Groupe Bruxelles Lambert

12 September 2006

Net earnings of EUR 2,718 million on 30 June 2006

Capital gain of EUR 2,378 million on disposal of Bertelsmann

Cash earnings rise by EUR 59 million

The Board of Directors approved on 12 September 2006 GBL's consolidated financial statements for the first six months of 2006. The accounts have been put through a limited audit conducted by the Statutory Auditor. The financial statements for the period ended 30 June 2006 is in compliance with IAS 34 – Interim financial reporting.

On 30 June 2006, GBL registered consolidated profit of EUR 2,718 million (EUR 19.99 basic per share), compared with EUR 262 million (EUR 1.97 basic per share) for the same period in 2005.

This sizeable increase mainly reflects the capital gain on disposal of the 25.1% stake in Bertelsmann, i.e. EUR 2,378 million. Bertelsmann's overall contribution to GBL's half-yearly result came to EUR 2,487 million and includes the "preferential" share of the dividend collected in May 2006 and the share in net earnings for the first six months of the year as an associated company.

Apart from the positive effect of the disposal of Bertelsmann, GBL's half-yearly result was also favourably impacted by cash earnings. These rose by EUR 59 million, to EUR 326 million. This increase reflects the first-time collection of the Lafarge dividend (EUR 39 million), the higher dividends collected on our different investments: Total +20%, Suez +25%, Imerys +10% respectively while the contractually agreed Bertelsmann dividend of EUR 120 million was collected for the last time in 2006.

1: Highlights

- 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 was well received, with 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 for an amount of EUR 709.4 million.

- On 27 January 2006, GBL's Board of Directors published its decision to request as from end May that Bertelsmann be listed 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 a tentative agreement 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 a sale and purchase 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, recording a capital gain of EUR 2.4 billion on the transaction.
  On 12 July 2006, GBL, Bertelsmann and RTL Group won their case in the proceedings ongoing since 2001 against the minority shareholders of RTL Group, who had sought the cancellation of GBL's contribution of RTL Group shares to Bertelsmann. Indeed, after being nonsuited on 8 July 2003 in first instance, the minority shareholders subsequently appealed the judgment on the merits, on 8 October 2003.

- On 24 February 2006, GBL reiterated its support for the SUEZ strategy and voiced its support for a merger between Suez and Gaz de France. On 25 and 26 February 2006, the Board of Directors of Suez and Gaz de France approved plans for a friendly merger, provided the proposal gets the necessary clearance.
  As of 30 June 2006, GBL's stake in Suez stood at 8% following the acquisition of 9.8 million shares during the first half of the year, an investment of EUR 296 million. Over the same period, the Suez share price rose by 24%, moving from EUR 26.30 at end December 2005 to EUR 32.50 on 30 June 2006.

- On 18 May 2006, Total concluded the Arkema spin-off, which regrouped its activities in vinyl products, industrial chemicals and performance products. This spin-off was given effect through the distribution to Total shareholders of one Arkema share for every 10 Total shares held. The share was listed for the first time the same day at an opening price of EUR 27.50. As of 30 June, GBL owned 3.9% of Arkema, for a total value of EUR 72 million based on the Arkema share price of EUR 30.50.

  On 18 May 2006, Total divided each of its shares by four.
  On that new basis, the share price on 30 June stood at EUR 51.45, as against EUR 53.05 on 31 December 2005.

- On 22 May 2006, GBL announced that it had reached the 10% level in the capital and voting rights of Lafarge. In its statement of intent, GBL explained that it reserved the right to modify this position and that it was not considering a presence in the Lafarge Board of Directors for the moment. The building up of this stake known to the management of Lafarge is to be viewed as friendly and stable in nature.
  The position resulted from the acquisition of some 12 million Lafarge shares during the first half of 2006 for an overall investment of EUR 1,040 million. In the course of the same period, the Lafarge share price increased by 29%, moving from EUR 76.00 at end December 2005 to EUR 98.15 on June 2006.

  As of 30 June 2006, GBL held 10.2% of Lafarge's capital and 9.7% voting rights as a result of different movements in the company's share capital and voting rights.

  On 7 September, GBL declared that it's once again exceeded the 10% level of voting rights as a result of recent acquisitions on the Stock Exchange.

- After 30 June, and in accordance with its plans to expand its private equity holdings, GBL made an undertaking to subscribe in Ergon Capital Partners II, a new fund succeeding Ergon Capital Partners, co-created in February 2005 by GBL and Parcom Ventures (ING) and currently 80% invested. ECP II will have investment means of EUR 350 million.
  GBL also committed to an investment of EUR 150 million in the Sagard 2 fund, which is the successor to the Sagard fund, in which GBL has held an interest since 2002.

2: GBL portfolio and adjusted net assets

11 September 2006	**Portfolio**		**Adjusted net assets**	
	% of share capital	% of voting rights	Share price (EUR)	(EUR million)
Total	3.9	7.0	50.15	4,711
Suez	8.0	12.0	33.20	3,377
Lafarge	11.3	10.6	99.45	1,974
Imerys	26.3	20.8	60.35	1,011
Other investments				206
Portfolio				**11,279**
Net cash				3,794
Adjusted net assets				**15,073**
Adjusted net assets per share (EUR)				102.42
Share prices (EUR)				81.15

Adjusted net assets totalled EUR 15,073 million on 11 September or EUR 102.42 per share. Liquid funds include the sale price of the 25.1% shareholding in Bertelsmann for an amount of EUR 4.5 billion, collected in early July 2006.

The GBL closing share price on 11 September 2006 stood at EUR 81.15, representing a discount of 20.8% in relation to adjusted net assets.

3: Half-year consolidated result (IFRS)

EUR million	June 2006					June 2005
	Cash earnings	**Mark to market and other non- cash**	**Associated companies**	**Eliminations and capital gains**	**Consolidated**	**Consolidated**
Net earnings from associated companies	-	-	86.8	(61.0)	**25.8**	**47.6**
Result on discontinued operations	-	-	48.0	2,439.0	**2,487.0**	**94.9**
Net dividends on investments	334.9	-	-	(147.6)	**187.3**	**109.4**
Interest income and expenses	(9.6)	(1.7)	-	-	**(11.3)**	**3.2**
Other financial income and expenses	5.5	15.2	-	-	**20.7**	**11.5**
Other operating income and expenses	(13.7)	1.6	-	-	**(12.1)**	**(9.3)**
Earnings on disposals and impairments of non-current assets	-	-	-	11.1	**11.1**	**4.5**
Taxes	9.3	0.5	-	-	**9.8**	**0.0**
Consolidated result for the period	**326.4**	**15.6**	**134.8**	**2,241.5**	**2,718.3**	**261.8**
Basic earnings per share					*19.99*	*1.97*
Diluted earnings per share					*19.30*	*1.96*

3.1. **Cash earnings** (EUR 326.4 million, compared to EUR 267.4 million)

Cash earnings showed a 22% increase on 30 June 2006 from a year earlier, totalling EUR 59 million.

This increase was primarily due to higher dividend payments and reimbursement of the withholding tax on foreign dividends, in particular Suez and Total (EUR 9 million), notwithstanding higher financial charges.

Dividends collected on investments rose by EUR 80 million.

Lafarge, from which GBL collected its first dividend, accounted for EUR 39 million of that increase.

Suez increased its contribution to GBL's cash earnings by EUR 29 million. That increase stemmed from GBL's investments of EUR 440 million in Suez during 2005, combined with growth in the dividend per share (+25%).

Net dividends collected from Total amounted to EUR 10 million, reflecting 16% growth in the balance of dividends (EUR 3.48 compared to EUR 3.0 in 2005) paid in the first six months. Total will however contribute to GBL's cash earnings in the second half of the year with its 2006 interim dividend.

Imerys contributed an additional EUR 2 million in dividend payments to GBL in 2006.

The Bertelsmann dividend paid to GBL for the last time in May 2006 remained unchanged at EUR 120 million. On 30 June 2006, that dividend represented 36% of dividends collected.

Net dividends (cash earnings) **EUR million**	**30 June 2006**	**30 June 2005**
Bertelsmann	120.0	120.0
Total (the balance on dividend)	69.5	59.9
Suez	78.2	49.3
Lafarge	38.8	-
Imerys	27.6	25.1
Other	0.8	0.2
Total	**334.9**	**254.5**

Recourse to bank loans at the start of 2006 to finance an increase in the investments in Suez and Lafarge to 8% and 10% respectively was reflected mainly at the level of cash earnings, with higher financial costs.

3.2. Mark to market and other non-cash (EUR 15.6 million compared to EUR – 7.5 million)

EUR million	30 June 2006	30 June 2005
Interest income and expenses	(1.7)	(0.5)
Other financial income and expenses	15.2	(6.6)
Other operating income and expenses	1.6	(0.4)
Deferred tax	0.5	-
Total	**15.6**	**(7.5)**

Variations in fair value on the interest rate swap (seven-year IRS) concluded by GBL at the end of 2005 and on the 7,513,436 Total calls (maturity March 2009) came to EUR 19 million during the first half of 2006.

This heading also includes the elimination of the dividend on treasury shares (EUR 9 million on 30 June 2005 and 2006). It also covers, for outstanding loan stock exchangeable for GBL shares, the actuarial depreciation on the difference between the nominal rate and the prevailing market rate on the date of issue (EUR 2 million in 2006 and EUR 1 million on 30 June 2005).

The costs of the different operations implemented in 2006, such as the acquisitions in Suez and Lafarge and those related to the capital increase of GBL, are eliminated in this section, pursuant to IFRS rules, in the amount of EUR 10 million.

3.3. **Associated companies** (EUR 134.8 million compared to EUR 142.5 million)

The contribution of associated companies to GBL's net result moved from EUR 143 million in 2005 to EUR 135 million on 30 June 2006.

Pursuant to IFRS 5, a distinction has been made between Imerys and Ergon Capital Partners on the one hand, and Bertelsmann on the other, identified under the reference "discontinued operation". Figures as of 30 June 2005 have been reclassified to ensure the comparability and clarity of the half-yearly results.

Apart from the capital gain on the disposal of Bertelsmann, that company contributed to GBL's earnings as of 30 June 2006 in the amount of EUR 109 million (EUR 95 million at end June 2005). The figure breaks down into the GBL share in Bertelsmann's results for the first half of the year (EUR 61 million) and the share not eliminated in consolidation (EUR 48 million) of the "preferential" dividend of EUR 120 million collected by GBL.

The contribution by Imerys to GBL's earnings slipped by EUR 33 million, while Ergon Capital Partners boosted its contribution by EUR 11 million.

EUR million	30 June 2006		30 June 2005	
Bertelsmann (discontinued operation)		109.0		94.9
- Dividends	48.0		38.7	
- Result for the first six months	61.0		56.2	
Imerys		14.5		47.9
Ergon Capital Partners		11.3		(0.3)
Total		**134.8**		**142.5**

Bertelsmann

EUR million	30 June 2006	30 June 2005
Operating EBIT	**701**	**644**
« Special items »	(8)	(80)
EBIT	**693**	**564**
Financial expenses	(172)	(147)
Taxes	(182)	(87)
Net result	**339**	**330**
Minority interest	(96)	(106)
Total	**243**	**224**

Bertelsmann maintained its growth during the first six months of 2006, improving both turnover and operating profits. Consolidated turnover for the period came to EUR 9.1 billion, a 14.5% increase.

While organic growth accounted for 4.0% of that figure, investments made in 2005 explain in large part the rise in turnover.

Operating EBIT rose from EUR 644 million to EUR 701 million, an increase of 8.9%. RTL Group and Direct Group stepped up their contribution to results from June 2005 while Random House and Arvato remained stable. Gruner + Jahr's contribution shrank, as did BMG's, due to the impact of a decline in the music industry and delays in releases by BMG.

Apart from the "special items" heading, which is down due to lower restructuring costs, EBIT came to EUR 693 million. The financial result and tax burden declined by EUR 25 million and EUR 95 million respectively. The tax burden in 2005 had felt the positive impact of one-off elements.

Bertelsmann's net earnings amounted to EUR 243 million, with GBL's share coming to EUR 61.0 million.

Bertelsmann paid GBL a dividend of EUR 120 million in May 2006. The "preferential" share of that dividend, not eliminated in consolidation, came to EUR 48 million in 2006, as against EUR 39 million in 2005.

Imerys

Imerys registered turnover of EUR 1,666 million for the first half of 2006, a 12.1% increase over 2005. At comparable group structure and exchange rates, growth amounted to 4.6%.

In a macro-economic environment plagued by strong inflation in external costs (especially energy), Imerys registered current operating income of EUR 229 million (+ 4.5%) and net income from current operation of EUR 150 million (+ 7.8%).

On 4 July 2006, Imerys also announced its plans to reorganise its kaolin operations so as to limit its exposure to energy costs in the United Kingdom, where the evolution of prices since the end of 2005 has been particularly disadvantageous.

This operation will lead to estimated overall expenditure of EUR - 95 million in the first half of 2006.

This reorganisation explains the greater part of the variation between the net income from current operations and the consolidated net result for the period, which came to EUR 55 million.

On the basis of GBL's percentage of holding, Imerys contributed EUR 15 million to GBL's half-yearly result, as opposed to EUR 48 million for the half-year period ended 30 June 2005.

Ergon Capital Partners (ECP)

Taking into account GBL's 43% stake in ECP, the latter contributed EUR 11 million to GBL's final result at end June 2006, resulting primarily from the valuation of its investment portfolio.

3.4. Eliminations and capital gains (EUR 2,241.5 million compared to EUR - 140.6 million)

In consolidation, GBL eliminates the net dividends collected from Bertelsmann and Imerys, namely a total of EUR 148 million as of 30 June 2006 (EUR 145 million at end June 2005).

In addition, this column includes, as stated above, the capital gain, less transaction costs, on the disposal of Bertelsmann (EUR 2,378 million) and GBL's share in the capital gains earned by the PAI and Sagard funds as of 30 June 2006 (EUR 11 million).

4: Outlook for the year 2006 as a whole

The bulk of net dividends on investments were collected during the first half of the year, with the notable exception of the expected advance payment by Total. Last year, it was paid during the latter half of the year (November) for a total amount of approximately EUR 60 million.

The disposal of Bertelsmann brought in EUR 2,487 million to the first half-year's results, and represents its contribution for the year 2006 as a whole. The cash income of EUR 4.5 billion will also produce results in terms of liquidities for the second half of 2006.

In spite of the dominant contribution by Bertelsmann to GBL's results in 2006, these will remain subject to adjustment based on the impact of the valuation of the financial instruments at market value and of the evolution of results earned by associated companies.

Among the associated companies, only Imerys and Ergon Capital Partners will contribute to results for the latter half of the year.

For the year as a whole Imerys expects a 7% growth in its net income from current operations.

5: Auditor's report on the half-yearly report

We have performed a limited review of the accompanying consolidated balance sheet, income statement, cash flow statement, statement of changes in equity and notes 1 to 8 (jointly the "interim financial information")of GROUPE BRUXELLES LAMBERT ("the company") and its subsidiaries (jointly "the group") for the six months period ended 30 June 2006. The Board of Directors of the company is responsible for the preparation and fair presentation of this interim financial information. Our responsibility is to express a conclusion on this interim financial information based on our review.

The interim financial information has been prepared in accordance with IAS 34 - Interim Financial Reporting.

Our limited review of the interim financial information was conducted in accordance with the recommended auditing standards on limited reviews applicable in Belgium, as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". A limited review consists of making inquiries of group management and applying analytical and other review procedures to the interim financial information and underlying financial data. A limited review is substantially less in scope than an audit performed in accordance with the auditing standards on consolidated annual accounts as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Accordingly, we do not express an audit opinion.

Based on our limited review, nothing has come to our attention that causes us to believe that the interim financial information for the six months period ended 30 June 2006 is not prepared, in all

material respects, in accordance with legal and regulatory requirements and IAS 34 - Interim Financial Reporting.

The Statutory Auditor

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DELOITTE Reviseurs d'Entreprises

SC s.f.d. SCRL

Represented by Michel Denayer

Evolution of shareholdings in the first half of 2006

TOTAL (31.2% of adjusted net assets)

www.total.com

The petroleum industry enjoyed buoyant market conditions in the first half of 2006. Sustained demand and continuing tensions over petroleum production capacities raised crude prices to levels well above those prevailing during the same period in 2005. Downstream in the petroleum chain, however, refining margins and petrochemical activities put in a weaker performance on the whole.

Total consequently registered for first half 2006 an adjusted net result of EUR 6.7 billion, a 16% increase over 2005 and an 18% improvement on a per-share basis. The oil company's profitability rose to 29% for the past 12 months. Total was able to perform at this level in spite of a decline in hydrocarbon production during the period, which nonetheless does not represent a threat to the group's growth and profitability prospects.

In keeping with its objectives, Total also proceeded with the spin-off of Arkema, thus restoring balance to its Chemicals division.

SUEZ (22.4 % of adjusted net assets)

www.suez.com

The first half of 2006 saw an improvement in the performances of all Suez activities, over and above the group's medium-term objectives.

Organic growth in gross operating results (EUR 3.7 billion) came to 9.6%, in line with the expansion seen in turnover (+ 9.5%), notwithstanding the fact that this expansion derived partly from the general increase in fossil fuel prices, which has a lesser impact on margins. All in all, net income group share came to EUR 2.2 billion, a 40% increase over its level on 30 June 2005; net result per share also increased thanks to the immediate relutive impact of the mixed public bid on Electrabel at the end of 2005.

The process of alignment with Gaz de France is continuing on schedule and based on the guidelines established at the time the project was announced in February 2006. The Suez's Extraordinary General Meeting is slated to give a verdict in December on the merger arrangements.

LAFARGE (13.1% of adjusted net assets)

www.lafarge.com

All of Lafarge's segments of activity turned their positioning and favourable market trends in the first half of 2006 to good account. The group profited from a higher volume of sales and price increases generally in excess of higher costs.

In these conditions, turnover and operating results as of 30 June 2006 showed organic growth of 15% and 39% respectively compared to their level for first half 2005. Half-yearly net income group share amounted to EUR 548 million, a 53% increase, owing in particular to the first relutive impacts of the acquisition of minority interests in Lafarge North America, with effect from 16 May 2006.

Lafarge also embarked upon implementation of its Excellence 2008 strategic plan, which will entail, among other things, the process of partial disposal of its Roofing activities.

IMERYS (6.7% of adjusted net assets)

www.imerys.com

Imerys registered a turnover of EUR 1,666 million for the first half of 2006, a 12.1% increase over 2005. Its activities were sustained in particular by the contribution of the group's recent acquisitions.

In spite of a contrasting macro-economic context that featured high inflation in external costs (energy, transport, chemical products, etc.), Imerys' current net income group share rose by 7.8% to EUR 150 million.

Net earnings group share totalled EUR 55 million, impacted negatively in the amount of EUR 95.4 million from the different restructuring measures and among others those related to the announcement of a reorganisation of the group's kaolin production in the United Kingdom.

In addition to its four strategic investments, GBL also holds comparatively modest interests in the group's portfolio, including its investments in the private equity:

Ergon Capital Partners (Ergon)

Launched in February 2005 by GBL in partnership with Parcom Ventures, an ING subsidiary, Ergon is a private equity fund with investment capacity of EUR 150 million. It invests in companies with leading positions on growth markets offering expansion opportunities, located primarily in Belgium, Italy or France.

During the first half of 2006, Ergon actively pursued its investment policy and expanded its portfolio with the acquisition of majority shareholdings or co-control of three additional assets (King Benelux, La Gardenia and Seves) for a total of EUR 97 million. At the same time, the fund negotiated very advantageously a partial disposal of its position in Stroili, its first acquisition.

Sagard – Private Equity Partners (Sagard)

www.sagard.com

GBL has participated since 2002 in the Sagard fund, having made an undertaking to subscribe EUR 50 million.

In the first half of 2006, Sagard continued its expansion, finalising the acquisitions of three new companies (Souriau, Régis Linge Développement and Dépolabo); a twelfth investment (Olympia) was implemented in July 2006. During the same period, the fund disposed on advantageous terms of two shareholdings (Le Moniteur and AFE) acquired in 2004.

GBL's cumulative investments in Sagard amounted to EUR 40 million on 30 June 2006, while Sagard refunded EUR 14 million on disposals.

PAI Europe III

Of GBL's 2001 subscription undertaking of EUR 40 million in PAI Europe III, it had paid EUR 38 million as of 30 June 2006 and had collected payouts of some EUR 17 million.

The investment portfolio remained stable during first half 2006. PAI Europe III implemented refinancing operations for FTE Automotive and Compagnie Européenne de Prévoyance. During the summer of 2006 it also recapitalized Vivarte and Saeco, enabling it to reimburse investors.

IFRS half-yearly financial statements

1: Consolidated income statement

EUR million	Notes	30 June 2006	30 June 2005
Net earnings from associated companies	1	**25.8**	**47.6**
Result on discontinued operations	2	**2,487.0**	**94.9**
Share of net earnings		61.0	56.2
Net Dividend		48.0	38.7
Net capital gains		2,378.0	-
Net dividends on investments	3	**187.3**	**109.4**
Gross dividends		220.1	128.8
Withholding taxes		(32.8)	(19.4)
Interest income and expenses		**(11.3)**	**3.2**
Non-currents assets		2.1	1.3
Currents assets		0.9	5.0
Financial debt	4	(14.3)	(3.1)
Other financial income and expenses	5	**20.7**	**11.5**
Gains on trading securities and derivatives		21.6	12.4
Other		(0.9)	(0.9)
Other operating income and expenses		**(12.1)**	**(9.3)**
Earnings on disposals and impairments of non-current assets	6	**11.1**	**4.5**
Taxes		**9.8**	**-**
Consolidated result of the period		**2,718.3**	**261.8**
Minority interests		-	-
Share of the group in the consolidated result		**2,718.3**	**261.8**
Basic earnings per share	8	19.99	1.97
Diluted earnings per share	8	19.30	1.96

In application of IFRS 5, the impact of the disposal of Bertelsmann has been identified separately in a section entitled "Result on discontinued operations". Accordingly, the presentation of results for the first half of 2005 was adapted for reasons of clarity and for comparability with those for the half-year period ended 30 June 2006.

2: Consolidated balance sheet

EUR million	Notes	30 June 2006	31 December 2005
Non-current assets		**10,566.4**	**10,533 .6**
Tangible assets		15.0	16.6
Investments		10,544.9	10,515.1
Shareholding in associated companies	1	491.1	2,582.7
Investments available-for-sale	3	10,053.8	7,932.4
Other non-current assets		6.0	1.4
Defferd tax assets		0.5	0.5
Current assets		**4,611.2**	**123.6**
Trading securities		28.6	34.8
Cash and cash equivalents		41.0	82.5
Other current assets	2	4,541.6	6.3
Total assets		**15,177.6**	**10,657.2**
Shareholders' equity		**14,154.0**	**10,159.7**
Capital	8	595.7	559.8
Share premium account	8	2,690.7	2,023.3
Reserves		10,867.6	7,576.6
Minority interests		-	-
Non-current liabilities		**436.7**	**437.6**
Exchangeable bonds	4	410.9	409.0
Other financial debt	4	18.4	20.0
Deferred tax liabilities		6.2	6.7
Provisions		1.2	1.9
Current liabilities		**586.9**	**59.9**
Financial debt	4	501.5	1.4
Tax liabilities		1.9	1.9
Derivatives		29.1	11.0
Other creditors		54.4	45.6
Total liabilities and shareholders' equity		**15,177.6**	**10,657.2**

3: Consolidated cash flow statement

EUR million	30 June 2006	30 June 2005
Cash flow from current operations	**333.2**	**329.0**
Earnings before interest and taxes	2,719.8	258.6
Adjustments for :		
Net earnings from associated companies	(86.8)	(103.8)
Result on discontinued operations	(2,378.0)	-
Dividends paid by associated companies	99.6	106.4
Fair value revaluation	(17.0)	(1.9)
Earnings on disposals and impairments of non-current assets	(11.0)	(4.5)
Other	0.3	(4.7)
Interest income and expenses received (paid)	(17.7)	2.4
Taxes received	9.2	-
Change in trading securities and derivatives	6.2	26.7
Change in working capital requirements	8.6	49.8
Cash flow from investing activities	**(1,352.6)**	**(102.5)**
Acquisitions of :		
Investments	(28.9)	(7.9)
Tangible assets	-	-
Other financial assets	(1,336.3)	(171.7)
Disposals on investments and other financial assets	12.6	77.1
Cash flow from funding activities	**977.9**	**236.5**
Net capital increase	703.3	-
Dividends paid	(228.8)	(212.4)
Amounts received from financial debt	500.0	428.0
Repayment of financial debt	-	-
Net changes in treasury shares	3.4	20.9
Net increase (decrease) in cash and cash equivalents	**(41.5)**	**463.0**
Cash and cash equivalents at beginning of financial year	82.5	315.8
Cash and cash equivalents at end of financial year	41.0	778.8

4: Consolidated statement of changes in shareholders' equity

EUR million	Capital subscribed	Share premium account	Revaluation reserves	Differences on translation	Treasury shares	Exchangeable bonds 2005-2012	Retained earnings	Total
Notes	8	8	3	1	8		8	
Balance 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	-	-	993.9	-	-	-	-	993.9
Translation differences	-	-	-	69.9	-	-	-	69.9
Option related to exchangeable bonds 2005-2012	-	-	-	-	-	17.6	-	17.6
Other	-	-	-	-	-	-	(9.8)	(9.8)
Elements of expenses and income directly inputted in shareholders' equity	**0.0**	**0.0**	**993.9**	**69.9**	**0.0**	**17.6**	**(9.8)**	**1,071.6**
Result of the period	-	-	-	-	-	-	261.8	261.8
Total of expenses and income for the period	**0.0**	**0.0**	**993.9**	**69.9**	**0.0**	**17.6**	**252.0**	**1,333.4**
Dividends	-	-	-	-	-	-	(212.4)	(212.4)
Movements on treasury shares	-	-	-	-	22.3	-	(1.4)	20.9
Total of movements	**0.0**	**0.0**	**993.9**	**69.9**	**22.3**	**17.6**	**38.2**	**1,141.9**
Balance at 30 June 2005	**559.8**	**2,023.3**	**2,734.1**	**(19.9)**	**(191.9)**	**17.6**	**3,930.5**	**9,053.5**
Fair value of investments	-	-	806.1	-	-	-	-	806.1
Translation differences	-	-	-	24.0	-	-	-	24.0
Other	-	-	-	-	-	-	11.1	11.1
Elements of expenses and income directly inputted in shareholders' equity	**0.0**	**0.0**	**806.1**	**24.0**	**0.0**	**0.0**	**11.1**	**841.2**
Result of the period	-	-	-	-	-	-	261.2	261.2
Total of expenses and income for the period	**0.0**	**0.0**	**806.1**	**24.0**	**0.0**	**0.0**	**272.3**	**1,102.4**

Dividends	-	-	-	-	-	-	-	-
Movements on treasury shares	-	-	-	-	4.0	-	(0.2)	3.8
Total of movements	**0.0**	**0.0**	**806.1**	**24.0**	**4.0**	**0.0**	**272.1**	**1,106.2**
Balance at 31 December 2005	**559.8**	**2,023.3**	**3,540.2**	**4.1**	**(187.9)**	**17.6**	**4,202.6**	**10,159.7**

EUR million	**Capital subscribed**	**Share premium account**	**Revaluation reserves**	**Differences on translation**	**Treasury shares**	**Exchangeable bonds 2005-2012**	**Retained earnings**	**Total**
Balance 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	-	-	779.4	-	-	-	-	779.4
Translation differences	-	-	-	(22.6)	-	-	-	(22.6)
Capital increase (net)	35.9	667.4	-	-	-	-	-	703.3
Other	-	-	27.9	17.6	-	-	(4.2)	41.3
Elements of expenses and income directly inputted in shareholders' equity	**35.9**	**667.4**	**807.3**	**(5.0)**	**0.0**	**0.0**	**(4.2)**	**1,501.4**
Result of the period	-	-	-	-	-	-	2,718.3	2,718.3
Total of expenses and income for the period	**35.9**	**667.4**	**807.3**	**(5.0)**	**0.0**	**0.0**	**2,714.1**	**4,219.7**
Dividends	-	-	-	-	-	-	(228.8)	(228.8)
Movements on treasury shares	-	-	-	-	3.6	-	(0.2)	3.4
Total of movements	**35.9**	**667.4**	**807.3**	**(5.0)**	**3.6**	**0.0**	**2,485.1**	**3,994.3**
Balance at 30 June 2006	**595.7**	**2,690.7**	**4,347.5**	**(0.9)**	**(184.3)**	**17.6**	**6,687.7**	**14,154.0**

5: Notes

Accounting principles and seasonal aspect

The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and the interpretations of the IFRS published by the International Financial Reporting Interpretations Committee of the IASB (IFRIC).

The accounting and calculating methods used in the interim financial statement are identical to those used in the annual financial statement for 2005. The consolidated financial statement for the half-year ended 30 June 2006 are in accordance with IAS 34 – Interim financial reporting.

However, in application of IFRS 5, the presentation has been adapted so as to set apart in a special section the impact on GBL's results of the disposal of Bertelsmann, treated as a discontinued operation.

The seasonal nature of the results is detailed in the outlook for the year 2006 as a whole.

1. Imerys and Ergon Capital Partners consolidated using the equity method

1.1 Group share of net result

EUR million	**30 June 2006**	**30 June 2005**
Imerys	14.5	47.9
Ergon Capital Partners	11.3	(0.3)
Net earnings from associated companies	**25.8**	**47.6**

Imerys consolidated net result of EUR 55 million for the first half-year 2006 was influenced by the reorganisation of its kaolin operations.

Consequently, on the basis of GBL's percentage of ownership, Imerys contributed to its half-yearly results in the amount of EUR 15 million, a decline of EUR 33 million.

The share contributed by Ergon Capital Partners valuation of 30 June amounted to EUR 11 million, as against EUR -0.3 million at end June 2005, owing to the appreciation of the investment portfolio at end June 2006.

1.2. Share in the shareholders' equity of associated companies

EUR million	**Bertelsmann**	**Imerys**	**Ergon Capital Partners**	**Goodwill Imerys**	**Total**
Balance at 31 December 2005	**2,090.3**	**442.1**	**9.3**	**41.0**	**2,582.7**
Exit from the scope of consolidation	(2,090.3)	-	-	-	(2,090.3)
Investments	-	-	28.9	-	28.9
Result of the period	-	14.5	11.3	-	25.8
Distribution	-	(27.6)	-	-	(27.6)
Differences on translation	-	(22.6)	-	-	(22.6)
Change in percentage of integration	-	(0.2)	-	0.2	0.0
Change in revaluation reserves	-	0.7	-	-	0.7
Other	-	(6.5)	-	-	(6.5)
Balance at 30 June 2006	**0.0**	**400.4**	**49.5**	**41.2**	**491.1**

The share in the shareholders' equity of associated companies amounted to EUR 491 million on 30 June 2006, a decrease of EUR 2 billion compared to end 2005 as a result of Bertelsmann's exit from the scope of consolidation following its disposal in first half 2006. The impact of the Bertelsmann disposal is explained in point 2.

2. Disposal of Bertelsmann

Based on IFRS, and more particularly IFRS 5, the disposal of Bertelsmann was accounted during the first half of 2006 and the impact of this operation on GBL's results is specifically detailed under the heading "Profit on discontinued operations". On the assets side on 30 June 2006, GBL has entered an amount receivable of EUR 4.5 billion, which corresponds to the sale price.

2.1. Result on discontinued operations (Bertelsmann)

EUR million	**30 June 2006**	**30 June 2005**
Share of net earnings	61.0	56.2
Net dividend	48.0	38.7
Net capital gains	2,378.0	-
Total	**2,487.0**	**94.9**

Bertelsmann's overall contribution as of 30 June 2006 amounted to EUR 2,487 million, compared to EUR 95 million in 2005. This amount is made up primarily of the net capital gain, less transaction costs, on the disposal (EUR 2,378 million). This capital gain is calculated on the basis of the net price of the shareholding at end June 2006.

Bertelsmann also continued to be consolidated during the first six months of 2006 under the equity method and contributed EUR 61 million to GBL's half-yearly results in that context (EUR 56 million for the same period in 2005).

Bertelsmann paid GBL a dividend of EUR 120 million in May 2006. The "preferential" share of that dividend, not eliminated in consolidation, came to EUR 48 million in 2006, as against EUR 39 million in 2005.

2.2. Other current assets

EUR million	**30 June 2006**	**31 December 2005**
Amounts receivable on Bertelsmann	4,500.0	-
Rate swap (IRS)	19.7	-
Loan to ECP	15.0	-
Other	6.9	6.3
Total	**4,541.6**	**6.3**

The sale price of EUR 4.5 billion was collected on 4 July 2006. In accordance with IFRS the sale of Bertelsmann was completed before the end of June with the signature of the final sale contract. Therefore, GBL entered into its balance sheet an amount receivable of EUR 4.5 billion on Bertelsmann, the consideration for the operation.

As part of its general financing policy, GBL concluded at end December 2005 a long-term (seven-year) interest rate swap (IRS) on EUR 500 million. The valuation of this financial instrument at fair value on 30 June 2006 amounted to EUR 20 million further to the increase in rates since the start of 2006. This amount was entered in the results for the period ended 30 June 2006.

3. Suez, Total, Lafarge and other investments

3.1. Dividends on investments

EUR million	**30 June 2006**		**30 June 2005**	
	Gross	Net	Gross	Net
Suez	91.9	78.2	58.0	49.3
Total	81.7	69.5	70.5	59.9
Lafarge	45.6	38.8	-	-
Other	0.9	0.8	0.3	0.2
Total	**220.1**	**187.3**	**128.8**	**109.4**

Dividends paid by Suez, Total and Lafarge are subject to a 15% withholding tax.

3.2. Fair value and variation

EUR million	**31 December 2005**	**Acquisitions / Transfert**	**Investment fund earnings**	**Disposals / Reimbursement**	**Change in faire value**	**30 June 2006**
Total	4,983.4	(64.6)	-	-	(85.7)	4,833.1
Suez	2,418.2	295.8	-	-	591.7	3,305.7
Lafarge	450.0	1,040.5	-	-	266.4	1,756.9
Arkema	0.0	64.6	-	-	7.0	71.6
PAI Europe III	47.6	-	3.0	(1.5)	1.9	51.0
Sagard	31.2	2.7	10.0	(10.4)	-	33.5
Other	2.0	-	-	-	-	2.0
Total fair value	**7,932.4**	**1,339.0**	**13.0**	**(11.9)**	**781.3**	**10,053.8**

Investments in the listed companies Total, Suez, Lafarge and Arkema are valued on the basis of closing share prices. As a shareholder of Total, GBL received a 3.9% shareholding in Arkema as a result of its spin-off by the oil group.

3.3. Revaluation reserves on investments

EUR million	**Suez**	**Total**	**Lafarge**	**Other**	**Total**
Balance at 31 December 2005	**696.1**	**2,829.8**	**25.6**	**(11.3)**	**3,540.2**
Change in fair value	591.7	(85.7)	266.4	34.9	807.3
Other changes (transfer)	-	(36.2)	-	36.2	0.0
Balance at 30 June 2006	**1,287.8**	**2,707.9**	**292.0**	**59.8**	**4,347.5**

The change in revaluation reserves stems primarily from the evolution of share prices for GBL's holdings in Suez, Total and Lafarge.

4. Debt

4.1. Financial debt

EUR million	30 June 2006		31 December 2005	
Non-current financial debt		429.3		429.0
Exchangeable loans	410.9		409.0	
Other financial debt	18.4		20.0	
Current financial debt		501.5		1.4
Bank debt	500.0		-	
Other	1.5		1.4	
Total		**930.8**		**430.4**

With the collection of the proceeds on the disposal of Bertelsmann in early July 2006, bank loans of some EUR 500 million were reimbursed and GBL consequently has liquidities of EUR 4 billion.

As part of its overall financing policy, GBL raised its lines of bank credit in early 2006 from EUR 300 million to EUR 950 million.

4.2. Interest expenses on financial debt

EUR million	30 June 2006		30 June 2005	
Interest on exchangeable loans		(8.1)		(2.8)
Nominal interest (cash earnings)	(6.4)		(2.3)	
Amortized cost	(1.7)		(0.5)	
Interest on bank financial debt		(6.2)		(0.3)
Total		**(14.3)**		**(3.1)**

Interest expenses on financial debt include costs on bank loans and interest on the GBL exchangeable bonds 2005-2012. The bond interest comprises the cost of the annual coupon (2.95%) and the cost of reconstitution of the face value of the exchangeable bonds (difference between the contractual rate of 2.95% and the theoretical market rate of convertible loan stock having the same issue characteristics).

5. Other financial income and expenses

EUR million	30 June 2006	30 June 2005
Gains on trading securities and derivatives	21.6	12.4
Other	(0.9)	(0.9)
Total	**20.7**	**11.5**

On 30 June 2006, this heading essentially comprised changes in value on the interest rate swap (seven-year IRS) concluded at the end of 2005 and on the 7,513,436 Total calls sold at mid-January 2006 (underlying: EUR 507 million).

On 30 June 2005, this section comprised realized and unrealized capital gains, as well as dividends on the trading portfolio.

6. Earnings on disposals and impairments on non-current assets

EUR million	30 June 2006	30 June 2005
Sagard	9.4	-
PAI Europe III	1.7	4.2
Other	-	0.3
Total	**11.1**	**4.5**

The earnings on disposals in the amount of EUR 11 million on 30 June 2006 derived from capital gains realized by the Sagard and PAI Europe III funds.

7. Transactions with related parties

EUR million	Related companies
Trading securities	16.7
Other current assets	15.0
Derivatives issued	9.6
Net dividends on investments	0.3
Interest income of current assets	0.1

The amounts listed under "Trading/securities" and "Derivatives issued" relate to options on Pargesa shares as well as shares held to cover the exercise of those options.

The heading "Other current assets" includes the amount of a loan to Ergon Capital Partners which brought in EUR 0.1 million in interest payments.

8. Capital

8.1. GBL dividend

On 26 April 2006, GBL shareholders collected a gross dividend of EUR 1.72 per share (EUR 1.60 in 2005).

8.2. Capital increase

On 28 March 2006, the Board of Directors of GBL decided to implement a cash capital increase, in keeping with pre-emptive rights, in the amount of EUR 709.4 million. The issue price of the 8,867,613 new shares was set at 80 euros. In the wake of that operation, GBL's capital is made up of 147,167,666 shares.

8.3. Calculation of result per share

The calculation of basic result per share and diluted result per share is based on the following data:

EUR million	30 June 2006	30 June 2005
Consolidated result used to determine basic result per share	**2,718.3**	**261.8**
Influence of financial instruments with diluting effect :		
Interest on exchangeable loans (net of taxes)	7.8	2.7
Consolidated result used to determine diluted result per share	**2,726.1**	**264.5**

Number of shares	**30 June 2006**	**30 June 2005**
Outstanding shares	**138,300,053**	**138,300,053**
Treasury shares at start of year	(5,382,726)	(6,134,556)
Weighted changes during the year	3,072,323	494,093
Weighted average number of shares used to determine basic result per share	**135,989,650**	**132,659,590**
Influence of financial instruments with diluting effect :		
Exchangeable loans	5,000,000	1,777,778
Stock options	254,465	474,890
Weighted average number of shares used to determine diluted result per share	**141,244,115**	**134,912,258**

8.4. Treasury shares

On 30 June 2006, the group held 5,277,001 own shares.

Shares held on 31 December 2005	**5,382,726**
Disposal of the period	(105,725)
Shares held on 30 June 2006	**5,277,001**