxembourg judged the case to be ill-founded and nonsuited the minority shareholders.
End November 2006, certain plaintiffs/claimants lodged an appeal to the Court of Cassation against this judgement. The procedure is still pending.

Litigation Rhodia

Early 2004, minority shareholders in Rhodia initiated proceedings against GBL and two of its Directors before the Paris Commercial Court, calling into question their responsibility as Directors of Rhodia. At the same time, a criminal justice procedure was started against X. On 27 January 2006, the Court of Paris decided to suspend the civil procedure until a decision is made in the criminal justice procedure.

15. Transactions with related parties

	2006		2005	
in EUR million	Pargesa	ECP	Pargesa	ECP
Assets				
Trading assets	19.4	-	16.2	-
Liabilities				
Derivatives issued	12.2	-	8.9	-
Income statement	0.3	0.4	0.3	-

The amounts concerning Pargesa relate to the option plan described in note 6. D.

The Directors' remunerations are included on page 78 of the annual report.

16. Post balance sheet events

Early January 2007, GBL spent EUR 798 million for the acquisition on the Stock Exchange of 20.3 million Suez shares, which increased its investment up to 9.6% of the capital (13.4% of the voting rights).

In the course of that same month, GBL strengthened its position in Pernod Ricard (which represented already 2.8% end 2006), and announced on 26 January 2007 the reaching of 5% into the capital of Pernod Ricard, which represented 5,525,547 shares of the company.
This investment, which has a stable and friendly character, is motivated by the fundamental qualities of the company and its growth perspectives. This participation has been built up in full transparency between its Chairman, Patrick Ricard, and the families Frère/Desmarais which keep up an old and excellent relationship.

17. Audit of the financial statements for the years 2004, 2005 and 2006

The consolidated and non-consolidated financial statements of GBL at 31 December 2004, 2005 and 2006 have been audited and approved without qualification by Deloitte, Bedrijfsrevisoren/Reviseurs d'Entreprises BV o.v.v.e. CVBA / SC s.f.d. SCRL, Avenue Louise 240, 1050 Brussels, Belgium, represented by Mr Michel Denayer.
The consolidated half-yearly financial statements at 30 June 2004, 2005 and 2006 have been subject to a limited review without qualification by GBL's statutory Auditor.

The full text of the Auditor's reports concerning the audit of the above-mentioned financial statements are published in the annual and half-yearly reports respectively.

In accordance with Article 134 of the Company Code, the fees concerning the statutory Auditor's work are included herunder sorted by activity.

in EUR	2006	2005	2004
Legal attest	(91,884)	(91,723)	(92,671)
of which GBL	*(70,000)*	*(70,000)*	*(70,000)*
Other attest	(5,630)	-	(2,800)
Tax fee	-	(7,850)	(3,510)
Other fee unrelated to legal attest	(40,889)	(43,475)	(24,810)
Total	**(138,403)**	**(143,048)**	**(123,791)**

Statutory Auditor's report

Statutory Auditor's report to the shareholders' meeting on the consolidated financial statements for the year ended 31 December 2006

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 Groupe Bruxelles Lambert S.A. ("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 to quoted companies. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2006, the consolidated income statement, 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 balance sheet shows total assets of EUR 16,233,200 (000) and a consolidated profit for the year then ended of EUR 2,883,300 (000).

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 Reviseurs d'Entreprises/Instituut der 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.

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 methods used, the consolidation policies, 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 provides a reasonable basis for our opinion.
In our opinion, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2006, 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 to quoted companies.

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, 6 March 2007

The statutory Auditor

DELOITTE Bedrijfsrevisoren/Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Michel Denayer

Non-consolidated summary balance sheet and income statement at 31 December

In accordance with Article 105 of the Company Code, the non-consolidated accounts are presented hereafter in a summary version of the annual accounts, which does not reproduce all the attachments required by law, nor the statutory Auditor's report. The complete version of the non-consolidated annual accounts, as deposited with the Banque Nationale de Belgique (National Bank of Belgium), is available on request from the company's registered office. They will also be available on the website (http://www.gbl.be). The shareholding structure (as mentioned in the appendix of these accounts) is detailed on pages 89-90, information relating to the company.

The statutory Auditor's report on the annual accounts was unqualified.

Summary balance sheet (after appropriation)

Assets

in EUR million	2006	2005	2004
Fixed assets	**14,753.6**	**8,885.1**	**7,486.3**
Tangible assets	0.9	0.9	0.9
Financial assets	14,752.7	8,884.2	7,485.4
Current assets	**55.3**	**28.5**	**584.9**
Amounts receivable after more than one year	6.5	1.4	-
Amounts receivable within one year	11.7	3.1	546.4
Investments	34.3	16.8	34.2
Cash at the bank and in hand	2.0	7.1	3.8
Deferred charges and accrued income	0.8	0.1	0.5
Total assets	**14,808.9**	**8,913.6**	**8,071.2**

Liabilities

in EUR million	2006	2005	2004
Capital and reserves	**11,261.7**	**7,758.0**	**7,719.7**
Capital	595.7	559.8	559.8
Share premium account	2,385.0	1,711.5	1,711.5
Reserves	2,184.5	2,180.9	2,180.9
Profit carried forward (loss carried forward)	6,096.5	3,305.8	3,267.5
Provisions and deferred taxation	**18.1**	**20.5**	**32.4**
Provisions for liabilities and charges	18.1	20.5	32.4
Creditors	**3,529.1**	**1,135.1**	**319.1**
Amounts payable after more than one year	0.1	0.1	0.1
Amounts payable within one year	3,504.1	1,132.7	318.4
Accrued charges and deferred income	24.9	2.3	0.6
Total liabilities	**14,808.9**	**8,913.6**	**8,071.2**

Income statement

in EUR million	2006	2005	2004
Sales and services	**0.8**	**1.0**	**0.9**
Turnover	0.1	0.1	-
Other operating income	0.7	0.9	0.9
Operating charges	**26.0**	**16.0**	**16.8**
Miscellaneous goods and services	22.8	14.4	15.1
Remuneration, social security and pensions	2.9	1.9	1.8
Depreciation and amounts written off the value of establishment expenses and tangible and intangible asets	0.3	0.2	0.2
Amounts written off the value of stocks, contracts in progress and trade receivables	-	(0.5)	(0.2)
Provisions for liabilities and charges	-	(0.1)	(0.1)
Other operating expenses	-	0.1	-
Loss of operating activities	**(25.2)**	**(15.0)**	**(15.9)**
Financial income	**484.1**	**345.1**	**372.2**
Income from financial assets	456.4	322.0	366.9
Income from current assets	1.5	5.9	1.9
Other financial income	26.2	17.2	3.4
Financial expenses	**113.5**	**71.9**	**55.0**
Debt expenses	49.4	7.5	16.5
Amount written off current assets	45.0	(0.4)	1.1
Other financial expenses	19.1	64.8	37.4
Current profit before taxes	**345.4**	**258.2**	**301.3**
Extraordinary income	**2,713.1**	**18.5**	**935.4**
Reinstatement of amounts written off financial assets	0.5	0.1	0.3
Reinstatement of provisions for extraordinary liabilities and expenses	3.4	12.1	-
Gains on disposals of fixed assets	2,709.2	6.3	935.1
Extraordinary expenses	**2.4**	**0.6**	**20.8**
Amounts written off the financial assets	0.2	-	-
Provisions for extraordinary liabilities and charges	-	-	15.8
Losses on disposal of fixed assets	-	0.6	5.0
Other extraordinary expenses	2.2	-	-
Profit for the year before income taxes	**3,056.1**	**276.1**	**1,215.9**
Income taxes on result	**17.8**	**-**	**-**
Adjustment of taxes and release of tax provisions	17.8	-	-
Profit for the year	**3,073.9**	**276.1**	**1,215.9**

Dividend policy

The profit appropriation policy proposed by the Board of Directors aims to maintain a balance between an attractive cash yield for shareholders and growth in the value of the GBL share. The dividend payout level is backed up by cash earnings.

Appropriation of profit by Groupe Bruxelles Lambert (non-consolidated accounts)

in EUR million	2006	2005	2004
Profit available for appropriation	**6,379.7**	**3,543.6**	**3,488.8**
Profit for the year available for appropriation	3,073.9	276.1	1,215.9
Profit carried forward from the previous year	3,305.8	3,267.5	2,272.9
Appropriation to shareholders' equity	**(3.6)**	**0.0**	**0.0**
Legal reserve	3.6	0.0	0.0
Profit to be carried forward	**(6,096.5)**	**(3,305.8)**	**(3,267.5)**
Profit to be carried forward	6,096.5	3,305.8	3,267.5
Profit to be distributed	**(279.6)**	**(237.8)**	**(221.3)**
Dividends	279.6	237.8	221.3

Appropriation of profit

Taking into account the profit carried forward of EUR 3,305,774,691.01, the profit available for appropriation amounts to EUR 6,379,676,401.57. The Board of Directors will propose the following appropriation to the General Meeting to be held on 24 April 2007:

in EUR	
Dividend on 147,167,666 shares	279,618,565.40
Transfer to legal reserve	3,589,378.97
To be carried forward	6,096,468,457.20

Dividend per share

	2006		2005		2004	
in EUR	Gross	Net	Gross	Net	Gross	Net
Share	1.900	1.425	1.720	1.290	1.600	1.200
Share + VVPR strip	1.900	1.615	1.720	1.462	1.600	1.360

Historical data

Summary of GBL's investments since 2004

2006

GBL – Financing policy

At the start of 2006, GBL raised its confirmed lines of bank credit, which can be used over a seven-year period. The lines increased by EUR 300 million on 31 December 2005 to EUR 950 million. The firm is entitled to pledge securities held in its portfolio as a guarantee for the grant of such credits, with the aim of securing better financial terms. GBL used part of these credit lines to finance the acquisition of Lafarge shares at the start of the year.

GBL – Capital increase

GBL announced in late March 2006 and launched in early April a capital increase open to shareholders, in keeping with pre-emptive rights, in the proportion of one new share for 15 existing shares, at the price of EUR 80.
The share issue met with success, securing a participation rate of 95.2% of existing shareholders. The remainder was subscribed by new investors via scripts. The operation involved the issue of 8.8 million shares worth EUR 709.4 million.

Disposal of Bertelsmann

On 27 January 2006, GBL's Board of Directors published its decision to request at end May the listing of Bertelsmann on the Stock Exchange in accordance with the shareholders' agreement concluded with the Mohn family.
On 25 May 2006, GBL, Bertelsmann and Bertelsmann Verwaltungsgesellschaft mbH (controlled by the Mohn family), concluded an agreement in principle on the transfer to the German group of the 25.1% interest owned by GBL, at a price of EUR 4.5 billion.
That agreement was ratified by the GBL Board at the end of May and resulted in the signature of the sale agreement between GBL and Bertelsmann on 28 June 2006.
GBL collected the proceeds of the sale, i.e. EUR 4.5 billion, on 4 July 2006, making a capital gain of EUR 2.4 billion on the transaction.

Acquisition of Suez shares

With the acquisition in the first half of the year of 9.8 million Suez shares at a cost of EUR 296 million, GBL raised its shareholding from 7.3% at end 2005 to 8.0% at end 2006.

Stronger position in Lafarge

GBL already held a 3.4% stake in Lafarge at end 2005. It continued its investment programme in 2006, spending EUR 2.1 billion and reaching a 15% stake in the group's capital.
The building up of that position is in keeping with GBL's approach of maintaining a friendly and stable shareholding.

Pernod Ricard

At the end of the year, GBL decided to acquire a shareholding in Pernod Ricard, warranted by the fundamental qualities of the company and its growth prospects. On 31 December 2006, GBL held a 2.8% stake in Pernod Ricard, with a market value of EUR 446 million at the end of the year.

Ergon Capital Partners II (ECP II) and Sagard II

In accordance with its plans to expand its private equity holdings, GBL made an undertaking to subscribe to ECP II, a new fund succeeding the first Ergon Capital Partners fund. ECP II will have an investment capacity of EUR 350 million.
GBL also committed to an investment of EUR 150 million in the Sagard II fund, which is the successor to the initial Sagard fund, in which GBL has held an interest since 2002.

Additional payment under subscription in Ergon Capital Partners, PAI Europe III and Sagard Private Equity Partners

PAI Europe III

On 31 December 2006, out of a commitment of EUR 40 million, GBL had invested EUR 38 million in the PAI Europe III fund and received cumulative dividend payouts of over EUR 26 million.
The transactions primarily concerned United Biscuits, Neuf Cegetel and the refinancing of Compagnie Européenne de Prévoyance and resulted in capital gains of some EUR 2 million for GBL.

Sagard Private Equity Partners (Sagard)

On 31 December 2006, GBL had paid a total of EUR 44 million and collected dividend payouts from Sagard adding up to over EUR 14 million on disposals of AFE and Le Moniteur.

Ergon Capital Partners (ECP)

At end December 2006, GBL invested a total of EUR 41 million in ECP, which in the course of 2006 carried out transactions on King Benelux, La Gardenia, Seves and Stroili & Franco.

2005

Creation of Ergon Capital Partners (ECP)

ECP was set up in February 2005 by two main co-founders, namely GBL and Parcom Ventures, a subsidiary of ING. This private equity fund has investment capacity of EUR 150 million. It invests in companies with leading positions on growth markets offering expansion opportunities, and located primarily in Belgium, Italy and France.

In June 2005, ECP invested EUR 16 million in a significant shareholding in Stroili & Franco, Italy's leading jewellery distributor.

Increase in the investment in Suez

In early August 2005, Suez announced plans to offer cash and trade shares for the Electrabel shares not yet in its possession.

GBL supported this initiative and decided to buy Suez shares as a means of offsetting the dilution of its investment resulting from the transaction. It accordingly raised its stake in Suez to 8% for the moment, an investment of some EUR 250 million. GBL also intends to subscribe in proportion to its shareholding (EUR 190 million) to the capital increase of EUR 2.4 billion launched by Suez to finance its bid on Electrabel.

Issue of bonds exchangeable for GBL shares in the amount of EUR 435 million

In March 2005, via its wholly-owned subsidiary Sagerpar, GBL issued exchangeable bonds coming to maturity in 2012. The bond issue sold very successfully. The bonds are fully guaranteed by Groupe Bruxelles Lambert and have a total face value of EUR 435 million. They are exchangeable for 5,000,000 GBL shares, currently held as treasury shares. The coupon was set at 2.95% yearly and the bonds will be reimbursed at par value on 27 April 2012 (7 years) if they have not been exchanged before that date. The conversion price is EUR 87, representing a premium of 25.5% over the average daily rate.

The issuer has the option of reimbursing the bonds in advance of their maturity date, from 11 May 2008 and with a trigger rate of 130%. This bond issue has been listed on the Luxembourg Stock Exchange since 27 April 2005.

Additional payment under subscription in PAI Europe III and Sagard Private Equity Partners

PAI Europe III

On 31 December 2005, out of a commitment of EUR 40 million, GBL had invested EUR 38 million in the PAI Europe III fund and received cumulative distributions of some EUR 15 million.

The transactions carried out in respect of Mivisa (a Spanish company specialised in metal packaging), Panzani (Europe's number-two producer of pasta, rice, couscous and sauces) and Vivarte (a major French distributor of clothing and footwear) resulted in capital gains of more than EUR 4 million for GBL.

Sagard Private Equity Partners (Sagard)

On 31 December 2005, GBL had paid a total of EUR 38 million and received more than EUR 3 million in dividend payouts from Sagard in connection with the recapitalisation of Vivarte, in which Sagard acquired a shareholding alongside PAI Europe III.

2004

Disposal of the shareholding in Rhodia

During the first four months of 2004, GBL sold on the Stock Exchange the remainder of its shareholding in Rhodia, for a total capital loss of EUR - 4.9 million.

Disposal of the shareholding in BIAC

The sale of BIAC at the end of December 2004 resulted in a net capital gain of EUR 40.9 million. GBL had initially acquired in 1988 a shareholding in the former BATC, which merged in 1998 with the publicly-owned airways operator (Régie des Voies Aériennes) to create BIAC, the company that operates Zaventem Airport. GBL increased its presence in BIAC in the 1990s to 4.7% of its capital, an investment of EUR 7.4 million.

In September 2003, the Belgian State, the majority shareholder in BIAC, launched, in agreement with the other shareholders, a procedure to bring in a new private partner. At the end of December 2004, the other shareholders concluded an agreement with the Australian group Macquarie for the sale of 70% of BIAC, valued at EUR 735 million. The State kept the remaining 30% in BIAC's share capital.

Additional payment under subscription in PAI Europe III and Sagard Private Equity Partners

PAI Europe III

On 31 December 2004, GBL had invested EUR 20.7 million in the private equity fund PAI Europe III. The uncalled commitment stands at EUR 14.0 million.
PAI Europe III divested itself of Antargaz, an LPG distributor in France, during the first quarter of 2004, selling to UGI, an American listed company. The very favourable market conditions resulted in a capital gain of EUR 4.2 million for GBL.

Sagard Private Equity Partners (Sagard)

On 31 December 2004, GBL had paid a total of EUR 21.5 million in four shareholdings:

- Vivarte
- Faiveley Transport
- Groupe Moniteur
- AFE.

Consolidated figures over 10 years

in EUR million	2006	2005	2004
Balance sheet	**IFRS**	**IFRS**	**IFRS**
Non-current assets	13,496.0	10,533.6	7,543.1
Current assets	2,737.2	123.6	411.4
Total assets	**16,233.2**	**10,657.2**	**7,954.5**
Shareholders' equity	15,682.0	10,159.7	7,911.6
Minority interests	0.0	0.0	0.0
Non-current liabilities	434.6	437.6	22.5
Current liabilities	116.6	59.9	20.4
Total liabilities and shareholders' equity	**16,233.2**	**10,657.2**	**7,954.5**
Income statement	**IFRS**	**IFRS**	**IFRS**
Share in the net earnings from associated companies	70.7	83.2	62.5
Result on discontinued operations [(2)]	2,487.0	259.6	323.8
Net dividends on investments	257.2	169.3	186.0
Interest income and expenses	38.2	1.2	3.7
Other financial income and expenses	28.5	21.5	1.8
Other operating income and expenses	(28.6)	(19.0)	(18.6)
Income taxes	18.6	0.7	(2.7)
Earnings on disposals and impairments of non-current assets	11.7	6.5	37.5
Minority interests	0.0	0.0	0.0
Consolidated result of the period	**2,883.3**	**523.0**	**594.0**
Gross dividend [(3)]	1.90	1.72	1.60
Coupon number for dividend [(4)]	8	7	5
Adjusted net assets per share [(3)]	113.91	80.33	64.27
Share price [(3)]	91.05	82.85	59.90
Number of shares in issue [(3)]	147,167,666	138,300,053	138,300,053
Number of warrants in circulation [(3)]	0	0	0
Number of treasury shares [(3)]	5,272,701	5,382,726	6,134,556

(1) Figures stated in accordance with Belgian accounting legislation
(2) In application of the IFRS 5, the impact of the sale of Bertelsmann has been clearly identified in the section “Result on discontinued operations”. Consequently, the presentation of the 2005 and 2004 results has been modified for the sake of comparability and readability with respect to 31 December 2006
(3) Data adjusted to take into account the multiplication by 5 of the number of shares following the merger on 26 April 2001
(4) Coupons paid between 1997 and 1999 concern Groupe Bruxelles Lambert S.A. (prior to the merger on 26 April 2001)

2003	2002	2001	2000	1999 [1]	1998 [1]	1997 [1]
IFRS	**IFRS**	**IFRS**	**IFRS**			
6,777.6	6,646.5	9,105.7	6,126.7	5,547.8	3,531.3	3,657.7
594.2	964.6	920.0	878.5	1,634.2	2,538.5	1,813.4
7,371.8	**7,611.1**	**10,025.7**	**7,005.2**	**7,182.0**	**6,069.8**	**5,471.1**
6,966.4	6,772.3	9,142.4	5,112.0	4,886.8	3,599.5	2,908.3
0.0	0.0	0.0	902.3	1,375.1	1,108.9	1,987.3
24.4	359.9	789.6	766.6	511.8	390.2	307.9
381.0	478.9	93.7	224.3	408.3	971.2	267.6
7,371.8	**7,611.1**	**10,025.7**	**7,005.2**	**7,182.0**	**6,069.8**	**5,471.1**
IFRS	**IFRS**	**IFRS**	**IFRS**			
71.5	(425.5)	(74.0)	93.7			
-	-	-	-			
206.9	203.1	140.5	127.9			
(9.4)	(6.9)	(0.6)	(4.3)			
(0.9)	31.3	59.8	34.3			
(18.7)	(16.0)	(14.0)	(15.8)			
0.1	(11.3)	(8.5)	(6.8)			
(39.1)	(12.5)	514.9	354.5			
0.0	0.0	0.0	(106.6)			
210.4	**(237.8)**	**618.1**	**476.9**	**1,278.2**	**882.1**	**786.5**
1.49	1.42	1.32	1.20	1.10	1.07	1.04
4	3	2	1	39	38	37
54.43	50.91	67.77	82.00	68.44	47.93	35.67
44.67	39.01	59.05	50.60	40.00	34.71	26.57
138,300,053	138,300,053	138,300,053	122,160,125	122,160,125	122,160,125	121,499,700
0	0	0	0	0	0	7,418,190
6,313,032	5,647,376	5,310,143	9,359,730	6,247,885	4,999,635	0

Corporate governance

Groupe Bruxelles Lambert ("GBL" or "the Company") complies with the provisions of the Belgian Code on Corporate Governance (the "Code").

In keeping with the best corporate governance practices, the Board of Directors adopted, late in 2005, a Corporate Governance Charter (the "Charter") that sets out the principles guiding the conduct of members of its Board, as well as the working of the Board of Directors and its specialised committees. The Charter was modified on 8 November 2006 by an amendment of the Audit Committee Rules of Procedure, and on 6 March 2007 to add to the criteria to be met by the Company's Directors to comply with the requirement of independence. The amended document is available on the Company's website (http://www.gbl.be), Legal aspects section, Corporate Governance heading.

This chapter describes the practical application of the corporate governance rules dictated by the Charter during the financial year ended 31 December 2006 and the period following this financial year and until the Ordinary General Meeting of 24 April 2007. It also explains the derogations from some of the Code's provisions.

1. Board of Directors

1.1. Composition at 31 December 2006

	Current term of office	Participation in Board Committees and in Executive Management
Chairman, Managing Director		
Baron Frère	2005-2008	Member of the Standing Committee Chairman of Executive Management (CEO)
Vice-Chairman, Director		
Paul Desmarais	2005-2008	Member of the Standing Committee
Managing Directors		
Gérald Frère	2005-2008	Chairman of the Standing Committee Member of Executive Management
Thierry de Rudder	2006-2009	Member of the Standing Committee Member of Executive Management
Directors		
Victor Delloye	2004-2007	-
Paul Desmarais Jr	2005-2008	Member of the Standing Committee
Aimery Langlois-Meurinne	2004-2007	-
Michel Plessis-Bélair	2004-2007	Member of the Standing Committee, Audit Committee and Nomination and Remuneration Committee
Gilles Samyn	2005-2008	Member of the Standing Committee, Audit Committee and Nomination and Remuneration Committee
Amaury de Seze	2004-2007	Member of the Standing Committee and Nomination and Remuneration Committee
Arnaud Vial	2004-2007	-
Independent Directors		
Jean-Louis Beffa	2004-2007	Chairman of the Audit Committee
Count Maurice Lippens	2004-2007	Chairman of the Nomination and Remuneration Committee
Baron Stéphenne	2004-2007	Member of the Nomination and Remuneration Committee
Secretary General and Compliance Officer		
Ann Opsomer		

Honorary Managing Directors
Count Jean-Pierre de Launoit [(1)], Jacques Moulaert, Emile Quevrin

Honorary Directors
Jacques de Bruyn, Count Baudouin du Chastel de la Howarderie, Jacques-Henri Gougenheim, Baron Lambert, Count Jean-Jacques de Launoit, Philippe van der Plancke, Aldo Vastapane

(1) Vice-Chairman, Honorary Managing Director

The composition of GBL's Board of Directors reflects the Company's controlling shareholding. Indeed, GBL is controlled by Pargesa Holding S.A. (through its 100% subsidiary, Pargesa Netherlands B.V.). Pargesa Holding S.A. is a company incorporated under Swiss law that is itself controlled by Parjointco N.V., incorporated under the laws of the Netherlands and owned 50-50 by Frère-Bourgeois/CNP-NPM group and Power Corporation of Canada group, under the terms of an agreement concluded by the two groups in 1990.

The aim of that agreement was to establish and maintain parity between the shareholdings of Power Corporation of Canada group and those of Frère-Bourgeois/CNP-NPM group in Pargesa Holding S.A., GBL and their respective designated subsidiaries. The agreement was prolonged in 1996 and will expire in 2014 if not renewed.

By virtue of that agreement, of the fourteen members of the GBL Board, nine are representatives of controlling shareholders, with four proposed by the Frère-Bourgeois/CNP-NPM group (namely Albert Frère, Gérald Frère, Victor Delloye and Gilles Samyn), four by Power Corporation of Canada group (namely Paul Desmarais, Paul Desmarais Jr, Michel Plessis-Bélair and Arnaud Vial) and one by Pargesa Holding S.A. (Aimery Langlois-Meurinne).

This shareholding structure explains why the composition of the Board of Directors is a departure from the Code, which recommends a Board composition such that no individual Director or group of Directors may dominate decision-making.

This controlling situation also justifies the presence of representatives of the controlling shareholders in the Audit Committee (two of the three members), the Standing Committee (six of the eight members) and the Nomination and Remuneration Committee (two of the five members).

The Company sees to the proper application of corporate governance recommendations and to the respect of the interests of the Company and of all its shareholders. Keeping that in mind, the Board of Directors comprises at all times at least three independent Directors.

Statutory appointments

- The terms of office of Jean-Louis Beffa, Victor Delloye, Aimery Langlois-Meurinne, Maurice Lippens, Michel Plessis-Bélair, Amaury de Seze, Jean Stéphenne and Arnaud Vial expire at the conclusion of the Ordinary General Meeting of 24 April 2007. The shareholders will be asked at that meeting to renew the appointments of these Directors for a three-year term, i.e. up to the end of the General Meeting in 2010 that will adopt the accounts for financial year 2009.

- The Board of Directors also proposes to appoint Gunter Thielen as a member, for the same statutory term of three years.
  Gunter Thielen, born in Quierschied (Saarland), Germany, on 4 August 1942, has the German nationality.
  He has a doctorate in mechanical (construction) engineering and economics from the Technical University of Aachen.
  His career began in 1970 at BASF, where he held various management positions. In 1976, he took up the duties of Technical Director of the Wintershall refinery in Kassel. In 1980, he was appointed Chairman of the management body of Maul-Belser in Nuremberg. In 1985, he moved to Bertelsmann AG as a member of the Executive Board. He has chaired that body since 2002.

- Subject to the approval of their appointments, the General Meeting is asked to recognise the independence of Jean-Louis Beffa, Maurice Lippens, Jean Stéphenne and Gunter Thielen. As announced last year, the independence criteria set out in the Charter have been supplemented with those contained in the Code. The Board of Directors considers that, in the light of these new criteria, Jean-Louis Beffa, Maurice Lippens, Jean Stéphenne and Gunter Thielen meet the criteria of independence. However, mindful of the need for transparency, they submit the following comments and justify their decision as follows:

  Gunter Thielen
  In his letter dated 12 February 2007, Gunter Thielen explained that as CEO of Bertelsmann, he had close business relations with GBL, a 25.1% shareholder in Bertelsmann. Those relations ceased with GBL's pull-out from the capital of Bertelsmann on 4 July 2006, namely around 10 months before the date of the GBL General Meeting on 24 April 2007 (thus, less than the one-year period established by the Charter). The Board considers that this rather short period is not such as to bring into question the independence of Gunter Thielen.

  Jean-Louis Beffa, Maurice Lippens and Jean Stéphenne
  These Directors have drawn the attention of the Board of Directors to the non-executive offices they hold in banks or companies related to these ones, with which GBL has business relationships, respectively:
  - Jean-Louis Beffa: Vice-Chairman of BNP Paribas
  - Maurice Lippens: Chairman of Fortis N.V. and Fortis S.A./N.V.
  - Jean Stéphenne: independent Director of Fortis Bank S.A./N.V.

  The office held by Jean Stéphenne creates no difficulties in relation to the independence criteria set out in the Charter, given the principle of autonomy of the banking function to which the major Belgian banks have adhered.
  The same goes for Maurice Lippens, who holds no offices in the bank, but serves as non-executive Director of the two holding companies of Fortis Bank S.A./N.V.

  Lastly, the Board of Directors notes that Jean-Louis Beffa does not sit in the Executive Committee of BNP Paribas, the management body of that bank, and holds no executive offices in the latter. The Board consequently considers that his office as Vice-Chairman of BNP Paribas does not compromise his independence as a Director of GBL.

  The four persons concerned have confirmed their independence, on this same basis, in their letters dated 12, 14 and 27 February 2007 respectively.

1.2. Information on the Directors [1]

1.2.1. Principal activity and other offices held by the members of the Board of Directors

The principal activity and the list of other offices held by the members of the Board of Directors can be found on page 94 of this report.

Albert Frère
Chairman of the Board of Directors
Managing Director and CEO

Business address:
Groupe Bruxelles Lambert
Avenue Marnix 24 – 1000 Brussels (Belgium)

Curriculum Vitae:
Born on 4 February 1926, in Fontaine-l'Evêque, Belgium, Belgian nationality
After managing steel undertakings in the Charleroi region and marketing their products, Albert Frère founded Pargesa Holding S.A., jointly with other businessmen, in Geneva, in 1981. Pargesa Holding S.A. acquired interests in Groupe Bruxelles Lambert in 1982. Albert Frère has since held the posts of Managing Director, CEO and, since 1987, Chairman of the Board of Directors.

Paul Desmarais
Vice-Chairman of the Board of Directors

Business address:
Power Corporation of Canada
751, Square Victoria – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:
Born on 4 January 1927 in Sudbury, Ontario, Canada, Canadian nationality
After earning a degree in business administration from the University of Ottawa (Canada), Paul Desmarais took over a bus company in Sudbury (Ontario) in 1951. In 1959, he created Transportation Management Corporation Limited and then went on to acquire Provincial Transport Limited in 1960. He acquired control of Entreprises Gelco Limitée in 1962. In 1968, he acquired a controlling stake in Power Corporation of Canada, an international management and holding company. He served as its Chairman and Chief Management Officer from 1968 to 1996. Today, he chairs the Company's Executive Committee. Paul Desmarais has been a Director of Groupe Bruxelles Lambert since 1982 and currently is Vice-Chairman of the Board of Directors.

Gérald Frère
Managing Director

Business address:
Groupe Bruxelles Lambert
Avenue Marnix 24 – 1000 Brussels (Belgium)

Curriculum Vitae:
Born on 17 May 1951, in Charleroi, Belgium, Belgian nationality
After being educated in Switzerland, Gérald Frère joined the family company, Frère-Bourgeois group (Belgium), where he took up the duties of Managing Director. He is also Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (CNP-NPM) and a Regent of the National Bank of Belgium. He was appointed to the Board of Directors of Groupe Bruxelles Lambert in 1982. In 1993, he was named Managing Director and has chaired the Standing Committee since that time.

Thierry de Rudder
Managing Director

Business address:
Groupe Bruxelles Lambert
Avenue Marnix 24 – 1000 Brussels (Belgium)

Curriculum Vitae:
Born on 3 September 1949, in Paris, France, French and Belgian nationality
Thierry de Rudder has degrees in mathematics from the University of Geneva and Free University of Brussels (ULB) and an MBA from Wharton School in Philadelphia. He began his career in the United States and joined Citibank in 1975, where he held various posts in New York and later in Europe. In 1986, he joined Groupe Bruxelles Lambert, becoming Managing Director in 1993.

(1) As transmitted individually to the Company by each of the members of the Board of Directors

Jean-Louis Beffa
Director

Business address:
Saint-Gobain
"Les Miroirs", 18, avenue d'Alsace – 92096 La Défense (France)

Curriculum Vitae:
Born on 11 August 1941, in Nice, France, French nationality
After earning a degree in mining engineering from the "Ecole polytechnique", Jean-Louis Beffa went on to take degrees from the National College of Petroleum Engineering and the Political Science Institute in Paris. He began his career as an Engineer at the Ministry for Industry's Fuel Directorate, and then as Head of the Refining Service and Deputy Director. In 1974, he joined Compagnie de Saint-Gobain, of which he is Chairman-Chief Executive Officer since 1986. He has been a Director of Groupe Bruxelles Lambert since 1999.

Victor Delloye
Director

Business address:
Compagnie Nationale à Portefeuille S.A.
Rue de la Blanche Borne 12 – 6280 Loverval (Belgium)

Curriculum Vitae:
Born on 27 September 1953, Belgian nationality
Victor Delloye has a law degree from Catholic University of Louvain (UCL) and is a graduate of the School of Business Studies (ICHEC). Since the 1989-1990 academic year, he has been a lecturer at ULB's Solvay Business School in the master's programme in tax planning. He joined Frère-Bourgeois group in 1987 and was named Director-General Secretary of CNP-NPM in 1994. He became a Director of Groupe Bruxelles Lambert in 1999.

Paul Desmarais Jr
Director

Business address:
Power Corporation of Canada
751, Square Victoria – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:
Born on 3 July 1954 in Sudbury, Ontario, Canada, Canadian nationality
Paul Desmarais Jr has a degree in business studies from McGill University in Montreal and an MBA from INSEAD in Fontainebleau. He began his career in England with S.G. Warburg & Co. Ltd., moving on to Standard Brands Incorporated in New York. In 1981, he joined Power Corporation of Canada, where he is now Chairman of the Board and co-Chief Management Officer. He has been a Director of Groupe Bruxelles Lambert since 1990.

Aimery Langlois-Meurinne
Director

Business address:
Pargesa Holding S.A.
11, Grand-Rue – 1204 Geneva (Switzerland)

Curriculum Vitae:
Born on 27 May 1943, French nationality
Aimery Langlois-Meurinne has a degree from the "Ecole Nationale d'Administration". He began his career at Paribas (France) and worked a number of years in New York (AG Becker Paribas and Merrill Lynch Capital Markets). He is Director-General Manager of Pargesa Holding S.A. He has been a Director of Groupe Bruxelles Lambert since 1993.

Maurice Lippens
Director

Business address:
Fortis
Rue Royale 20 – 1000 Brussels (Belgium)

Curriculum Vitae:
Born on 9 May 1943, Belgian nationality
Maurice Lippens has a doctorate in law from Free University of Brussels (ULB) and an MBA from Harvard Business School. He began his career in corporate turnarounds and in venture capital. He served successively as Director, Managing Director and Chairman-Managing Director of AG Group, which became Fortis in 1990. He served as Executive Chairman of Fortis until 2000 and has been a non-executive Chairman since that date. He was appointed a Director of Groupe Bruxelles Lambert in 2001.

Michel Plessis-Bélair
Director

Business address:
Power Corporation of Canada
751, Square Victoria – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:
Born on 26 March 1942, in Montreal, Canada, Canadian nationality
Michel Plessis-Bélair holds a master's degree in business from the Montreal Business School and an MBA from Columbia University in New York. He is also a Fellow of the Order of Chartered Accountants of Quebec. He began his career with Samson Bélair, moving on in 1975 to Société Générale de Financement du Québec where he held various management posts and also served as Director. In 1986, he joined Power Corporation of Canada and Corporation Financière Power, where he is today Vice-Chairman of the Board and Head of Financial Services, and Executive Vice-Chairman and Head of Financial Services respectively. He has been a Director of Groupe Bruxelles Lambert since 1990.

Gilles Samyn
Director

Business address:
Compagnie Nationale à Portefeuille S.A.
Rue de la Blanche Borne 12 – 6280 Loverval (Belgium)

Curriculum Vitae:
Born on 2 January 1950, in Cannes, France, French and Belgian nationality
Gilles Samyn is a market development engineer, a graduate of the Solvay Business School (ULB), where he has held research and teaching posts since 1970. His career began in the Mouvement Coopératif Belge in 1972, after which Gilles Samyn moved on to Groupe Bruxelles Lambert in late 1974. After a year of self-employment, in 1983, he joined the Frère-Bourgeois group, where he is now Managing Director. He is also Vice-Chairman and Managing Director of CNP-NPM. He has been a Director of Groupe Bruxelles Lambert since 1987.

Amaury de Seze
Director

Business address:
PAI Partners
43, avenue de l'Opéra – 75002 Paris (France)

Curriculum Vitae:
Born on 7 May 1946, French nationality
Amaury de Seze has a degree from the Higher School of Business Administration ("Centre de Perfectionnement dans l'Administration des Affaires") and Stanford Graduate School of Business. His career began at Bull General Electric. From 1978 to 1993, he was with Volvo group, chairing Volvo Europe and serving as a member of the group's Executive Committee. In 1993, he joined Paribas group as a member of the Executive Board in charge of industrial affairs. Amaury de Seze is today Chairman of the Supervisory Board of PAI Partners. He is a Director of Pargesa Holding S.A. and has been a Director of Groupe Bruxelles Lambert since 1994.

Jean Stéphenne
Director

Business address:
GlaxosSmithKline
89, rue de l'Institut – 1330 Rixensart (Belgium)

Curriculum Vitae:
Born on 1 September 1949, in Furfooz, near Dinant, Belgium, Belgian nationality
Jean Stéphenne holds a degree in chemical engineering and agronomy from the Agronomy College of Gembloux, and a degree in management from Catholic University of Louvain (UCL). He began his career at SmithKline-Rit, where he moved up the ranks to become Chairman-Chief Executive Officer. He chaired UWE (Union Wallonne des Entreprises) from 1997 to 2000. He was named a Director of Groupe Bruxelles Lambert in 2003.

Arnaud Vial
Director

Business address:
Power Corporation of Canada
751, Square Victoria – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:
Born on 3 January 1953 in Paris, France, French and Canadian nationality
After completing a degree programme at the "Ecole supérieure d'Electricité", Arnaud Vial began his career in 1977 at Banque Paribas (Paris). In 1988, he joined Pargesa group. In 1997, he was named First Vice-Chairman for Finance of Power Corporation of Canada and of Corporation Financière Power. He was appointed a Director of Groupe Bruxelles Lambert at the Ordinary General Meeting on 27 April 2004.

1.2.2. Offices held by Directors in listed companies

The following table shows the number of offices held at 31 December 2006 by each of the Directors in listed companies, in Belgium and in other countries.

Two figures are used for the number of offices. The first figure represents the total number of offices held; the second, smaller figure is obtained by consolidating the offices held in the same group as its representative in companies in which it holds shares.

The specific nature of a holding company is to own shares whose performance must be monitored by the company's managers. In this context, the Directors may legitimately hold more than five offices that constitute their main professional activities, which explains why the Charter departs from the Code's provision in this respect.

	Number of offices	Name of the listed company
Albert Frère	5 / 2	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Métropole Télévision (F) Suez (F) L.V.M.H. (F)
Paul Desmarais	4 / 1	Power Corporation of Canada (CDN) Corporation Financière Power (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Gérald Frère	5 / 3	Banque Nationale de Belgique (B) Corporation Financière Power (CDN) Compagnie Nationale à Portefeuille S.A. (B) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Thierry de Rudder	5 / 2	Groupe Bruxelles Lambert (B) Imerys (F) Suez (F) Total S.A. (F) Compagnie Nationale à Portefeuille S.A. [1] (B)

(1) Directorship held for his own account

	Number of offices	Name of the listed company
Jean-Louis Beffa	4 / 4	BNP Paribas (F) Compagnie de Saint-Gobain (F) Gaz de France (F) Groupe Bruxelles Lambert (B)
Victor Delloye	3 / 1	Compagnie Nationale à Portefeuille S.A. (B) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Paul Desmarais Jr	10 / 1	Power Corporation of Canada (CDN) Corporation Financière Power (CDN) Great-West Life & Annuity Insurance Company (USA) Great-West Lifeco Inc. (CDN) IGM Financial Inc. (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Imerys (F) Suez (F) Total S.A. (F)
Aimery Langlois-Meurinne	5 / 3	Club Méditerranée (F) Eiffage (F) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Imerys (F)
Maurice Lippens	5 / 5	Belgacom (B) Fortis S.A./N.V.(B) Fortis N.V. (NL) Groupe Bruxelles Lambert (B) Total S.A. (F)
Michel Plessis-Bélair	6 / 1	Power Corporation of Canada (CDN) Corporation Financière Power (CDN) Great-West Lifeco Inc. (CDN) Société Financière IGM (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Gilles Samyn	5 / 3	Compagnie Nationale à Portefeuille S.A. (B) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Eiffage (F) Groupe Flo (F)
Amaury de Seze	6 / 5	Carrefour (F) Eiffage (F) Power Corporation of Canada (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Publicis Groupe (F)
Jean Stéphenne	4 / 4	Fortis Banque S.A./N.V. (B) Groupe Bruxelles Lambert (B) IBA (B) Besix (B)
Arnaud Vial	1 / 1	Groupe Bruxelles Lambert (B)

1.2.3. Family ties between members of the Board of Directors

Albert Frère is Gérald Frère's father.
Gérald Frère is Thierry de Rudder's brother-in-law.
Paul Desmarais is Paul Desmarais Jr's father.

1.2.4. Management expertise and experience of members of the Board of Directors

Among the criteria laid down for the appointment of Directors is their expertise and experience in management and finance.

The activity exercised and offices held by the Directors (see appendix page 94) attest to the experience and the expertise of each one.

1.2.5. Absence of conviction for fraud or of public incrimination and/or penalties

In the course of the last five years, there have never been any official public charges made and/or penalties handed down against any of the Directors by statutory or regulatory authorities.

Likewise, none of the Directors has ever been prohibited by a court from acting in the capacity of member of a management body or from taking part in the management or pursuit of an issuer's activities.

1.2.6. Bankruptcy, placing in receivership or liquidation of companies with which a Director has ties as board member over the last five years

None of the Directors has ever been associated with a bankruptcy, placing in receivership or liquidation, with the exception of Victor Delloye and Gilles Samyn. They declare that, as members of the Board of Directors of Loverfin S.A., they were involved in the dissolution and placing in liquidation (as well as the distribution of incentive earnings) of this company by unanimous agreement of the shareholders, at 19 December 2003, as part of an employee profit-sharing scheme of Compagnie Nationale à Portefeuille S.A.

1.2.7. Potential conflicts of interests between members of the Board of Directors

Potential conflicts of interests between the duties of Directors towards the Company and their private interests and/or other duties are the following:

- Albert Frère, Gérald Frère, Victor Delloye and Gilles Samyn are all Director of Pargesa Holding S.A. and also hold different Directorships in Frère-Bourgeois/CNP-NPM group.

- Paul Desmarais, Paul Desmarais Jr and Michel Plessis-Bélair are Director of Pargesa Holding S.A. and also hold different Directorships in Power Corporation of Canada group.

- Thierry de Rudder is a Director of Compagnie Nationale à Portefeuille S.A.

- Amaury de Seze is a Director of Pargesa Holding S.A. and is also a Director in a Power Corporation of Canada group company and in a Frère-Bourgeois/CNP-NPM group company.

- Aimery Langlois-Meurinne is Director-General Manager of Pargesa Holding S.A.

- Arnaud Vial is First Vice-Chairman for Finance of Power Corporation of Canada and of Corporation Financière Power.

1.2.8. Arrangements or agreements concluded with the principal shareholders

The Company has not concluded with the main shareholders any arrangements or agreements by virtue of which the Directors have been selected as members of the Board of Directors.

1.2.9. Shares held in GBL's capital (shares and options)

Directors Albert Frère, Gérald Frère, Thierry de Rudder, Jean-Louis Beffa, Victor Delloye, Paul Desmarais Jr, Aimery Langlois-Meurinne, Maurice Lippens, Michel Plessis-Bélair, Gilles Samyn, Amaury de Seze and Arnaud Vial own no shares in GBL's capital.

Paul Desmarais owns 500 GBL shares.
Jean Stéphenne owns 86 GBL shares.

On 2 March 2007, Gérald Frère holds 36,000 options corresponding to 180,000 GBL shares and Thierry de Rudder holds 4,000 options corresponding to 20,000 GBL shares.

1.2.10. Restriction concerning the transfer of shares in GBL's capital

To the best of the Company's knowledge, there are no restrictions concerning the transfer, within a certain period of time, of a Director's holding of GBL's capital, with the exception of what is stipulated for closed periods.

1.3. Executive Management and Chief Executive Officer (CEO)

The Board of Directors has appointed three Managing Directors, Albert Frère, Gérald Frère and Thierry de Rudder, to handle the Company's day-to-day management. In accordance with the decision of the Board of Directors of 17 March 2005, they make up the Company's Executive Management. The Executive Management is chaired by Albert Frère in his capacity as CEO.

The Code recommends a separation between the responsibilities of the Chairman of the Board of Directors and those of the CEO.

The offices of Chairman and CEO of GBL are held by the same person. This situation is the result of the Company's history: Albert Frère took up the duties of CEO of GBL in 1982 and has chaired the Board of Directors since 1987. There are no plans for the moment to separate the roles of Chairman of the Board and CEO.

1.4. Remuneration of members of the Board of Directors

1.4.1. Remuneration policy

The remuneration of the Managing Directors comprises a fixed recurring amount and a medium-term share in the Company's profits in the form of an annual stock option plan. The fixed remuneration is reviewed every four years on the basis of the Company's performance on the market. The base reference is the market median, the upper bracket applying only to the extent that GBL's performance over the last decade has been in the top quartile of BEL 20 and CAC 40 companies.

The Managing Directors benefit from a pension plan with fixed contributions financed by GBL through a pension fund.
In the event a Director gives up his office or positions before the age of 62, without serious cause, the Managing Directors may demand compensation equal to the fixed remuneration for one to three years, as follows:

- one year for seniority of no more than 5 years;
- two years for seniority of between 5 and 15 years; and
- three years for seniority of more than 15 years.

Departure by mutual consent is comparable to stepping down from office.

There is no service contract between members of the Board of Directors and the Company or any of its subsidiaries providing for the grant of any advantages upon conclusion of such a contract.

The Managing Directors may use the aircraft of the Company for private purposes within the limits established in the Rules of Procedure. The CEO is obliged by the Board of Directors to use it for all his travels. Use by the Managing Directors is treated as benefit in kind and the amount involved is listed as remuneration.

The Company publishes in this annual report, on an individual basis, the remuneration of the non-executive members of the Board of Directors and of Executive Management, including the CEO. The amounts taken into account are those paid, directly or indirectly, individually to the Directors by all GBL consolidated and associated companies.

1.4.2. Publication of gross remuneration 2005-2006

1.4.2.1. Remuneration of non-executive Directors

in EUR	Board Member (1)	Board Committee Member	Special mandates (2)	Other (2)	Total 2006	Total 2005
Jean-Louis Beffa	37,500	25,000	-	-	62,500	62,500
Victor Delloye	37,500	-	-	-	37,500	37,500
Paul Desmarais (3)	62,500	25,000	-	-	87,500	87,500
Paul Desmarais Jr	37,500	25,000	-	126,500	189,000	181,000
Aimery Langlois-Meurinne	37,500	-	-	-	37,500	37,500
Maurice Lippens	37,500	25,000	-	-	62,500	62,500
Michel Plessis-Bélair	37,500	50,000	-	-	87,500	87,500
Gilles Samyn	37,500	50,000	1,000,000	154,911	1,242,411	254,000
Amaury de Seze	37,500	37,500	-	-	75,000	75,000
Jean Stéphenne	37,500	12,500	-	-	50,000	41,667
Arnaud Vial	37,500	-	-	-	37,500	37,500
Total	**437,500**	**250,000**	**1,000,000**	**281,411**	**1,968,911**	**964,167**

(1) Amounts decided by the Ordinary General Meeting of 26 April 2001
(2) Remuneration for offices held in companies in which they represent GBL
(3) Vice-Chairman of the board

An extra remuneration related to the sale of GBL's stake in Bertelsmann was paid to Gilles Samyn and is entered under the heading "Special mandates".

1.4.2.2. Remuneration of Executive Management

in EUR	Fixed remuneration	Non-recurring remuneration	Other benefits		Total 2006	Total 2005
Albert Frère	2,496,200	3,000,000		22,207	5,518,407	2,031,938
			Benefit in kind [1]	20,236		
			Insurance	1,971		
Gérald Frère	1,443,505	-		169,245	1,612,750	1,574,571
			Pension contribution	162,332		
			Benefit in kind [1]	4,683		
			Insurance	2,230		
Thierry de Rudder	1,535,442	542,000		271,583	2,349,025	1,699,715
			Pension contribution	269,612		
			Insurance	1,971		
Total	**5,475,147**	**3,542,000**		**463,035**	**9,480,182**	**5,306,224**

(1) Related primarily to private use of the aircraft

The amount of remuneration paid directly or indirectly to members of Executive Management includes remuneration for mandates in the companies in which they represent GBL. Members of Executive Management receive no remuneration for their Directorship as such

The fixed remuneration of Executive Management has been increased for the 2006-2009 period on the basis of a study carried out by Towers Perrin/Boyden and according to a sampling of BEL 20 and CAC 40 companies. This remuneration will remain unchanged for three years. An extra remuneration related to the sale of GBL's stake in Bertelsmann was paid to Albert Frère and Thierry de Rudder and is entered under the heading "Non-recurring remuneration".

1.5. Board meetings held in 2006 and participation of Directors

The Board of Directors met seven times in 2006: for four meetings, certain members participated by telephone, while one meeting was held via videoconference. The Board of Directors also took decisions by writing on three occasions.

The Directors' individual rate of participation in these meetings stands as follows:

Directors	Participation rate
Albert Frère	100%
Paul Desmarais [1]	30%
Gérald Frère	100%
Thierry de Rudder	100%
Jean-Louis Beffa	80%
Victor Delloye	100%
Paul Desmarais Jr	90%
Aimery-Langlois Meurinne	70%
Maurice Lippens	80%
Michel Plessis-Bélair	70%
Gilles Samyn	100%
Amaury de Seze	100%
Jean Stéphenne	90%
Arnaud Vial	100%
Overall total	**86.43%**

(1) Paul Desmarais' absences correspond to periods of convalescence

The main subjects addressed and the resolutions adopted by the Board of Directors for the past year may be summarised as follows:

- 13 January 2006
  The Board approved, by circular for reasons of speediness, the negotiation of the Company's credit lines.

- 26 January 2006
  The Board ruled in favour of the launch of the Bertelsmann IPO procedure foreseen by the shareholders' agreement of Bertelsmann. The same Board meeting approved the principle of increasing GBL's shareholding in Lafarge.

- 28 March 2006
  In addition to traditional tasks related to the approval of the consolidated accounts and financial statements at 31 December 2005 and monitoring of the group's shareholdings, the Board decided to proceed to a capital increase with preferential rights of some EUR 703 million. It also approved the Underwriting Agreement and the prospectus on this operation.
  The Board also examined a possible shareholding, in the amount of EUR 150 million, in the Sagard II private equity fund to be established by Power Corporation of Canada before the summer of 2006. Because this is an operation with a company having ties with GBL, the Board decided, pursuant to the procedure dictated by Article 524 of the Company Code, to submit the investment project to a committee of independent Directors, whose members it appointed.
  On the basis of that committee's work and the opinion of the independent expert, Degroof Corporate Finance, the Board issued its unanimous approval. That investment was enacted by circular on 14 June 2006.

- 3 May 2006
  GBL decided to continue raising its shareholding in Lafarge.

- 30 May 2006
  The Board expressed its agreement with the principle of the disposal, by private agreement, of the 25.1% shareholding in Bertelsmann and with the practical arrangements of that transaction, which was enacted on 4 July 2006.

- 14 June 2006
  The Board approved, on an urgent basis and by circular, the consolidation of GBL's position in Suez.

- 12 September 2006
  The Board of Directors adopted the half-yearly accounts for 2006 and approved the investment of EUR 175 million in the new Ergon Capital Partners II fund, held in partnership with Parcom Ventures, a wholly-owned subsidiary of ING.
  The Board also deemed advisable to continue increasing the group's holding in the capital of Lafarge.

- 8 November 2006
  The Board reviewed the evolution of the Suez/Gaz de France merger operation.
  It also took an option on a new aircraft deliverable in 2008 with a view to replacing the group's current aircraft.

- 22 December 2006
  The Board of Directors reviewed the situation of Pernod Ricard. It ratified the investments made to date, and authorised to continue the constitution of the shareholding.
  At the same meeting, the Board adopted decisions concerning the Company's remuneration policy and the recurring and non-recurring remuneration of certain Directors. As the latter had an interest of an economic nature adverse to that of the Company, the procedure dictated by Article 523 of the Company Code was applied.

1.6. Effectiveness and assessment of the Board

The rules of procedure of GBL's Board of Directors, which entered into force at the end of 2005, established that the Board shall assess its performance at regular intervals of no more than three years.

An initial assessment is scheduled for 2007 on the activities of the Board of Directors in 2006. It will be based on a questionnaire transmitted to all members of the Board of Directors. The document will particularly cover the question of the interaction between the non-executive Directors with Executive Management. Indeed, the Charter does not make provision for an annual meeting of non-executive Directors without the presence of the Executive Directors.

2. Board Committees

The Board of Directors is assisted by the Standing Committee, the Nomination and Remuneration Committee and the Audit Committee, which carry out their activities under its responsibility.

2.1. Standing Committee

2.1.1. Composition

The Standing Committee has eight members, namely:

Members of the Standing Committee	Current term
Gérald Frère, Chairman	2005-2008
Paul Desmarais	2005-2008
Paul Desmarais Jr	2005-2008
Albert Frère	2005-2008
Michel Plessis-Bélair	2004-2007
Thierry de Rudder	2006-2009
Gilles Samyn	2005-2008
Amaury de Seze	2004-2007

Membership of the Standing Committee corresponds to the Directorship.

The Directorships of Michel Plessis-Bélair and Amaury de Seze expire at the conclusion of the General Meeting. The Board of Directors, meeting on 6 March 2007, decided to renew their appointments as members of the Standing Committee subject to their re-election to the Board by the General Meeting of 24 April 2007.

2.1.2. Frequency of meetings

The Standing Committee met on four occasions in 2006.
The Directors' individual attendance rate at these meetings stands as follows:

Directors	Participation rate
Gérald Frère	100%
Albert Frère	100%
Thierry de Rudder	100%
Paul Desmarais (1)	0%
Paul Desmarais Jr	100%
Michel Plessis-Bélair	50%
Gilles Samyn	100%
Amaury de Seze	100%
Overall total	**81.25%**

(1) Paul Desmarais' absences correspond to periods of convalescence

At its meeting in March 2006, the Standing Committee carried out an analysis and proposed to the Board of Directors to increase the Company's capital, while observing preferential rights, in the amount of some EUR 703 million.

At its meetings in May, September and November 2006, the Committee analysed several investment projects and made recommendations to the Board concerning, particulary, the shareholdings in Lafarge, Suez and Pernod Ricard.

2.2. Nomination and Remuneration Committee

2.2.1. Composition

The Committee currently has five members:

Members of the Nomination and Remuneration Committee	Current term
Maurice Lippens, Chairman	2004-2007
Michel Plessis-Bélair	2004-2007
Gilles Samyn	2005-2008
Amaury de Seze	2004-2007
Jean Stéphenne	2004-2007

Membership of the Committee corresponds to the Directorship.

The Directorships of Maurice Lippens, Michel Plessis-Bélair, Amaury de Seze and Jean Stéphenne expire at the conclusion of the General Meeting. The Board of Directors, meeting on 6 March 2007, decided to renew their appointments as members of the Nomination and Remuneration Committee subject to their re-election to the Board by the General Meeting of 24 April 2007.

All members of the Nomination and Remuneration Committee are non-executive Directors, two of whom are independent.

According to the Code, the majority of members of the Nomination and Remuneration Committee must be independent Directors. GBL does not consider this provision to be compatible with the structure of its controlling shareholding but intends to see to it that at least half the members of this Committee are independent Directors.

2.2.2. Frequency of meetings

The Committee met twice in 2006, and adopted one resolution by circular. Members' participation rate in these meetings was 100%.

At its meeting in March 2006, the Committee proposed the re-election of Thierry de Rudder as Director and also recommended the renewal of his membership of the Standing Committee and his responsibility for day-to-day management.
It also reviewed the group's use in 2005 of the Company's aircraft and proposed a number of changes to the rules of procedure related thereto. The rules establish both the conditions for use of the aircraft for professional reasons and limits on its private use by Managing Directors.

The Committee drew up a proposal to the Board of Directors relating to the 2005 remuneration of the CEO and reviewed information on the remuneration of the Executive and non-executive Directors to be published in the GBL Annual Report. It decided to carry out, with the assistance of an external consultant, a new study on remuneration and other benefits granted to executives and managers of GBL, the last one dating from 2002. On supplemental pensions, it adopted new mortality charts reflecting improved life expectancy.

In June 2006, the Committee decided by circular to propose to the Board of Directors the appointment of Gunter Thielen as an independent Director.

Finally, in December 2006, the Committee proposed to the Board of Directors to adapt the group's remuneration policy to the results of the study carried out by the external consultants, and, in line with that policy, drew up different proposals for the remuneration of Executive and non-executive Directors. It also decided to implement, via questionnaire, the procedure for evaluating the working of the Board of Directors and the interaction of the non-executive Directors with Executive Management.

2.3. Audit Committee

2.3.1. Composition

The Committee currently comprises three members, namely:

Members of the Audit Committee	Current term
Jean-Louis Beffa, Chairman	2004-2007
Michel Plessis-Bélair	2004-2007
Gilles Samyn	2005-2008

Membership of the Committee corresponds to the Directorship.

The Directorships of Jean-Louis Beffa and Michel Plessis-Bélair expire at the conclusion of the General Meeting. The Board of Directors, meeting on 6 March 2007, decided to renew their appointment as member of the Audit Committee subject to their re-election to the Board by the General Meeting of 24 April 2007.

The three Committee members are non-executive Directors and Chairman, Jean-Louis Beffa, is an independent Director. In accordance with the terms of the Charter, at least half the Committee members must be independent Directors. Accordingly, with a view to complying with that requirement, the Board of Directors, at its meeting on 6 March 2007, decided to appoint Gunter Thielen as a new member of the Audit Committee, subject to his appointment as an independent Director at the Ordinary General Meeting of 24 April 2007.

As a reminder, the Code also provides that the majority of Committee members must be independent Directors. As this provision is incompatible with GBL's controlling shareholding, the Company's Charter allows a derogation.

2.3.2. Frequency of meetings

The Audit Committee met four times in 2006. The Committee members participated in meetings either physically or by telephone.

The Directors' individual attendance rate at these meetings stands as follows:

Directors	Participation rate
Jean-Louis Beffa	75%
Michel Plessis-Bélair	100%
Gilles Samyn	100%
Overall total	**91.67%**

One of the Managing Directors, the Company's Financial Director, as well as the permanent representative of the Auditor, Michel Denayer, were invited to all of the Committee's meetings.

At these meetings, the Audit Committee examines, as a matter of priority, the Company's consolidated financial statements, for the yearly or half-yearly situation, or the consolidated results for the quarterly situations.
In the context of the annual accounts, it reviewed ongoing litigation and looked into accounting methods for shareholdings in private equity funds. It also examined the capital increase operation.

The Committee reviewed the projections and budgets submitted to it, as well as the press releases before their submission to the Board of Directors.

Finally, in November 2006, the Audit Committee submitted to the Board of Directors a proposal for amendment of the rules of procedure establishing that, when the Chairman is prevented from attending, he may appoint a member of the Committee to chair the meeting in his absence.

2.3.3. Assessment

In terms of the evolution and effectiveness of its work, the Committee can propose changes to its rules of procedure at any time. The Charter therefore does not make provision for an annual review of the Committee's rules of procedure and of its effectiveness; such a procedure would no doubt be cumbersome and inadvisable.

3. Internal control

The Company has an internal control system adapted to the way it operates. Every transaction executed must have the prior consent of at least two people.

In 2006, Executive Management, assisted by the Auditor, identified and established priorities among the main risks likely to occur in connection with the Company's activity.

Executive Management also gave the Auditor a mandate to assess the general internal control environment, as well as the internal control activities specifically put in place to control identified risks.

There is no internal audit function in the group. However, it is the Company’s opinion that this situation is acceptable given the structure of internal control and the nature of the activities.

Lastly, from March 2006, internal control also comprises a procedure for the notification of malfunctions, application of which is monitored by the Audit Committee, through the Compliance Officer.

4. Policy on conflicts of interests

A conflict of interests covered by Article 523 of the Company Code arised at the Board of Directors meeting of 22 December 2006 and was addressed in accordance with the procedure dictated by that article.

The Auditor was informed of this situation and the text of the resolution on the subject is reproduced in full below:

"…Before addressing that point, Albert Frère, Gérald Frère, Thierry de Rudder and Gilles Samyn declared that a conflict of interest existed within the meaning of Article 523 of the Company Code, to the extent that the Board of Directors is invited to give its view on proposals relating to remuneration policy and the remuneration suggested by the Nomination and Remuneration Committee meeting of 13 December last. The Company's Auditor has been informed of this situation.

Following that declaration, the persons concerned left the meeting.

The Chairman of the Nomination and Remuneration Committee commented on the Committee's different recommendations dated 13 December 2006 relating to:
- *remuneration policy;*
- *the proposed remuneration for 2006-2009 for Executive Management;*
- *the exceptional bonuses to be granted to Albert Frère and Thierry de Rudder; and*
- *the exceptional emoluments to be paid to Gilles Samyn.*

The Chairman explained that the remuneration would be entered in the annual report on a gross basis, reflecting the costs for the group at consolidated level and detailing the non-recurring and recurring items.

The members of the Board are invited to consult the Committee's report.

After deliberation, the Board of Directors approved:
- *the remuneration policy proposed by the Nomination and Remuneration Committee;*
- *the proposed increase in the remuneration of the Executive Directors as recommended by the Nomination and Remuneration Committee;*
- *the grant of non-recurring remuneration to Albert Frère, Thierry de Rudder and Gilles Samyn, as detailed above.*

All these decisions represent a cost of EUR 4.7 million (of which EUR 4.0 million correspond to non-recurring expenses), which remain reasonable compared to the results achieved".

Outside the scope of Article 523 of the Company Code, GBL was confronted with two situations for which a Director declared that he did not wish to participate in the Board's deliberations, for reasons of professional ethics and functional conflict, respectively.

During financial year 2006, the Company implemented the procedure established by Article 524 of the Company Code for the investment project in the Sagard II private equity fund set up by Power Corporation of Canada, a company having ties with GBL. This investment was approved on the basis of a report drawn up by a committee of three independent Directors appointed for that purpose. The committee concluded that:

"Based on that work and on the opinion of the independent expert, Degroof Corporate Finance, the independent Directors consider that the proposed commitment of subscribing in the amount of EUR 150 million to the Sagard II-B fund would not result in wilful damage in the light of the policy implemented by GBL, nor in any injury to GBL."

In his report on the non-consolidated annual accounts, the Auditor uses the same descriptions and conclusions as the report by the independent Directors and includes no additional comments.

The Board of Directors approved on the basis of these conclusions the investment of EUR 150 million in Sagard II-B. The decision, adopted by circular, is dated 14 June 2006, the date of the final signature of one of the copies of the document that includes the Directors' approval.

5. Policy on transactions on GBL shares

The rules of procedure relating to transactions on GBL shares, annexed to the Company's Charter, lay down the Company's internal policy on the prevention of unfair trading. The Board of Directors, at its meeting on 6 March 2007, amended the rules to adapt them to the latest legal developments in this connection (Royal Decrees of 24 August 2005 and of 5 March 2006 on unfair trading). Indeed, as from 10 May 2006, GBL's Directors and persons having close ties with them are obliged to notify to the Banking, Finance and Insurance Commission, all transactions on GBL shares enacted on their behalf, whereas initially, the Charter had imposed this reporting obligation on the Company. A copy of the amended rules was sent for information to all members of the Board of Directors and to staff.

An opinion was also sent to the persons in possession or presumably in possession of privileged information to announce the start of the period of prohibition on transactions. A timetable showing the closed periods as defined in the Charter was also transmitted to the Directors and staff at the start of 2007.

Finally, the Compliance Officer ensures the application of all legal measures relating to unfair trading and the measures laid down by the Charter. The Compliance Officer is available to provide information on this subject to members of the Board of Directors and staff.

6. Staff and organisation

Executive Management
Albert Frère (Chairman)
Gérald Frère
Thierry de Rudder

General Secretariat and Legal
Ann Opsomer

Management of Investments
Michel Chambaud
Olivier Pirotte
Bruno Bayet
Laurent Raets (since 1 December 2006)

Finance
Patrick De Vos
Axelle Henry
Accounts
André Helbo
Philippe Debelle
Philippe Lorette
Consolidation
Laurent Berckmans
Taxation
Pascal Reynaerts
Treasury
Bruno Bayet
Marc Desclez (until 30 June 2006)

Human Resources and IT
Michel Hucklenbroich
Fabien Vanoverberghe (since 1 February 2006)
Fabienne Prozenko (until 30 June 2006)

Research and Documentation
Marie Skiba
Laurence Flamme

Luxembourg
Laurence Mathieu

Netherlands
Gerard Bollweg
Sophia Harms

The Managing Directors hold regular meetings with the heads of the Company's different departments so as to monitor the group's operational activities and review all management measures needed.

7. Employee profit-sharing scheme

On 15 June 1999, the Board of Directors of Groupe Bruxelles Lambert put in place a stock option plan for group employees and Managing Directors. For details, see note 6. D. to the consolidated financial statements, page 53.

At its meeting on 6 March 2007, the Board of Directors decided to put in place a new stock option plan, whose budget shall be proposed to the Ordinary General Meeting of 24 April 2007 for approval.

8. Shareholders

8.1. Compliance with Code provisions in respect of shareholders

The Company abides by all Code provisions in respect of shareholders with the exception of those regarding the shareholders' right to submit proposals to the General Meeting.

Under the Code, the level of shareholding for the submission of proposals by a shareholder to the General Meeting should not exceed 5% of the capital. GBL, however, refers to the Company Code and grants this right only to those shareholders holding one fifth (20%) of the capital.

The Company considers that it achieves the aim sought by the Belgian Code on Corporate Governance by offering shareholders the possibility of raising any questions concerning the Company's accounts and strategy at the General Meeting. The General Meeting is seen as the privileged forum for dialogue with GBL's shareholders who, due to the small number of persons present, have ample opportunity to enter into discussions with the Company's management.

8.2. Relations with dominant shareholders

The Company's shareholding is characterised by the presence of a controlling shareholder, Pargesa Holding S.A. (through its 100% subsidiary, Pargesa Netherlands B.V.). Pargesa Holding S.A. is incorporated under Swiss law, which is itself controlled by Parjointco N.V., incorporated under the laws of the Netherlands and with its capital held 50-50 by Frère-Bourgeois/CNP-NPM group and Power Corporation of Canada group, under the terms of an agreement concluded between the two groups in 1990.

The agreement aims to establish and maintain equality between the shareholdings of Power Corporation of Canada group and those of Frère-Bourgeois/CNP-NPM group in Pargesa Holding S.A., GBL and their respective designated subsidiaries.

Each has agreed not to acquire, hold or sell interests in these companies, either directly or indirectly, and has granted the other a right of pre-emption, subject to certain restrictions, on shares in Pargesa Holding S.A. and GBL in the event of the sale of such shares during a five-year period from expiry of the agreement.

The agreement was prolonged in 1996 and will expire in 2014 if not renewed.

8.3. Information on shareholding structure

Under Article 514 of the Company Code, shareholders must submit a declaration when their voting rights either exceed or slip below the 5%, 10%, 15% (and other multiples of 5%) levels. GBL has not made use of the option provided by law to set more restrictive thresholds.

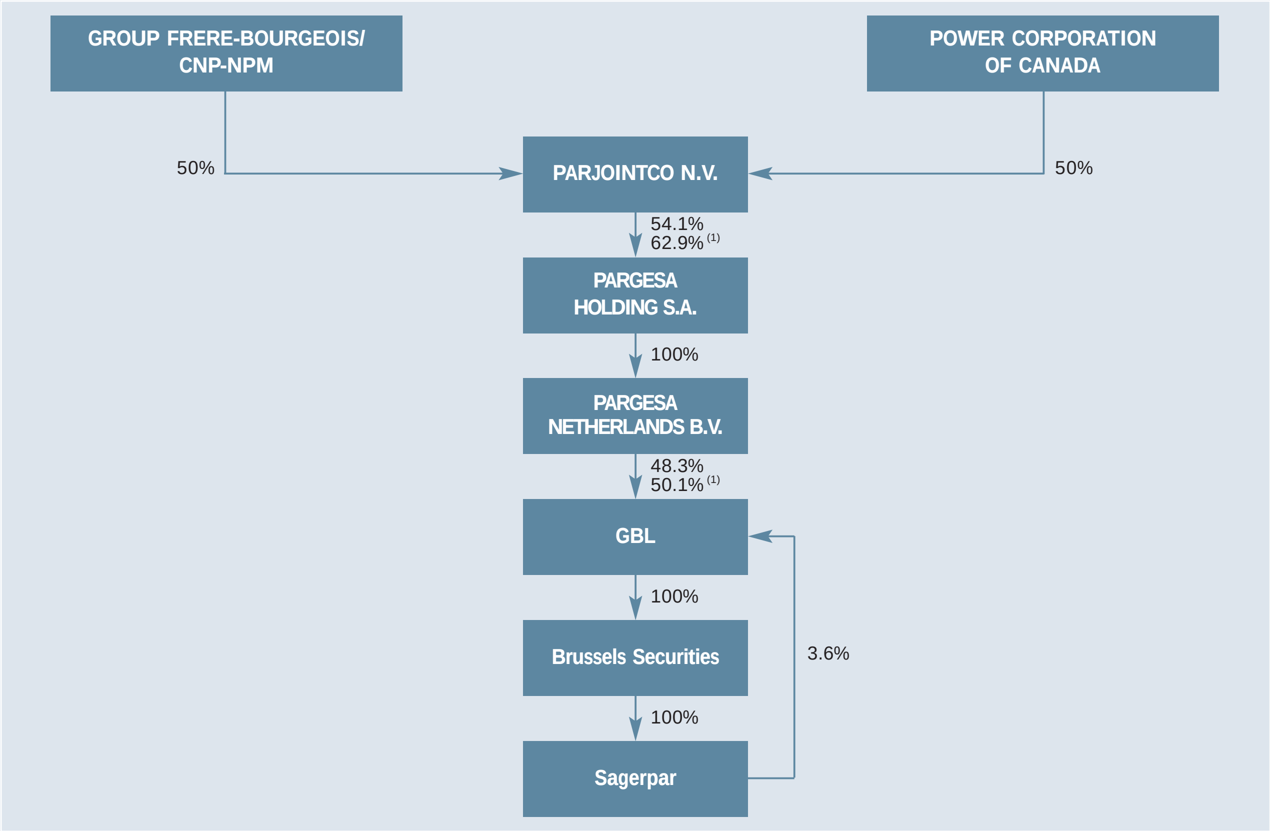
The latest transparency declaration issued in accordance with the law of 2 March 1989 on the publication of important shareholdings, is posted as early as possible on the website and is included yearly in the annual report, which also reproduces the structure of the controlling shareholder at 31 December of the year under review in the report.

8.3.1. Shareholding structure at 30 April 2001

The shareholding structure, based on the latest declaration dated 30 April 2001, is as follows:

Shareholders	Number of shares	%
Pargesa Netherlands B.V. Herengracht 483, NL-1017 BT Amsterdam	66,700,695	48.23
Sagerpar Avenue Marnix 24, 1000 Brussels	3,751,385	2.71
Brussels Securities Avenue Marnix 24, 1000 Brussels	1,327,169	0.96
Fonds de Pension GBL Avenue Marnix 24, 1000 Brussels	7,500	0.01
Total Pargesa and associated companies	**71,786,749**	**51.91**

8.3.2. Organisation chart of shareholding in GBL at 31 December 2006



(1) Voting rights

9. Charitable donations

Our philosophy in respect of charitable donations remains consistent, focusing on contributions to three principal sectors, namely:

- charitable organisations
- scientific research
- culture.

The Managing Directors meet regularly to review the many requests for funds submitted to the Company. Decisions are taken on a case-by-case basis on the merits of each request.

In 2006, a total of EUR 1.1 million was allocated to 68 beneficiaries. These included Fonds Charles-Albert Frère, Fondation Roi Baudouin, Fondation Louvain, Fondation St Luc, Cliniques Universitaires St Luc and Fondation de l'Université de Laval.

Information relating to the company

History and development

The company is the result of the merger in April 2001 between GBL S.A. and Electrafina, in which GBL S.A. held more than an 80% stake.

Over the years, Electrafina had become the “energy branch” of GBL holding the group’s interests in the oil and electricity industries. Later, it also invested in the media. GBL on the other hand held direct interests in fields such as financial services, real estate and trade. The differences between the shareholders’ equity of the mother company and the subsidiary having become less marked over the years, these assets were brought together in one single entity.

Moreover, this merger fitted in with the group’s strategy to keep its assets internationally positioned within a context of concentration and increasing competition which actually resulted in the divestment of the financial services and the sale of the interests that had become marginal.

Since then, the group’s portfolio has been essentially focused on a limited number of companies in which GBL gradually consolidated its interest and for which it can act as professional shareholder. Moreover, the company made new investments in Lafarge and Pernod Ricard for instance by taking advantage of the market opportunities.

Name

Groupe Bruxelles Lambert
Groep Brussel Lambert
in abbreviated form "GBL"

The French and Dutch registered names may be used together or separately.

Registered office (Article 1 of the Articles of Association)

Avenue Marnix 24 – 1000 Brussels

The registered office may be transferred to any other address in Belgium on a decision by the Board of Directors.

Legal form, incorporation and statutory publications

The company was incorporated on 4 January 1902 as a limited liability company under Belgian law, by deed enacted by Edouard Van Halteren, Notary in Brussels, published in the Appendices to the Moniteur Belge of 10 January 1902, reference number 176. The Articles of Association have been amended on a number of occasions, most recently by a deed enacted on 5 May 2006 published in the Appendices to the Moniteur Belge of 1 June 2006, reference numbers 0090391 and 0090392.

Legislation governing its activities

The company is governed by existing and future laws and regulations applicable to limited liability companies and by its Articles of Association.

Register of Legal Entities

The company is listed in the Register of Legal Entities (RPM) under business number 0407.040.209.
This number replaces the Trade Register Number (3.902), the VAT number and the social security number.

Term (Article 3 of the Articles of Association)

The company is incorporated for an unlimited period.

Corporate object (Article 2 of the Articles of Association)

The object of the company is to:
- conduct on its own behalf or on behalf of third parties any and all real estate, financial and portfolio management transactions; to this end, it may set up companies or bodies, acquire shares therein, and conduct any financing, payment, lending, security or deposit transactions;
- carry out studies of all kinds and provide technical, legal, accounting, financial, commercial, administrative or management assistance, on behalf of companies or bodies in which it directly or indirectly owns shares, or on behalf of third parties;
- provide on its own behalf or on behalf of third parties any transport or transit operations.

The company may take an interest, through capital contributions or mergers, in any existing or future companies or bodies whose object might be similar or related to its own or that might be of such a nature as to confer an advantage in the pursuit of its corporate object.

Capital

Issued capital
At 31 December 2006, the fully paid-up share capital amounted to EUR 595,696,415.39. It is comprised of 147,167,666 shares without nominal value.

All shares within share capital have the same rights.

In accordance with Article 28 of the Articles of Association, each share entitles its holder to one vote. GBL has not issued any other class of shares, such as non-voting or preferential shares.

Share capital structure	Number of shares
Registered	76,289,659
Bearer	70,878,007

In accordance with the law of 14 December 2005 on the abolition of bearer securities, the company's shares may only be issued in registered or dematerialised form as from 1 January 2008. A proposal is consequently submitted to the Extraordinary General Meeting of 24 April 2007 to adapt the company's Articles of Association to the terms of this law.

Authorised capital
The Extraordinary General Meeting held on 27 April 2004 renewed for a five-year period the authorisation granted to the Board of Directors to:
- increase the share capital, on one or more occasions, up to a total of EUR 125 million;
- decide one or more issues of bonds convertible into shares or subscription rights or other securities carrying future rights to shares in the company, up to a total value such that the capital increases that may result from the exercise of subscription or conversion rights attached to the bonds, rights or shares, shall not exceed the above authorised limit.

In both cases, the Board of Directors may, in the interest of the company, limit or cancel shareholders' preferential subscription rights in conformity with the terms and conditions laid down by law.

This authorisation, first granted in 1987, was renewed on 25 May 1993, 28 May 1996, 25 May 1999 and 27 April 2004 and is valid for a five-year period from 27 May 2004, i.e. until May 2009. Further to the capital increase implemented in the framework of the company's authorised capital, the latter was reduced to EUR 89,106,210.15. On the basis of this latest amount on 31 December 2006, a maximum of 22,013,818 new shares may still be issued. Although this autorisation will expire in 2009, the company proposes to renew it already for a five-year period at the Extraordinary General Meeting of 24 April 2007 covened for the abolition of bearer securities.

The Board of Directors is also authorised to increase the capital through contributions in kind or in cash, with restrictions or cancellations of shareholders' preferential subscription rights in the event of a public takeover bid.

The share capital increases realised by virtue of this authorisation shall be charged against the remaining amount of authorised capital. It is not proposed to the Extraordinary General Meeting of 24 April 2007 to renew this authorisation which expires in April 2007.

Employee stock option plan
Details on the 1999 stock option plan can be found on page 53 of this annual report.

Treasury shares

The Ordinary General Meeting of 25 April 2006 renewed the authorisation given to the company's Board of Directors, for a period of 18 months, to buy a maximum of 14,716,766 GBL's shares on the Stock Exchange, i.e. 10% of the share capital. The value of these acquisitions may not be more than 10% below the lowest share price over the 12 months preceding the transaction, nor may they be more than 10% above the highest share price of the previous 20 market quotations.

This authorisation also covers buying by GBL's subsidiaries.

The GBL General Meeting of 24 April 2007 will be asked to renew for a further 18 months period the decision authorising the Board of Directors to buy the company's treasury shares, under the price conditions as described above.

In parallel with the authorisation granted by the Ordinary General Meeting referred to above, GBL's Articles of Association authorise the Board of Directors, until 27 April 2007, to buy or sell the company's shares when such transactions are necessary to prevent serious and imminent damage to the company. For this very specific purpose, the Board may act in the markets without being bound by the constraints set by the General Meeting. No shares were bought or sold in 2006 by virtue of this authorisation granted to the Board by the General Meeting of 27 April 2004. It is not proposed to the General Meeting of 24 April 2007 to prolong the authorisation for a three-year period.

Acquisitions and transfers of treasury shares in 2005 and 2006 are detailed on page 57 of this annual report.

Exchangeable loans

In 2005, GBL issued bonds exchangeable for GBL shares. The details of the issue are found on page 50 of this annual report.

Documents on display

Shareholders' access to information and website

With the aim of facilitating shareholders' access to information, GBL has set up a website (http://www.gbl.be).

The site, which contains the information required under the Royal Decree of 31 March 2003 concerning the obligations of issuers of financial instruments accepted for trading on a regulated Belgian market, amended on several occasions, and most recently on 4 October 2006, is updated regularly.

The site presents the GBL accounts, annual reports and all press releases put out by the Company and contains all useful and necessary information on General Meetings and on shareholders' participation in such meetings, in particular the conditions laid down by Articles 27 and 29 of the Articles of Association, concerning the convening of General Meetings (Ordinary and Extraordinary) of shareholders.

Availability of company documents for public consultation

The company's Articles of Association may be consulted at the Registry of the Brussels Commercial Court, at the company's registered office and on its website (http://www.gbl.be).

The annual accounts are deposited with the National Bank of Belgium. Resolutions relating to the appointment and resignation of members of the company's executive bodies are published in the Appendices to the Moniteur Belge.
Financial announcements relating to the company are published in the financial press and daily newspapers. Other documents available for public inspection may be consulted at the company's registered office.

The company's annual report is sent each year to registered shareholders and to any person requesting a copy; it is available free of charge at the registered office.
The annual reports for the last three financial years and all the documents mentioned in this paragraph may also be consulted on the company's website.

Resolutions proposed to shareholders

Agenda of the Ordinary General Meeting on 24 April 2007

1. Management Report of the Board of Directors and Reports of the statutory Auditor on the financial year 2006

2. Annual accounts for the year ended 31 December 2006

Presentation of the consolidated financial statements for the year ended 31 December 2006.
Proposal for approval of the non-consolidated annual accounts for the year ended 31 December 2006, including appropriation of profit.

3. Discharge of the Directors

Proposal for the discharge to be granted to the Directors for duties performed during the year ended 31 December 2006.

4. Discharge of the statutory Auditor

Proposal for the discharge to be granted to the statutory Auditor for duties performed during the year ended 31 December 2006.

5. Statutory appointments

Renewal of Directors' term of office

Proposal for the re-election as Directors, for a term of three years, of Jean-Louis Beffa, Victor Delloye, Aimery Langlois-Meurinne, Maurice Lippens, Michel Plessis-Bélair, Amaury de Seze, Jean Stéphenne and Arnaud Vial, whose current term of office expires at the end of this General Meeting.

Appointment of a Director

Proposal for the appointment of Gunter Thielen as Director for a term of three years.

Ascertainment of the independence of Directors

Proposal to establish in accordance with Article 524 paragraph 4 of the Company Code, and with the Belgian Code on Corporate Governance, the independence of the following Directors:

- Jean-Louis Beffa
- Maurice Lippens
- Jean Stéphenne
- Gunter Thielen

subject to their appointment as Directors (see previous item). These persons meet all the criteria laid down in Article 524 paragraph 4, paragraph 2, 1° to 4° of the Company Code, and in the Belgian Code on Corporate Governance.

Renewal of the Auditor's mandate

Proposal to renew the mandate of the Auditor, Deloitte Reviseurs d'Entreprises SC s.f.d. SCRL, represented by Michel Denayer and Eric Nys, each being authorised to represent the company individually, for a term of three years, with fees set at EUR 70,000 a year, which amount is non-indexable and exclusive of VAT.

6. Authorisation for the Board of Directors to acquire treasury shares

Proposal to authorise the Board of Directors, during a period of eighteen (18) months from the date of the General Meeting approving this authorisation, to acquire on the Stock Exchange a maximum of fourteen million seven hundred sixteen thousand seven hundred sixty-six (14,716,766) GBL's shares at a unit price that may not be more than ten per cent (10%) below the lowest price during the twelve (12) months prior to the transaction and that may not be more than ten per cent (10%) above the highest price of the last twenty (20) quotations prior to the transaction, and to authorise the company's subsidiaries, according to Article 627 of the Company Code, to acquire company's shares under the same conditions.

If the General Meeting agrees on this proposal, this authorisation will replace the one granted by the Ordinary General Meeting of 25 April 2006.

7. Stock option plan

Proposal to approve the principle to issue yearly in favour of the Executive Management and the employees of GBL and its subsidiaries options on existing GBL shares. These issues will be carried out in accordance with the provisions of the 26 March 1999 Act relating to the 1998 Belgian employment action plan setting out various arrangements, as modified by the Programme Act of 24 December 2002. These options will be definitely acquired by the beneficiaries according to a calendar set by the Board.

Proposal to approve the right for the beneficiaries to depart from this calendar, according to Article 556 of the Company Code, in case of change of control of the company.

Proposal to fix at EUR 11 million the maximum value of the shares relating to the options to be granted in 2007.

8. Miscellaneous

Agenda of the Extraordinary General Meeting on 24 April 2007

The agenda of this meeting comprises the following items, in accordance with Article 533 paragraph 4 of the Company Code:

1. Proposal for renewal of the authorisation in the framework of the authorised capital

a) Special report drawn up by the Board of Directors, in accordance with Article 604, paragraph 2 of the Company Code, detailing the specific circumstances in which it may use the authorised capital and the objectives it will pursue in so doing.

b) Proposal to renew the authorisation conferred on the Board of Directors, for a five-year (5) period from the date of publication in the Appendices to the Moniteur Belge of the authorisation to be granted by the Extraordinary General Meeting of twenty-fourth April two thousand and seven, to proceed with capital increases in the amount of EUR 125 million through one or more operations, under the conditions laid down by legal provisions, in accordance with the procedures to be established by the Board. These capital increases may be carried out through cash contributions, contribution in kind within the legally prescribed limits, incorporation of distributable or non-distributable reserves, or of share premiums, with or without the creation of new shares, preferential or otherwise, with or without voting rights, with or without subscription rights.

   Accordingly, proposal to terminate, on the date of the publication of the preceding authorisation, the authorisation granted by the Extraordinary General Meeting of twenty-seventh April two thousand and four.

c) Proposal to authorise the Board of Directors, in the framework of the above authorisation and in the case of the issue of new shares to be subscribed in cash, in the interest of the company and according to legal provisions in force, to limit or cancel the preferential subscription rights of shareholders, even those held by one or more given persons other than staff members of the company or of its subsidiaries.

d) Proposal to authorise the Board of Directors, when implementing the above authorisation, to adapt the text of the Articles of Association relating to the amount of share capital and the number of shares, to complete the capital history and to specify the extent to which it has made use of its powers to increase the capital.

   Accordingly, proposal to terminate the authorisation granted by the Extraordinary General Meeting of twenty-seventh April two thousand and four.

e) Proposal to authorise the Board of Directors, when the capital increase in question comprises a share premium, to allocate the latter to a non-distributable account which will constitute a third-party guarantee as regards the capital.

f) Accordingly, proposal to maintain the current wording of Article 13 of the Articles of Association, subject to the following modifications:
   - point 2: first dash: replace the words “twenty-seventh April two thousand and four” by “twenty-fourth April two thousand and seven”.

g)
   - Proposal to renew the authorisation to be granted to the Board of Directors, for a period of five (5) years from the date of the publication in the Appendices to the Moniteur Belge, by the Extraordinary General Meeting of twenty-fourth April two thousand and seven, to issue, in accordance with legal provisions, in one or more operations, convertible bonds or bonds reimbursable in shares, subordinate or otherwise, subscription rights or other financial instruments, whether or not attaching to bonds or other securities that can in time give rise to capital increases in a maximum amount such that the amount of capital increases that may result from exercise of these conversion or subscription rights, whether or not attaching to such securities, shall not exceed the limits of the remaining capital authorised by Article 13 of the Articles of Association.
   - Accordingly, proposal to terminate, on the date of entry into force of the preceding authorisation, the authorisation granted by the Extraordinary General Meeting of twenty-seventh April two thousand and four.
   - Proposal to authorise the Board of Directors to limit the preferential rights of shareholders, even those held by one or more given persons other than staff members of the company or of its subsidiaries, in the case of an issue of convertible bonds or bonds reimbursable in shares.

h) Proposal to authorise the Board of Directors to adapt the Articles of Association, following each capital increase.

i) Proposal to authorise the Board of Directors to allocate the share premiums to a non-distributable account, which shall constitute a third-party guarantee as regards the capital.

j) Accordingly, a proposal to maintain the current wording of Article 14 of the Articles of Association, subject to the following modifications:
   - point 3: third dash: replace the words “twenty-seventh April two thousand and four” by “twenty-fourth April two thousand and seven”.

k) Proposal to place in reserve, out of the amount of authorised capital of one hundred twenty-five million euros (EUR 125,000,000.00), referred to under point b), an amount of one million nine thousand five hundred sixty-seven euros and two cents (EUR 1,009,567.02); this amount corresponds to the amount of the capital increase as a result of the possible exercise of forty-nine thousand eight hundred eighty-three (49,883) stock options issued on fifteenth June nineteen hundred ninety-nine, and not yet exercised on six March two thousand and seven. These stock options were issued in the framework of the capital authorised on twenty-eighth May nineteen hundred ninety-six by the limited liability company “Groupe Bruxelles Lambert S.A.”, absorbed by the present company on twenty-sixth April two thousand and one.

2. Proposal to adapt the Articles of Association to the provisions of the law of fourteenth December two thousand and five abolishing bearer securities, through the amendment of Articles 6, 11, 14 and 29 of the Articles of Association

- Article 6: replace by the following text:
  "Fully paid shares are bearer shares, dematerialised or registered shares, with the shareholder choosing within the limits set by law. They are registered until such time as they are fully paid".
- Article 11: replace the first paragraph by the following text:
  "The company may issue dematerialised shares once the competent bodies appointed by law have implemented the procedures and software necessary for registering securities in a dematerialised form and once the Board of Directors has taken a decision to that effect and communicated such decision in accordance with legal measures."
- Article 14 point 1: add the words:
  "; they will be either registered shares or dematerialised shares. Holders of bonds may at any time request the conversion of their securities into the other form."
- Article 29: insert between paragraphs 2 and 3 the following text:
  "Holders of dematerialised shares must, within the same time limits, have deposited a certificate attesting to the non-availability of the securities, drawn up by the approved financial establishment or the liquidation body appointed by the company; such certificate shall be deposited at the place indicated in the notice of meeting."

Transitional provisions

1. As from first January two thousand and eight, shares of the company may only be issued and entered in registered or dematerialised form, in accordance with the law of fourteenth December two thousand and five (published in the Moniteur Belge of twenty-third December two thousand and five) abolishing bearer shares (hereinafter referred to as the Dematerialisation Act).
2. Up until thirty-first December two thousand and seven:
   - the issue of bearer shares remains possible; such bearer shares may be issued in the form of unit shares or collective shares that represent a number of shares or in a form to be determined by the Board of Directors;
   - holders of unit bearer shares may exchange them at their own expense for one or more collective bearer shares representing such unit shares;
   - holders of collective shares may exchange them at their own expense for the number of unit shares they represent.
3. As from first January two thousand and eight, bearer shares that are placed into a securities account are converted by law and at no expense into dematerialised shares.
4. Holders of bearer shares may, as from first January two thousand and eight:
   - request at any time the conversion, at their own expense, of such bearer shares into registered shares;
   - convert such non-registered bearer shares into dematerialised shares as they are placed into a securities account, by being entrusted by their holders to an approved financial establishment or liquidation body; all bearer shares are placed by the latter into a securities account and are automatically converted into dematerialised shares.
5. The Board of Directors is authorised, within the limits set by law, to establish procedures for the exchange of bearer shares into dematerialised (and/or registered) shares.
6. - No later than thirty-first December two thousand and thirteen or any other date determined by law, holders of bearer shares shall request the conversion of their bearer shares into registered or dematerialised shares in accordance with paragraphs 2 and 3 of Article 8 of the Dematerialisation Act.
   - However, before thirty-first December two thousand and thirteen or any other date determined by law, the Board of Directors is authorised to set a date from which exercise of the rights attaching to the bearer shares shall be suspended up until the conversion of the said shares into dematerialised or registered shares.
7. Proposal, in accordance with Article 463, paragraph 2 of the Company Code, as amended by the law of 14 December 2005 abolishing bearer securities:
   - to keep the register of shareholders in an electronic form, in accordance with Article 463, paragraph 2 of the Company Code and its implementation provisions; and
   - to give all powers to two Managing Directors, acting jointly, to modify the register of shareholders in an electronic form in accordance with the terms and conditions to be determined by the King under the form of a Royal Decree.

3. Proposal for change in the date of the Ordinary General Meeting

Proposal to modify the date of the Ordinary General Meeting, placing it on the second Tuesday of April at 3.00 p.m. every year.

Transitional provision

The Ordinary General Meeting of two thousand and eight, convened to approve the annual accounts for the year two thousand and seven, shall be held on the second Tuesday of April at 3.00 p.m.

4. Proposal to give full powers

Proposal to give full powers to the Board of Directors to execute the resolutions to be adopted on the above.

Appendix – Offices of the Directors between 2002 and 2006

Main activity and list of the other offices held by the members of the Board of Directors between 2002 and 2006

Albert Frère
Chairman of the Board of Directors, CEO and Managing Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre (B) and Erbe S.A. (B).
- Chairman of Stichting Administratie Kantoor Frère-Bourgeois (NL).
- Vice-Chairman, Managing Director and Member of the Management Committee of Pargesa Holding S.A. (CH).
- Chairman of the Board of Supervisors of M6, Métropole Télévision (F).
- Vice-Chairman of the Board of Directors of Suez (F).
- Honorary President of the Chamber of Commerce and Industry of Charleroi (B).
- Honorary Regent of the National Bank of Belgium (B).
- Director of LVMH S.A. (F), Château Cheval Blanc (F), Gruppo Banca Leonardo (I), Fondation FRESERTH (B) and Centre TSIRA A.S.B.L. (B).
- Member of the International Committee of Assicurazioni Generali S.p.A. (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre (B) and Erbe S.A. (B).
- Chairman of Stichting Administratie Kantoor Frère-Bourgeois (NL).
- Vice-Chairman, Managing Director and Member of the Management Committee of Pargesa Holding S.A. (CH).
- Chairman of the Board of Supervisors of M6, Métropole Télévision (F).
- Vice-Chairman of the Board of Directors of Suez (F).
- Honorary President of the Chamber of Commerce and Industry of Charleroi (B).
- Honorary Regent of the National Bank of Belgium (B).
- Director of LVMH S.A. (F), Château Cheval Blanc (F), Fondation FRESERTH (B) and Centre TSIRA A.S.B.L. (B).
- Member of the International Advisory Board of Power Corporation of Canada (CDN).
- Member of the International Committee of Assicurazioni Generali S.p.A. (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

Financial year 2004

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre (B) and Erbe S.A. (B).
- Chairman of Stichting Administratie Kantoor Frère-Bourgeois (NL).
- Vice-Chairman, Managing Director and Member of the Management Committee of Pargesa Holding S.A. (CH).
- Chairman of the Board of Supervisors of M6, Métropole Télévision (F).
- Vice-Chairman of the Board of Directors of Suez (F).
- Honorary President of the Chamber of Commerce and Industry of Charleroi (B).
- Honorary Regent of the National Bank of Belgium (B).
- Director of LVMH S.A. (F), Château Cheval Blanc (F), Fondation FRESERTH (B) and Centre TSIRA A.S.B.L. (B).
- Member of the International Advisory Board of Power Corporation of Canada (CDN).
- Member of the International Committee of Assicurazioni Generali S.p.A. (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

Financial year 2003

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre (B), Erbe S.A. (B) and PetroFina S.A. (B).
- Chairman of Stichting Administratie Kantoor Frère-Bourgeois (NL).
- Vice-Chairman, Managing Director and Member of the Management Committee of Pargesa Holding S.A. (CH).
- Chairman of the Board of Supervisors of M6, Métropole Télévision (F).
- Vice-Chairman of the Board of Directors of Suez (F).
- Honorary President of the Chamber of Commerce and Industry of Charleroi (B).
- Honorary Regent of the National Bank of Belgium (B).
- Director of LVMH S.A. (F), Château Cheval Blanc (F), Fondation FRESERTH (B) and Centre TSIRA A.S.B.L. (B).
- Member of the International Advisory Board of Power Corporation of Canada (CDN).
- Member of the International Committee of Assicurazioni Generali S.p.A. (I).

- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).
- Auditor of Parjointco N.V. (NL), Agesca Nederland N.V. (NL) and Frère-Bourgeois Holding B.V. (NL).

Financial year 2002
- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre (B), Erbe S.A. (B) and PetroFina S.A. (B).
- Chairman of Stichting Administratie Kantoor Frère-Bourgeois (NL).
- Vice-Chairman, Managing Director and Member of the Management Committee of Pargesa Holding S.A. (CH).
- Chairman of the Board of Supervisors of M6, Métropole Télévision (F).
- Vice-Chairman of the Board of Directors of Suez (F).
- Honorary President of the Chamber of Commerce and Industry of Charleroi (B).
- Honorary Regent of the National Bank of Belgium (B).
- Director of Coparex International S.A. (F), LVMH S.A. (F), Château Cheval Blanc (F), Fondation FRESERTH (B) and Centre TSIRA A.S.B.L. (B).
- Member of the International Advisory Board of Power Corporation of Canada (CDN).
- Member of the International Committee of Assicurazioni Generali S.p.A. (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).
- Auditor of Parjointco N.V. (NL), Agesca Nederland N.V. (NL) and Frère-Bourgeois Holding B.V. (NL).

Paul Desmarais
Vice-Chairman of the Board of Directors

List of activities and other mandates exercised in Belgian and foreign companies in 2006
- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Director of Corporation Financière Power (CDN), Gesca Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), La Presse Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN) and Barrick Power Gold Corporation of China Ltd. (HK).
- Director, Chairman of the Board of Pargesa Holding S.A. (CH) and Power Asia Capital Limited (BM).
- Chairman of the Board of Power Corporation International (CDN).
- Member of the International Advisory Board of Barrick Gold Corporation (CDN).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005
Financial year 2005
- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Director of Corporation Financière Power (CDN), Gesca Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), La Presse Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN) and Barrick Power Gold Corporation of China Ltd. (HK).
- Director, Chairman of the Board of Pargesa Holding S.A. (CH) and Power Asia Capital Limited (BM).
- Chairman of the Board of Power Corporation International (CDN).
- Member of the International Advisory Board of Barrick Gold Corporation (CDN).

Financial year 2004
- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Director of Corporation Financière Power (CDN), Gesca Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), La Presse Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN), Barrick Power Gold Corporation of China Ltd. (HK), Great-West Lifeco Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), Investors Group Inc. (CDN), London Insurance Group Inc. (CDN), London Life Insurance Company (CDN) and The Great-West Life Assurance Company (CDN).
- Director, Chairman of the Board of Pargesa Holding S.A. (CH) and Power Asia Capital Limited (BM).
- Chairman of the Board of Power Corporation International (CDN).
- Member of the International Advisory Board of Barrick Gold Corporation (CDN).
- Member of the Canadian Advisory Committe of The Carlyle Group (CDN).
- Member of the Advisory Board of Telegraph Group Limited (GB).

Financial year 2003
- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Director of Corporation Financière Power (CDN), Gesca Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), La Presse Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN), Barrick Power Gold Corporation of China Ltd. (HK), Great-West Lifeco Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), Investors Group Inc. (CDN), London Insurance Group Inc. (CDN), London Life Insurance Company (CDN) and The Great-West Life Assurance Company (CDN).
- Director, Chairman of the Board of P.C. Limited (CDN), Pargesa Holding S.A. (CH) and Power Asia Capital Limited (BM).
- Chairman of the Board and Chief Management Officer of Power Corporation International (CDN).
- Member of the International Advisory Board of Barrick Gold Corporation (CDN).
- Member of the Canadian Advisory Committe of The Carlyle Group (CDN).
- Member of the Advisory Board of Telegraph Group Limited (GB).

Financial year 2002

- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Director of Corporation Financière Power (CDN), Gesca Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), La Presse Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN), Barrick Power Gold Corporation of China Ltd. (HK), Great-West Lifeco Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), Investors Group Inc. (CDN), London Insurance Group Inc. (CDN), London Life Insurance Company (CDN), The Great-West Life Assurance Company (CDN) and Total S.A. (F).
- Director, Chairman of the Board of P.C. Limited (CDN), Pargesa Holding S.A. (CH) and Power Asia Capital Limited (BM).
- Chairman of the Board and Chief Management Officer of Power Corporation International (CDN).
- Member of the International Advisory Board of Barrick Gold Corporation (CDN).
- Member of the Canadian Advisory Committe of The Carlyle Group (CDN).
- Member of the Advisory Board of Telegraph Group Limited (GB).

Gérald Frère
Managing Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratie Kantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Chairman of the Momination and Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Corporation Financière Power (CDN), Erbe S.A. (B), Fingen S.A. (B), Fonds Charles-Albert Frère A.S.B.L. (B), GBL Finance (L), RTL Group (L) (until 30 June 2006), Stichting Administratie Kantoor Frère-Bourgeois (NL) and Suez-Tractebel S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Regent and Member of the Committee for the Budget and Directors' Remuneration of National Bank of Belgium (B).
- Member of the Remuneration Committee of Corporation Financière Power (CDN).
- Member of the Related Party and Conduct Review Committee of Corporation Financière Power (CDN).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Member of the Board of Trustees of the Belgian Governance Institute (B).
- Honorary French Consul.
- Manager of Agriger S.P.R.L. (B).
- Proxy for Bureaux du Centre S.A. (being liquidated) (B).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005
Financial year 2005

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratie Kantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Chairman of the Momination and Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Corporation Financière Power (CDN), Erbe S.A. (B), Fingen S.A. (B), Fonds Charles-Albert Frère A.S.B.L. (B), GBL Finance (L), RTL Group (L), Stichting Administratie Kantoor Frère-Bourgeois (NL) and Suez-Tractebel S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL), N.F. Associated B.V. (NL) and Parjointco N.V. (NL).
- Regent and Member of the Committee for the Budget and Directors' Remuneration of National Bank of Belgium (B).
- Member of the Remuneration Committee of Corporation Financière Power (CDN).
- Member of the Remuneration Committee, Member of the Strategy Planning Committee and Member of the Board of Supervisors of Groupe Taittinger S.A. (F).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Manager of Agriger S.P.R.L. (B).
- Honorary French Consul.

Financial year 2004

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratie Kantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Cobepa S.A. (B), Corporation Financière Power (CDN), Erbe S.A. (B), Fingen S.A. (B), Fonds Charles-Albert Frère A.S.B.L. (B), GBL Finance (L), RTL Group (L), Stichting Administratie Kantoor Frère-Bourgeois (NL) and Suez-Tractebel S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL), N.F. Associated B.V. (NL) and Parjointco N.V. (NL).
- Regent and Member of the Committee for the Budget and Directors' Remuneration of National Bank of Belgium (B).
- Member of the Remuneration Committee of Corporation Financière Power (CDN).
- Member of the Remuneration Committee, Member of the Strategy Planning Committee and Member of the Board of Supervisors of Groupe Taittinger S.A. (F).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Manager of Agriger S.P.R.L. (B).
- Honorary French Consul.

Financial year 2003

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH), Filux S.A. (L), Gesecalux S.A. (L), Loverfin S.A. (B), Stichting Administratie Kantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Cobepa S.A. (B), Corporation Financière Power (CDN), Erbe S.A. (B), Fingen S.A. (B), Fomento de Construcciones y Contratas S.A. (ES), Fondation Charles-Albert Frère A.S.B.L. (B), GBL Finance (L), PetroFina S.A. (B), RTL Group (L), Société Générale de Belgique (B) and Stichting Administratie Kantoor Frère-Bourgeois (NL).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL), N.F. Associated B.V. (NL) and Parjointco N.V. (NL).
- Regent of National Bank of Belgium (B).
- Member of the Remuneration Committee, Member of the Strategy Planning Committee and Member of the Board of Supervisors of Groupe Taittinger S.A. (F).
- Manager of Agriger S.P.R.L. (B).
- Honorary French Consul.

Financial year 2002

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH), Filux S.A. (L), Gesecalux S.A. (L), Loverfin S.A. (B), Stichting Administratie Kantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Cobepa S.A. (B), Corporation Financière Power (CDN), Erbe S.A. (B), Fingen S.A. (B), Fomento de Construcciones y Contratas S.A. (ES), Fondation Charles-Albert Frère A.S.B.L. (B), GBL Finance (L), GIB S.A. (B), PetroFina S.A. (B), RTL Group (L), Société Générale de Belgique (B) and Stichting Administratie Kantoor Frère-Bourgeois (NL).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL), N.F. Associated B.V. (NL) and Parjointco N.V. (NL).
- Regent of National Bank of Belgium (B).
- Member of the Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Manager of Agriger S.P.R.L. (B).
- Honorary French Consul.

Thierry de Rudder
Managing Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Director of Compagnie Nationale à Portefeuille S.A. (B), Imerys (F), Suez (F), Suez-Tractebel S.A. (B) and Total S.A. (F).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Director of Compagnie Nationale à Portefeuille S.A. (B), Imerys (F), SI Finance (F), Suez (F), Suez-Tractebel S.A. (B) and Total S.A. (F).

Financial year 2004

- Director of Compagnie Nationale à Portefeuille S.A. (B), Imerys (F), SI Finance (F), Suez (F), Suez-Tractebel S.A. (B) and Total S.A. (F).

Financial year 2003

- Director of Compagnie Nationale à Portefeuille S.A. (B), Imerys (F), PetroFina S.A. (B), SI Finance (F), Société Générale de Belgique (B), Total S.A. (F) and Tractebel S.A. (B).

Financial year 2002

- Director of Compagnie Nationale à Portefeuille S.A. (B), Imerys (F), PetroFina S.A. (B), Rhodia (F), SI Finance (F), Société Générale de Belgique (B), Tractebel S.A. (B) and Total S.A. (F).

Jean-Louis Beffa
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Chairman-Chief Executive Officer of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Director of Gaz de France (F), Saint-Gobain Cristaleria S.A. (ES) and Saint-Gobain Corporation (USA).
- Chairman of the Board of Supervisors of Agence de l'Innovation Industrielle (F).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F) and Société Editrice du Monde S.A. (F).
- Chairman of the Management Committee of Claude Bernard Participations S.A.S. (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).
- Permanent Representative of Saint-Gobain PAM (F).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Chairman-Chief Executive Officer of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Director of Gaz de France (F), Saint-Gobain Cristaleria S.A. (ES) and Saint-Gobain Corporation (USA).
- Chairman of the Board of Supervisors of Agence de l'Innovation Industrielle (F).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F) and Société Editrice du Monde S.A. (F).
- Chairman of the Management Committee of Claude Bernard Participations S.A.S. (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).
- Permanent Representative of Saint-Gobain PAM (F).

Financial year 2004

- Chairman-Chief Executive Officer of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F) and Société Editrice du Monde S.A. (F).
- Director of Saint-Gobain Cristaleria S.A. (ES) and Saint-Gobain Corporation (USA).
- Chairman of the Management Committee of Claude Bernard Participations S.A.S. (F).
- Permanent Representative of Saint-Gobain PAM (F).

Financial year 2003

- Chairman-Chief Executive Officer of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F) and Société Editrice du Monde S.A. (F).
- Chairman of the Management Committee of Claude Bernard Participations S.A.S. (F).
- Permanent Representative of Saint-Gobain PAM (F).
- Director of Saint-Gobain Cristaleria S.A. (ES) and Saint-Gobain Corporation (USA).

Financial year 2002

- Chairman-Chief Executive Officer of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F) and Société Editrice du Monde S.A. (F).
- Chairman of the Management Committee of Claude Bernard Participations S.A.S. (F).
- Permanent Representative of Saint-Gobain PAM (F).
- Director of Saint-Gobain Cristaleria S.A. (ES) and Saint-Gobain Corporation (USA).

Victor Delloye
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Director - General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B) and Fibelpar S.A. (B).
- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Swifin S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Re (Immo) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Liquidator of Loverfin S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Director - General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B), Fibelpar S.A. (B) and SLP S.A. (B).
- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Swifin S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Re (Immo) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Director of Saboma S.A. (B) as permanent representative of GIB Corporate Services S.A.
- Member of the Board of Supervisors and of the Accounts Committee of Groupe Taittinger S.A. (F).
- Liquidator of Loverfin S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

Financial year 2004

- Director - General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B), Fibelpar S.A. (B) and SLP S.A. (B).
- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Swifin S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Re (Immo) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Director of Saboma S.A. (B) as permanent representative of GIB Corporate Services S.A.
- Member of the Board of Supervisors and of the Accounts Committee of Groupe Taittinger S.A. (F).
- Liquidator of Loverfin S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

Financial year 2003

- Director - General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B), Fibelpar S.A. (B) and SLP S.A. (B).
- Director of Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Swifin S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L), Loverfin S.A. (B), Saboma S.A. (B) and Safe Re (Immo) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Member of the Board of Supervisors and of the Accounts Committee of Groupe Taittinger S.A. (F).
- Liquidator of Loverfin S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

Financial year 2002

- Director - General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B), Fibelpar S.A. (B) and SLP S.A. (B).
- Director of Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Loverfin S.A (B), Gesecalux S.A. (L), Swifin S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B) and GIB Group International S.A. (L).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

Paul Desmarais Jr
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Chairman of the Executive Committee of Corporation Financière Power (CDN).
- Director, Vice-Chairman of the Board of Supervisors and Member of the Strategy Planning Committee of Imerys (F).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (CDN), Great-West Lifeco Inc. (CDN), GWL Properties Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Co. (CDN), The Great-West Life Assurance Company (CDN), Financière IGM Inc. (CDN), Investors Group Inc. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), London Insurance Group Inc. (UK), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Financial Europe B.V. (NL), Suez (F) and Total S.A. (F).
- Director and Member of the Management Committee of London Life Insurance Company (UK) and Makenzie Inc. (CDN).
- Director and Executive of Power Corporation International (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (formerly Private Equity Partners Europe) (F).
- Member of the Advisory Committee of Groupe La Poste (F).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Chairman of the Executive Committee of Corporation Financière Power (CDN).
- Director, Vice-Chairman of the Board of Supervisors and Member of the Strategy Planning Committee of Imerys (F).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (CDN), Great-West Lifeco Inc. (CDN), GWL Properties Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Co. (CDN), The Great-West Life Assurance Company (CDN), Financière IGM Inc. (CDN), Investors Group Inc. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), London Insurance Group Inc. (UK), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Financial Europe B.V. (NL), Suez (F) and Total S.A. (F).
- Director and Member of the Management Committee of London Life Insurance Company (UK) and Makenzie Inc. (CDN).
- Director and Executive of Power Corporation International (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (formerly Private Equity Partners Europe) (F).

Financial year 2004

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Director, Vice-Chairman of the Board of Supervisors and Member of the Strategy Planning Committee of Imerys (F).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (CDN), Great-West Lifeco Inc. (CDN), GWL Properties Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Co. (CDN), The Great-West Life Assurance Company (CDN), Financière IGM Inc. (CDN), Investors Group Inc. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), London Insurance Group Inc. (UK), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Financial Europe B.V. (NL), Suez (F) and Total S.A. (F).
- Director and Member of the Management Committee of London Life Insurance Company (UK) and Makenzie Inc. (CDN).
- Director and Executive of Power Corporation International (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (formerly Private Equity Partners Europe) (F).

Financial year 2003

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Director, Vice-Chairman of the Board of Supervisors and Member of the Strategy Planning Committee of Imerys (F).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (CDN), Great-West Lifeco Inc. (CDN), GWL Properties Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Co. (CDN), The Great-West Life Assurance Company (CDN), Financière IGM Inc. (CDN), Investors Group Inc. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), London Insurance Group Inc. (UK), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Financial Europe B.V. (NL), Suez (F) and Total S.A. (F).
- Director and Member of the Management Committee of London Life Insurance Company (UK) and Makenzie Inc. (CDN).
- Director and Executive of Power Corporation International (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (formerly Private Equity Partners Europe) (F).

Financial year 2002

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Director, Vice-Chairman of the Board of Supervisors and Member of the Strategy Planning Committee of Imerys (F).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (CDN), Great-West Lifeco Inc. (CDN), GWL Properties Inc. (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Co. (CDN), The Great-West Life Assurance Company (CDN), Financière IGM Inc. (CDN), Investors Group Inc. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), London Insurance Group Inc. (UK), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Financial Europe B.V. (NL), Suez (F), Total S.A. (F) and Tractebel S.A. (B).
- Director and Member of the Management Committee of London Life Insurance Company (UK) and Makenzie Inc. (CDN).
- Director and Executive of Power Corporation International (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (formerly Private Equity Partners Europe) (F).

Aimery Langlois-Meurinne
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006
- Director-General Manager of Pargesa Holding S.A. (CH).
- Director and Chairman of Pargesa Luxembourg S.A. (L), Pargesa Netherlands B.V. (NL) and Imerys (F).
- Director and Vice-Chairman of the Investment Committee and of the Management Committee of Sagard Private Equity Partners (F).
- Director of Eiffage (F), P.A.I. Management (F), Club Méditerranée (F) and Pascal Investment Advisers S.A. (CH).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005
Financial year 2005
- Director-General Manager of Pargesa Holding S.A. (CH).
- Director and Chairman of Pargesa Luxembourg S.A. (L), Pargesa Netherlands B.V. (NL) and Imerys (F).
- Director and Vice-Chairman of the Investment Committee and of the Management Committee of Sagard Private Equity Partners (F).
- Director of Eiffage (F), P.A.I. Management (F) and Pascal Investment Advisers S.A. (CH).

Financial year 2004
- Director-General Manager of Pargesa Holding S.A. (CH).
- Director and Chairman of Pargesa Luxembourg S.A. (L) and Pargesa Netherlands B.V. (NL).
- Chairman of the Board of Supervisors and Director of Imerys (F).
- Director and Vice-Chairman of the Investment Committee and of the Management Committee of Sagard Private Equity Partners (F).
- Director of Axis Capital Management (GB), Eiffage (F) and Pascal Investment Advisers S.A. (CH).

Financial year 2003
- Director-General Manager of Pargesa Holding S.A. (CH).
- Director and Chairman of Pargesa Luxembourg S.A. (L) and Pargesa Netherlands B.V. (NL).
- Chairman of the Board of Supervisors and Director of Imerys (F).
- Director and Vice-Chairman of the Investment Committee and of the Management Committee of Sagard Private Equity Partners (F).
- Director of Corporation Financière Power (CDN), Axis Capital Management (GB), Eiffage (F) and Club Français du Livre (F).

Financial year 2002
- Director-General Manager of Pargesa Holding S.A. (CH).
- Chairman of the Board of Supervisors and Director of Imerys (F).
- Director and Vice-Chairman of the Investment Committee and of the Management Committee of PEP Management S.A.S. (F).
- Director of Corporation Financière Power (CDN), Axis Capital Management (GB), Eiffage (F) and Club Français du Livre (F).

Maurice Lippens
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006
- Chairman of Fortis S.A./N.V. (B), Fortis N.V. (NL), Fortis Foundation Belgium (B), Compagnie Het Zoute (B), Belgian Governance Institute (B) and Commission Corporate Governance (B).
- Director of Belgacom (B), Total S.A. (F), Finasucre (B), Groupe Sucrier (B) and Iscal Sugar (B).
- Member of Trilateral Commission, Insead Belgium Council (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005
Financial year 2005
- Chairman of Fortis S.A./N.V. (B), Fortis N.V. (NL) and Compagnie Het Zoute (B).
- Director of Belgacom (B), Finasucre (B), Groupe Sucrier (B), Iscal Sugar (B), Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of Trilateral Commission, Insead Belgium Council (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

Financial year 2004
- Chairman of Fortis S.A./N.V. (B), Fortis N.V. (NL) and Compagnie Het Zoute (B).
- Director of Belgacom (B), Finasucre (B), Groupe Sucrier (B), Iscal Sugar (B), Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of Trilateral Commission, Insead Belgium Council (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

Financial year 2003
- Chairman of Fortis S.A./N.V. (B), Fortis N.V. (NL), Compagnie Het Zoute (B) and Compagnie Immobilière d'Hardelot S.A. (F).
- Vice-Chairman of Société Générale de Belgique (B).
- Director of Belgacom (B), Finasucre (B), Groupe Sucrier (B), Iscal Sugar (B), Suez-Tractebel S.A. (B), Total S.A. (F) and CDC United Network (B).
- Member of Trilateral Commission, Insead Belgium Council (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

Financial year 2002

- Chairman of Fortis S.A./N.V. (B), Fortis N.V. (NL), Compagnie Het Zoute (B) and Compagnie Immobilière d'Hardelot S.A. (F).
- Vice-Chairman of Société Générale de Belgique (B)
- Director of Belgacom (B), Finasucre (B), Groupe Sucrier (B), Iscal Sugar (B), Suez-Tractebel S.A. (B) and CDC United Network (B).
- Member of Trilateral Commission, Insead Belgium Council (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

Michel Plessis-Belair
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Director and Executive of Power Corporation of Canada (CDN), Corporation Financière Power (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Financial Capital Corporation (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 3540529 Canada Inc. (CDN), 329531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and Power Communications Inc. (CDN).
- Director of Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurances (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Inc. (CDN), GWL&A Financial Inc. (CDN), Great-West Life & Annuity Insurance Company (CDN), Groupe des assurances London Life Inc. (CDN), London Life Compagnie d'assurance (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Corporation financière Canada-vie (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Corporation d'investissements en technologies Power (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).
- Executive of Sagard Private Equity Partners (F), Corporation Internationale Power (CDN) and 4400003 Canada Inc. (CDN).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Director and Executive of Power Corporation of Canada (CDN), Corporation Financière Power (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Financial Capital Corporation (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 3540529 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 329531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and Power Communications Inc. (CDN).
- Director of Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurances (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Inc. (CDN), Great-West Life & Annuity Insurance Company (CDN), Groupe des assurances London Life Inc. (CDN), London Life Compagnie d'assurance (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Corporation financière Canada-vie (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Corporation d'investissements en technologies Power (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).
- Executive of Sagard Private Equity Partners (F) and Corporation Internationale Power (CDN).

Financial year 2004

- Director and Executive of Power Corporation of Canada (CDN), Corporation Financière Power (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Financial Capital Corporation (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 3540529 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 329531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and Power Communications Inc. (CDN).
- Director of Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurances (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Inc. (CDN), Great-West Life & Annuity Insurance Company (CDN), Groupe des assurances London Life Inc. (CDN), London Life Compagnie d'assurance (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Corporation financière Canada-vie (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Corporation d'investissements en technologies Power (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).
- Executive of Sagard Private Equity Partners (F) and Corporation Internationale Power (CDN).

Financial year 2003

- Director and Executive of Power Corporation of Canada (CDN), Corporation Financière Power (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Financial Capital Corporation (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 3540529 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 329531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and Power Communications Inc. (CDN).
- Director of Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurances (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Inc. (CDN), Great-West Life & Annuity Insurance Company (CDN), Groupe des assurances London Life Inc. (CDN), London Life Compagnie d'assurance (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Corporation financière Canada-vie (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Corporation d'investissements en technologies Power (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Lallemand Inc. (CDN), Université de Montréal (CDN) and Bell Canada International (CDN).
- Executive of Sagard Private Equity Partners (F) and Corporation Internationale Power (CDN).

Financial year 2002

- Director and Executive of Power Corporation of Canada (CDN), Corporation Financière Power (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Financial Capital Corporation (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 3540529 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 329531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and Power Communications Inc. (CDN).
- Director of Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurances (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Inc. (CDN), Great-West Life & Annuity Insurance Company (CDN), Groupe des assurances London Life Inc. (CDN), London Life Compagnie d'assurance (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Corporation d'investissements en technologies Power (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Lallemand Inc. (CDN), Université de Montréal (CDN) and Bell Canada International (CDN).
- Executive of Sagard Private Equity Partners (F) and Corporation Internationale Power (CDN).

Gilles Samyn
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Chairman of the Board of Directors of Centre de Coordination de Charleroi S.A. (B), Erbe Finance S.A. (L), Financière Flo S.A. (F), Finimpress S.A. (B), Groupe Flo S.A. (F), Groupe Jean Dupuis S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Solvay Business School Alumni A.S.B.L. (B), Swilux S.A. (B), Transcor S.A. (B) and Unifem S.A.S. (F).
- Chairman and Managing Director of Manoir de Roumont S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), AOT Holding S.A. (CH), Banca Leonardo S.A. (I), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Distripar S.A. (B), Eiffage (F), Entremont Alliance S.A.S. (F), Filux S.A. (B), Gesecalux S.A. (L), Mesa S.A. (B), Société Civile Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L), The Polaris Center A.S.B.L. (B) and Tikehau Capital Advisors S.A.S. (F).
- Director and Member of the Nomination and Remuneration Committee of RTL Group (L).
- Director and Member of the Accounts Committee and Remuneration Committee of Pargesa Holding S.A. (CH).
- Member of the Supervisory Board and Member of the Audit Committee and Strategy and Investment Committee of Bertelsmann AG (D).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Liquidator of Loverfin S.A. (being liquidated) (B).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Chairman of the Board of Directors of Cargefin S.A. (B), Centre de Coordination de Charleroi S.A. (B), Editions Dupuis S.A. (B), Erbe Finance S.A. (L), FEM (Finance et Management) S.A. (B), Finimpress S.A. (B), Groupe Jean Dupuis S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Solvay Business School Alumni A.S.B.L. (B), Swilux S.A. (B) and Transcor S.A. (B).
- Director of AOT Holding S.A. (CH), Acide Carbonique Pur S.A. (B), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Distripar S.A. (B), Filux S.A. (B), Free A.S.B.L. (B), Gesecalux S.A. (L), Mesa S.A. (B), Société Civile Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L), Quick S.A. (B), Taittinger (F) and The Polaris Centre A.S.B.L. (B).
- Director and Member of the Nomination and Remuneration Committee of RTL Group (L).
- Director and Member of the Accounts Committee and Remuneration Committee of Pargesa Holding S.A. (CH).
- Director, Member of the Strategy Planning Committee, Member of the Accounts Committee and Member of the Remuneration Committee of Société du Louvre S.A. (F).
- Member of the Board of Supervisors of Groupe Entremont S.A.S. (F) and Imerys (F).
- Member of the Supervisory Board and Member of the Audit Committee and Strategy and Investment Committee of Bertelsmann AG (D).
- Member of the Board of Directors of Groupe Taittinger S.A. (F).
- Co-Chairman of Project Sloane Ltd. (Groupe Joseph) (GB).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Liquidator of Loverfin S.A. (being liquidated) (B).

Financial year 2004

- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Chairman of the Board of Directors of Cargefin S.A. (B), Centre de Coordination de Charleroi S.A. (B), Editions Dupuis S.A. (B), Erbe Finance S.A. (L), FEM (Finance et Management) S.A. (B), Finimpress S.A. (B), Groupe Jean Dupuis S.A. (B), Helio Charleroi S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Swilux S.A. (B) and Transcor S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Distripar S.A. (B), Filux S.A. (B), Free A.S.B.L. (B), Gesecalux S.A. (L), GIB S.A. (B), Mesa S.A. (B), Société Civile Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L), Quick S.A. (B) and Taittinger (F).

- Director and Member of the Nomination and Remuneration Committee of RTL Group (L).
- Director and Member of the Accounts Committee and Remuneration Committee of Pargesa Holding S.A. (CH).
- Director, Member of the Strategy Planning Committee, Member of the Accounts Committee and Member of the Remuneration Committee of Société du Louvre S.A. (F).
- Member of the Board of Supervisors of Groupe Entremont S.A.S. (F) and Imerys (F).
- Member of the Supervisory Board and Member of the Audit Committee and Strategy and Investment Committee of Bertelsmann AG (D).
- Member of the Board of Directors of Groupe Taittinger S.A. (F).
- Member of the Advisory Committee of Viventures S.A. (F).
- Co-Chairman of Project Sloane Ltd. (Groupe Joseph) (GB).
- Vice-Chairman of Hôpitaux Saint-Joseph – Sainte-Thérèse and IMTR A.S.B.L. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Liquidator of Loverfin S.A. (being liquidated) (B).

Financial year 2003

- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Chairman of the Board of Directors of Cargefin S.A. (B), Centre de Coordination de Charleroi S.A. (B), Editions Dupuis S.A. (B), Erbe Finance S.A. (L), FEM (Finance et Management) S.A. (B), Finimpress S.A. (B), Groupe Jean Dupuis S.A. (B), Helio Charleroi S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Swilux S.A. (B) and Transcor S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Distripar S.A. (B), FEM (Finance et Management) S.A. (B), Filux S.A. (B), Fomento de Construcciones y Contratas (ES), Free A.S.B.L. (B), Gesecalux S.A. (L), GIB S.A. (B), Loverfin S.A. (B), Mesa S.A. (B), PetroFina S.A. (B), Société Civile Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L), Swilux S.A. (B), Quick S.A. (B) and Taittinger (F).
- Director and Member of the Nomination and Remuneration Committee of RTL Group (L).
- Director, Member of the Strategy Planning Committee, Member of the Accounts Committee and Member of the Remuneration Committee of Société du Louvre S.A. (F).
- Director and Member of the Accounts Committee and Remuneration Committee of Pargesa Holding S.A. (CH).
- Member of the Board of Supervisors of Groupe Entremont S.A.S. (F) and Imerys (F).
- Member of the Supervisory Board and Member of the Audit Committee and Strategy and Investment Committee of Bertelsmann AG (D).
- Member of the Board of Directors of Groupe Taittinger S.A. (F).
- Member of the Advisory Committee of Viventures S.A. (F).
- Member of the Hainaut-Brabant Wallon Board of Directors of Fortis Banque S.A. (B).
- Co-Chairman of Project Sloane Ltd. (Groupe Joseph) (GB).
- Vice-Chairman of Hôpitaux Saint-Joseph – Sainte-Thérèse and IMTR A.S.B.L. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Liquidator of Loverfin S.A. (being liquidated) (B).

Financial year 2002

- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Chairman of the Board of Directors of Cargefin S.A. (B), Carsport S.A. (B), Centre de Coordination de Charleroi S.A. (B), Editions Dupuis S.A. (B), Erbe Finance S.A. (L), Finimpress S.A. (B) as representative of Sociétés des Quatre Chemins S.A., Groupe Jean Dupuis S.A. (B), Helio Car S.A. (B), Helio Charleroi S.A. (B), Helio Charleroi Finance S.A. (B), Interwaffles S.A. (B), Kermadec S.A. (L), Orilux S.A. (B), Palais du Vin S.A. (B), Swilux S.A. (B), Transcor S.A. (B) and Transcor Energy S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), Belgian Sky Shops S.A. (B), B.S.S. Investments S.A. (B), Carsport S.A. (B), Château Rieussec S.A. (F), Cheval des Andes S.A. (Argentina), Clos du Renard S.A. (B), Distripar S.A. (B), FEM (Finance et Management) S.A. (B), Filux S.A. (B), Fomento de Construcciones y Contratas (ES), Free A.S.B.L. (B), Gesecalux S.A. (L), GIB S.A. (B), Loverfin S.A. (B), Mesa S.A. (B), PetroFina S.A. (B), Quick S.A. (B), Raspail Investissements S.A. (F), Société Civile Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L), Swilux S.A. (B), Taittinger (F) and Vanparys Chocolatier S.A. (B).
- Director and Member of the Nomination and Remuneration Committee of RTL Group (L).
- Director and Member of the Accounts Committee and Remuneration Committee of Pargesa Holding S.A. (CH).
- Member of the Board of Supervisors of Groupe Entremont S.A.S. (F) and Imerys (F).
- Member of the Supervisory Board and Member of the Audit Committee and Strategy and Investment Committee of Bertelsmann AG (D).
- Member of the Advisory Committee of Viventures S.A. (F).
- Member of the Hainaut-Brabant Wallon Board of Directors of Fortis Banque S.A. (B).
- Co-Chairman of Project Sloane Ltd. (Groupe Joseph) (GB).
- Vice-Chairman of Hôpitaux Saint-Joseph – Sainte-Thérèse and IMTR A.S.B.L. (B).
- Manager of AOT N.V. (NL).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

Amaury de Seze
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Chairman of Financière P.A.I. (F), Financière PAI partners (F), PAI partners (F) and PAI partners UK (GB).
- Chairman of Eiffage (F), Erbe S.A. (B), Gepeco S.A. (B), Groupe Industriel Marcel Dassault S.A. (F), Novalis S.A.S. (F), Novasaur S.A.S. (F), PAI Europe III General Partner Ltd. (GG), PAI Europe IV General Partner NC (GG), Pargesa Holding S.A. (CH), Power Corporation of Canada (CDN), Saeco (I) and Vivarte S.A. (F).
- Vice-Chairman of the Board of Supervisors of Carrefour S.A. (F).
- Member of the Board of Supervisors of Gras Savoye S.C.A. (F) and Publicis S.A. (F).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Chairman of Financière P.A.I. (F), Financière PAI partners (F), PAI partners (F) and PAI partners UK (GB).
- Director of Eiffage (F), Erbe S.A. (B), Gepeco S.A. (B), Groupe Industriel Marcel Dassault S.A. (F), Novalis S.A.S. (F), Novasaur S.A.S. (F), PAI Europe III General Partner Ltd. (GG), PAI Europe IV General Partner NC (GG), Pargesa Holding S.A. (CH), Power Corporation of Canada (CDN), Saeco (I) and Vivarte S.A. (F).
- Member of the Board of Supervisors of Gras Savoye S.C.A. (F), Publicis S.A. (F) and Carrefour S.A. (F).

Financial year 2004

- Chairman of Cobepa S.A. (B), Financière P.A.I. (F), Financière PAI partners (F), PAI partners (F) and PAI partners UK (GB).
- Director of Eiffage (F), Erbe S.A. (B), Gepeco S.A. (B), Groupe Industriel Marcel Dassault S.A. (F), Novalis S.A.S. (F), PAI Europe III General Partner Ltd. (GG), Pargesa Holding S.A. (CH), Power Corporation of Canada (CDN) and Saeco (I).
- Member of the Board of Supervisors of Gras Savoye S.C.A. (F) and Publicis S.A. (F).
- Representative of NHG S.A.S. (F).

Financial year 2003

- Chairman of Cobepa S.A. (B), P.A.I. management (F), Financière P.A.I. (F), PAI partners (F) and PAI management UK (GB).
- Director of Eiffage (F), Erbe S.A. (B), Gepeco S.A. (B), GIB S.A. (B), Groupe Industriel Marcel Dassault S.A. (F), NHG S.A.S. (F), Novalis S.A.S. (F), PAI Europe III General Partner Ltd. (GG), Pargesa Holding S.A. (CH), Power Corporation of Canada (CDN), Sagal (F), UGC S.A. (F) and United Biscuits Ltd. (UK).
- Member of the Board of Supervisors of Gras Savoye S.C.A. (F) and Publicis S.A. (F).

Financial year 2002

- Chairman of Cobepa S.A. (B), P.A.I. management (F) and Financière P.A.I. (F).
- Director of Coparex International (F), Eiffage (F), Erbe S.A. (B), Gepeco S.A. (B), GIB S.A. (B), Groupe Industriel Marcel Dassault S.A. (F), IMS S.A. (F), NHG S.A.S. (F), Pargesa Holding S.A. (CH), Power Corporation of Canada (CDN), Sagal (F), UGC S.A. (F) and United Biscuits Ltd. (GB).
- Member of the Board of Supervisors of Gras Savoye S.C.A. (F) and Publicis S.A. (F).

Jean Stéphenne
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- Chairman of the Board of Directors of Besix S.A. (B).
- Director and Chairman of the Board of Directors of Henogen S.A. (B).
- Director of IBA (B), Fortis Banque S.A. (B), Nanocyl S.A. (B), Aseptic Technologies (B) and GlaxoSmithKline Biologicals (B).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Director of Asceptic Technologies (B), Fortis Banque S.A. (B), IBA (B), Nanocyl S.A. (B) and GlaxoSmithKline Biologicals (B).
- Chairman of the Board of Directors of Besix S.A. (B) and Henogen S.A. (B).

Financial year 2004

- Director of Fortis Banque S.A. (B), IBA (B), Nanocyl S.A. (B) and GlaxoSmithKline Biologicals (B).
- Chairman of the Board of Directors of Besix S.A. (B) and Henogen S.A. (B).

Financial year 2003

- Director of Fortis Banque S.A. (B), IBA (B), Société Belge des Bétons (B), Nanocyl S.A. (B) and GlaxoSmithKline Biologicals (B).
- Chairman of the Board of Directors of Henogen S.A. (B).

Financial year 2002

- Director of Fortis Banque S.A. (B), IBA (B), Société Belge des Bétons (B), Nanocyl S.A. (B) and GlaxoSmithKline Biologicals (B).
- Chairman of the Board of Directors of Henogen S.A. (B).

Arnaud Vial
Director

List of activities and other mandates exercised in Belgian and foreign companies in 2006

- First Vice-Chairman for Finance of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Vice-Chairman of 152245 Canada Inc. (CDN), Gelprim Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), Power Communications Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Corporation International (CDN), Power Financial Capital Corporation (CDN), 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 3249531 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and 4400003 Canada Inc. (CDN).
- Director of Power Financial Europe B.V. (NL) and Power Pacific Equities Limited (CDN).
- Chairman of 3121011 Canada Inc. (CDN).

List of activities and other mandates exercised in Belgian and foreign companies between 2002 and 2005

Financial year 2005

- Executive (First Vice-Chairman for Finance) of Power Corporation of Canada (CDN) and Power Financial Corporation of Canada (CDN).
- Executive (Vice-Chairman) of Power Financial Capital Corporation (CDN), 171263 Canada Inc. (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), Power Corporation International (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Communications Inc. (CDN) and 3411893 Canada Inc. (CDN).
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).
- Director Executive (Vice-Chairman) of 3439453 Canada Inc. (CDN), Power Pacific Equities Limited (CDN), 3249531 Canada Inc. (CDN) and 4190297 Canada Inc. (CDN).
- Director of Power Financial Europe B.V. (NL) and 3411893 Canada Inc. (CDN).

Financial year 2004

- Executive (First Vice-Chairman for Finance) of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of Power Financial Capital Corporation (CDN), 171263 Canada Inc. (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), Power Corporation International (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Communications Inc. (CDN) and 3411893 Canada Inc. (CDN)..
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).
- Director Executive (Vice-Chairman) of 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN) and Power Pacific Equities Limited (CDN).
- Director of Power Financial Europe B.V. (NL) and 3411893 Canada Inc. (CDN).

Financial year 2003

- Executive (First Vice-Chairman for Finance) of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of Power Financial Capital Corporation (CDN), 171263 Canada Inc. (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), Power Corporation International (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN) and Power Communications Inc. (CDN).
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).
- Director Executive (Vice-Chairman) of 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN) and Power Pacific Equities Limited (CDN).
- Director of Power Financial Europe B.V. (NL) and 3411893 Canada Inc. (CDN).
- Executive (Chairman and Secretary) of 3121011 Canada Inc. (CDN).

Financial year 2002

- Executive (First Vice-Chairman for Finance) of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of Power Financial Capital Corporation (CDN), 171263 Canada Inc. (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), Power Corporation International (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN) and Power Communications Inc. (CDN).
- Director Executive (Vice-Chairman) of 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN) and Power Pacific Equities Limited (CDN).
- Director of Power Financial Europe B.V. (NL) and 3411893 Canada Inc. (CDN).

Glossary

The glossary only contains the terms not defined by the International Financial Reporting Standards specific to GBL's financial data. For terms relating to financial data on its investments, found in pages 14 to 35, readers of the GBL's annual report should refer to the definitions provided by each company in its annual report or on its website.

Adjusted net assets	GBL's Adjusted net assets are a conventional reference obtained by adding to the group's Net cash the investments constituting the financial assets valued according to the following principles: • the share price for listed companies; • the group share of shareholders' equity of unlisted companies and consolidated using the equity method; • the book value of unlisted companies not consolidated, and not integrated using the equity method. Adjusted net assets take into account the exercise of warrants and options when these are "in the money", i.e. when the share price is higher than the exercise price. By virtue of the precautionary principle, however, a shareholding is valued at its realisation value if this is known and if it is less than the reference value. Adjusted net assets ignore any difference of valuation resulting from the exercise of a controlling power by GBL on its investments.
Earnings analysis	the tables contained in this analysis are intended to present a more precise picture of the different elements that make up GBL's consolidated result, stated in accordance with the IFRS: • **Cash earnings** show the amount of cash generated from dividends on investments and management of net cash, less general overheads and taxes. • **Mark to market and other non-cash** items show the changes in fair value of the financial instruments shown in GBL's assets and liabilities (other than the financial assets revalued through shareholders' equity). These variations are unrealised and do not influence the group's cash position. • The **Associated companies** heading shows GBL's share in their earnings as well as all preferential dividends. • **Eliminations and capital gains** include the elimination of dividends received from associated companies as well as earnings on disposals and impairments of non-current assets by consolidated companies.
Market capitalisation (market value)	is the value of a company calculated by multiplying the share price by the number of shares and existing bonds redeemable in shares.
Net cash	Net cash entered in the adjusted net assets includes all GBL's current assets and current and non-current liabilities, to which its treasury shares are added. Net cash items are valued at their fair value. Treasury shares are valued at the share price or at the exercise price of the financial instruments they cover (e.g. stock options) if these are "in the money".
Annual average share price	the arithmetic mean of the share price at the close of each day's trading during the financial year.
Weighted average number of ordinary shares (basic calculation)	corresponds to the number of outstanding ordinary shares at the start of the financial period, less own shares, adjusted by the number of ordinary shares reimbursed or issued during the period, multiplied by a time-based weighting factor.
Weighted average number of ordinary shares (diluted calculation)	is obtained by adding potential shares to the weighted average number of ordinary shares. In the present case, potential shares correspond to call options issued by the group.
Percentage of share capital held by the group	the percentage interest held directly and indirectly by the group through consolidated companies, calculated on the basis of the number of shares in issue on 31 December.
Result	profit or loss excluding minority interests and before transfers to or from tax-exempt reserves.
Gross annual return	calculated on the share price and the gross dividend received, it equals to $\dfrac{\text{Gross dividend received + change in share price from 1 January to 31 December}}{\text{Share price on 1 January}}$
VVPR strip	presented with the corresponding share dividend coupon, the VVPR strip entitles the holder to the 15% reduced rate of withholding tax, instead of the normal 25% rate.
Velocity on float (%)	the ratio between the number of shares traded on the Stock Exchange and the float at 1 January of the financial year.

For further information

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