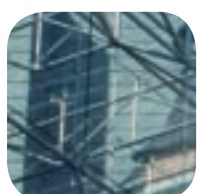


WE WORK FOR **GROWTH**



Annual report  
**2006**



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Annual report  
**2006**

# TABLE OF CONTENTS

Mission Statement	5
Message from the chairman	6
Annual Report of the Board of Directors	10
Key Events 2006	16

## **General information for the shareholder**

Board of directors, supervision and daily management	21
Corporate Governance	22
General information regarding the company	30
General data regarding the capital	31
Patronage	32

## **Activity Report**

Contracting	34
DEME NV	34
Algemene Aannemingen Van Laere NV	40
Real estate and related services	44
Extensa	45
Leasinvest Real Estate Comm. VA	47
Cobelguard NV	49
Financial Services	50
Bank Delen NV	50
Bank J. Van Breda & C° NV	54
Asco NV / BDM NV	59
Private Equity	60
GIB NV	61
Sofinim NV	62
Other investments	70
Divested core activities	72

## **Consolidated financial statements**

Income statement	75
Assets	76
Equity and liabilities	77
Cash flow statement	78
Statement of changes in equity	79
Notes to the financial statements	80
Statutory auditor's report	122

## **Statutory annual accounts**

Balance sheet	124
Income statement	126
Comments on the statutory annual accounts	128

Pursuant to the Royal Decree of 31 March 2003 on the obligations of issuers of financial instruments admitted to trading on a Belgian regulated market, Ackermans & van Haaren is h required to publish its annual report and accounts as well as its audit report 15 days prior to the annual general meeting in the form of a brochure available for public distribution.

This brochure must contain the combined statutory and consolidated annual report of the board of directors prepared in accordance with article 119, last paragraph of the Company Code. (p. 11)

The brochure further contains a condensed version of the statutory annual accounts (p. 124) prepared in accordance with article 105 of the Company Code, and the integral version of the consolidated annual accounts (p. 74).

The integral version of the statutory annual accounts is deposited with the National Bank of Belgium, pursuant to articles 98 and 100 of the Company Code, together with the annual report of the board of directors and the audit report.

The auditor has approved the statutory annual accounts without qualification.

The annual report, the integral versions of the statutory and consolidated annual accounts, as well as the audit reports regarding said annual accounts may be requested without charge at the following address:

Address: Begijnenvest 113 – 2000 Anvers  
Telephone: +32 3 231 87 70  
Fax: +32 3 225 25 33  
E-mail: [info@avh.be](mailto:info@avh.be)

# MISSION STATEMENT

## “WE WORK FOR GROWTH”

### **Positioning of AvH**

- an independent
- diversified group
- focused on a limited number of core companies with international growth potential
- led by an experienced, multidisciplinary management team

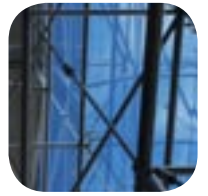
### **Strategy of AvH: long-term growth**

- concentrates on a limited number of participations for which clear objectives are agreed and that are responsible for their own financial position
- focused on the systematic creation of shareholder value via a long-term strategy
- strives for annual growth in the profits of each participation and in the group as a whole
- based upon a healthy financial structure

### **Role of AvH: proactive shareholder**

- proactively involved in
  - selecting senior management
  - defining long-term strategy
- permanent dialogue with management to monitor and check
  - operational and financial discipline
  - strategic focus
- active support to management for specific operational and strategic projects

## MESSAGE FROM THE CHAIRMAN



Once again, AvH realises **a record in results**, supported by an increase with 44%, of the current group result.





adies and Gentlemen,

We are very pleased to be able to welcome you again in the renovated offices of Ackermans & van Haaren.

This is an example of the high quality of the work of Algemene Aannemingen Van Laere.

In 2006, AvH took the momentum of the previous year even further. Once again the year ends with a record result (€ 307.6 million versus € 279 million in 2005).

Nonetheless, it is not the result per se that is the most important thing, but rather the quality of the group's growing operating profits, supported by the strong balance sheet structure and the increasing cash position of AvH.

It is clear that the group's companies are currently benefiting from a "booming" world economy. In this boom the group has continued to strengthen itself in order to be able to withstand possible less favourable cycles in the future.

Over the last three years, AvH has doubled its shareholders' equity (€ 1,424 million in 2006 compared with € 709 million at the end of 2004).

Notwithstanding an investment strategy which, with an amount of about € 180 million, was maintained at a very high level, the group's significant cash reserves remain untouched.

In 2006 a return on shareholders' equity of 27.6% was achieved. This result was partly achieved through high capital gains in the private equity sector, which also kept our cash position up. The AvH model is aimed at systematically investing these new funds in the strategic sectors of the group.

For this reason, the increase of 44% in the operating result of the group's companies (before private equity capital gains) from € 88.9 million in 2005 to € 128.3 million in 2006 is an incentive to consistently implement the group's investment strategy.

We are convinced that the current positioning of AvH and its management team in the market allows a cautious and gradual reinvestment of our funds in a successful manner.

In the contracting sector, DEME experienced a high level of activity, with almost complete utilisation of the fleet. Turnover rose to € 1,077 million (+27.5% versus 2005: € 845 million) and profits to € 50.4 million (+24% versus 2005: € 40.7 million).

It should be mentioned that disappointing results have been recorded on some sites in the Middle East and in India. However, we expect to be able to partly compensate for some of these losses in the future by collecting certain claims. Supported by a record order book of € 1,601 million (€ 1,390 million in 2005) and within the context outlined above, we expect an increase in the turnover and a proportional sharper rise in the cash flows and operational profits of DEME over the coming year.

The expansion of dredging activities is supported by the delivery of a number of new ships, such as the trailing suction hopper dredger Marieke (5,600 m<sup>3</sup>) in 2006; the Reynaert (5,600 m<sup>3</sup>) and the Brabo (11,650 m<sup>3</sup>) in the course of 2007. The latest ship ordered, the Breydel (9,000 m<sup>3</sup>), will be delivered at the beginning of 2008.

2006 was also the year of the transition to a new management team and of the setting up of Rent a Port (concession activities).

VAN LAERE: Notwithstanding significant pre-tender costs for the Oosterweel project, Alge-

mene Aannemingen Van Laere could end 2006 with a record result (€ 4.3 million). All subsidiaries of Van Laere end the financial year in profit.

In 2006 the real estate sector reached cruising speed and acquired a permanent place as the fourth pillar of the group.

The record contribution of EXTENSA amounted to € 18.8 million (2005: € 5.1 million). This was influenced both by the one-off sale of a buildings portfolio to Axa Belgium / LRE (€ 7.3 million) and the revaluation of the fully leased buildings of Tour & Taxis (€ 9.6 million contribution).

In the coming years Extensa expects a major recurrent contribution from its land development activities. This will be further strengthened by the results from a number of major promotions, such as Tour & Taxis and Cloche d'Or (Luxembourg).

The internationalisation of our real estate activities towards Central Europe and Turkey appears to be progressing favourably. For this reason the group expects Extensa's result to rise.

LEASINVEST REAL ESTATE also saw exceptional growth in its real estate portfolio to € 476.3 million, thanks to the acquisition of the Extensa portfolio (€ 50 million) and the acquisition of the Luxembourg investment trust Dexia Immolux (€ 144 million).

The rental yield was 7.45% for an occupancy rate of 96.97%.

Thanks to this growth and the positive portfolio fluctuations (on an IFRS basis), the contribution of LRE increased to € 9.5 million (€ 6.5 million in 2005).

AvH's stake in the investment trust was diluted from 35.52% to 29.23%. The current economic boom has had a highly favourable impact on real estate activities. The group has accumulated significant equity capital and has the necessary reserves to continue its expansion.

BANK DELEN has increased its result by 16% to € 30 million (€ 25.9 million in 2005). This result is due to the favourable stock exchange climate, to cautious but efficient management and to the

further rise (15%) in assets under management to € 10,568 million (€ 9,192 million in 2005).

The cost/income ratio scarcely rose in 2006 to 43.3% versus 42.8% (2005), notwithstanding the strengthening of the commercial organisation.

The election of Bank Delen to Euromoney's "Best Private Bank in Belgium" underlines the success of the bank's small but efficient team. In line with the growth in managed assets, the group expects the result to grow over the coming year.

With a reserve of € 24.4 million in 2006, BANK J. VAN BREDA & Co almost equalled 2005's record result of € 24.6 million (excluding the contribution of the bank's leasing activities, which were sold in 2005). Van Breda was faced with a smoothing out of the rates curve which nullified a major part of the treasury result; however, this was almost completely offset by the growth of income from commissions.

All the bank's commercial parameters are favourable and confirm the success of its strategy and the growth of the trade fund. The bank expects a return to the historic growth of the result as the transformation margin on the money market normalises.

In 2006, the PRIVATE EQUITY sector saw a significant increase in the contribution to the operating result of € 26.9 million (compared to a loss of € 3 million in 2005).

Although this might seem like a turnaround, this development is primarily the result of the sale of our stake in IlloSpear, which caused a loss of € 17.6 million on an operating basis in 2005. Without the IlloSpear loss the private equity result shows a stable and upward trend.

Thanks to the healthy internal growth of the existing portfolio and the recent new investments, we are convinced that private equity can exceed the operating result of 2006 over the coming year even without the significant contribution of Quick (€ 7.7 million over 9 months in 2006).



The growth of the portfolio, including the capital gain on Quick, from € 460 million to € 632 million, clearly shows the rising substance of this sector within AvH. Nevertheless, these figures do not show the fundamentally favourable development and growth in depth of the portfolio. The new acquisitions Groupe Flo and Trasys (within GIB) are developing favourably. Turbo's Hoet, Hertel, NMC, UBF and Oleon are each burgeoning.

Today the group has a stake (mostly along with partners) in, among others, around ten companies with an average turnover of approximately € 250 million. It is this consolidation within the portfolio, with a significant increase in size, that will allow the future creation of value within AvH.

Notwithstanding the high market values for private equity, AvH remains cautiously present as an investor (€ 103 million in 2006). The development of our recent investments gives an indication of an acceptable risk profile for the future.

Finally, the exceptional capital gain of € 150 million (€ 211 million cash) on the sale of Quick must be mentioned. Although Quick was not a simple dossier in 2002 at the time of the acquisition of GIB, this is an outstanding result that was made possible thanks to the excellent management team of Quick and the extremely constructive partnership with NPM. The company's altered vision of its real estate also created significant value. We are convinced that AvH and NPM, together with the management, have put the company back on solid ground and that the new owner, CDC Capital Investissements, will take Quick into the next phase of its development.

At the beginning of 2007, the group has already made three new investments:

- a stake of 72.9% in Spanogroup via Sofinim. With a turnover of more than € 250 million, Spanogroup is a major player on the Belgian market of chipboards, melamine boards, MDF and laminate flooring.
- a stake of 20% in the French group Financière Duval, active in the field of real estate, holiday houses and elderly homes
- a stake of 50%, alongside our partner NPM, in Distriplus, a "speciality retailer" group with investments in Planet Parfum, Club and Di. The integration of Di creates a major new player in this sector with a turnover of more than € 220 million.

The divestments of the past year – including the sale of Quick – have taken the group's net treasury to a record level of € 552 million (€ 434 million in 2005).

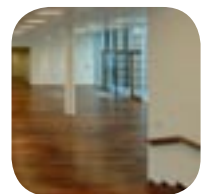
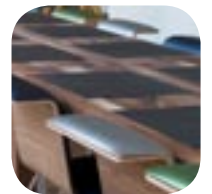
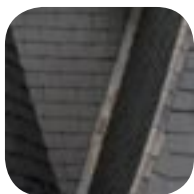
Together with the continued favourable development in the group's operating result, this confirms our confidence in the future. We therefore propose setting the dividend at € 1.15, which represents a rise of 28% (38% in 2005).

We wish to thank all the employees of the group for their dedication and their contribution to this excellent result.

**Luc Bertrand**  
*Chairman of the  
Executive Committee*

**Alain Dieryck**  
*Chairman of the  
Board of Directors*

# ANNUAL REPORT OF THE BOARD OF DIRECTORS





Dear shareholder,

It is our privilege to report to you on the operations of our company during the past financial year and

to submit to you, for approval, the statutory and consolidated annual accounts, closed on 31 December 2006.

In accordance with article 119 of the Company Code, the annual reports on the statutory and consolidated annual accounts have been combined.

## I STATUTORY ANNUAL ACCOUNTS

### 1 Capital and shareholding

During the last financial year, there have been no changes in the company's share capital. The share capital amounts to 2,295,278 euro and is represented by 33,496,904 shares, without mention of nominal value. All shares have been paid up in full.

In 2004, in the context of the stock option plan, 46,000 new options were granted. The options granted as per 31 December 2006 entitle their holders to acquire an aggregate of 232,300 Ackermans & van Haaren shares (0.6935%).

In 2006, the company did not receive any transparency notice, in accordance with the provisions of the Law of 2 March 1989.

### 2 Activities

We refer to the Message from the Chairmen (p. 6).

### 3 Comments on the statutory annual accounts

#### 3.1 Financial condition as per 31 December 2006

The statutory annual accounts of Ackermans & van Haaren have been drawn up in accordance with Belgian accounting rules.

The total assets of the company as at 31 December 2006 are € 1,366 million, i.e. approximately € 72 million more than one previous year.

The increase in total assets is partly due to the investments made by Ackermans & van Haaren, which were financed via financial debts vis-à-vis AvH Coordination Center.

On the one hand, Ackermans & van Haaren has invested directly in the security firm Cobelguard (40%), in Rent a Port (50%) and in additional Sipef shares; on the other hand, loans were granted to GIB and Financière Trasys with a view to financing their investments in Groupe Flo and Trasys respectively. In addition, a final instalment of € 68 million was paid in connection with the purchase in 2004 of a 40% stake in Finaxis.

Taking into account the distribution of profits proposed at the ordinary general meeting of 29 May 2007, the shareholder's equity of Ackermans & van Haaren is € 545 million, corresponding to € 16.26 per share.

The statutory results of Ackermans & van Haaren were and are largely determined by dividends and capital gains/losses. Since not all the group's participations are held directly by Ackermans & van Haaren itself, the group's consolidated result is a more reflection of underlying economic developments.

The statutory result for the 2006 financial year is € 10.43 million. In contrast to last year, as good as no capital gains/losses were realised in 2006. The main dividends came from Finaxis, Protalux, Sofinim and KBC Group.

### 3.2 Allocation of the results

The board of directors proposes to allocate the result (in euro) as follows:

Profit of the previous financial year carried forward	422,380,743
Profit of the financial year	10,425,274
<b>Total amount distribution</b>	<b>432,806,017</b>
Allocation to the legal reserves	0
Allocation to the non-distributable reserve	9,527,829
Dotation à la réserve disponible	0
Dividends	38,521,440
Tantièmes	162,000
Profits to be carried forward	384,594,748

The board of directors proposes, to distribute a gross dividend of 1.15 euro per share.

After withholding tax, the net dividend amounts to 0.8625 euro per share, or 0.9775 euro for the coupons that are presented together with a VVPR strip coupon.

If this proposal is approved by the annual general meeting, the following banks: Bank Delen, Bank J. Van Breda & C°, Bank Degroof, Fortis Bank, KBC Bank, ING Belgium, Dexia Bank and Petercam will as of 1 June 2007 pay a net dividend of either 0.8625 euro per share upon presentation of coupon no. 8, or 0.9775 euro per share upon presentation of coupon no. 8 accompanied by a VVPR strip coupon no.8.

Following this distribution, the shareholders' equity will amount to 544.507.326 euro, and will be composed as follows:

<b>Capital</b>	
Subscribed capital	2,295,278
Issue premium	111,612,040
<b>Reserves</b>	
Legal reserves	248,081
Non-distributable reserves	10,366,887
Tax-exempt reserves	0
Distributable reserves	35,390,292
Profits carried forward	384,594,748
<b>Total</b>	<b>544,507,326</b>

## 4 Prospects

As was the case the previous years, the results of the current financial year will to a large extent depend on the dividends distributed by the companies within the group and on the realisation of any capital gains and/or losses.

## 5. Notes

### 5.1 Key events following closing of the financial year

Since closing of the financial year of 2006, there have been no significant events that could have a material impact on the development of the company (for the group, see p. 15)

### 5.2 Application of article 523 of the Company Code

Extract from the minutes of the meeting of the board of directors of Ackermans & van Haaren of 22 November 2006:

#### "3.1.2. Allocation of stock options

Before the board of directors commenced deliberation on this agenda item, Luc Bertrand declared that he—as beneficiary to the stock option plan—has a direct interest of a proprietary nature that is contrary to the proposed resolution, within the meaning of article 523 Company Code.

Pursuant to article 523 Company Code, Luc Bertrand will inform the statutory auditor of the company concerning the conflict of interest after this meeting.

Mr. Luc Bertrand exits the meeting and does not take part in the deliberations and decision-making concerning this point.

Based on the recommendations of the Remuneration Committee, the Board of Directors has decided, under the current share option plan, to offer a maximum of 47,500 options to the members of the Executive Committee and certain members of staff and independent service providers of Ackermans & van Haaren, the Nationale Investerings-maatschappij and Sofinim.

The Board of Directors grants special authority to Luc Bertrand to offer, within the framework of the existing share option plan and taking into account the applicable statutory provisions, a maximum of 47,500 options on 8 January 2007, i.e. the day before the so-called closed period takes effect (two months before publication of the annual results, scheduled for 9 March 2007).

As it is the policy of the company to cover share options through the redemption of shares (within the limits of the authority granted by the extraordinary general meeting to the Board of Directors on 29 August 2005), the consequences for the company are in principle limited to the assumed or foregone over the period from the purchase of the shares to the resale to option-holders.

Luc Bertrand rejoines the meeting.”

### 5.3 Additional remuneration for the auditor

We further report, in accordance with article 134, §§ 2 and 4 of the Company Code, that an additional remuneration of 51,890 euro (VAT excl.) has been paid to the auditor for due diligence activities and of 15,200 euro (VAT excl.) to Ernst & Young Tax Consultants CV for tax advice.

### 5.4 Research and development

The company has not undertaken any activities in the area of research and development.

### 5.5 Redemption and sale of redeemed shares

On 29 August 2005, the extra-ordinary general meeting authorised the board of directors of Ackermans & van Haaren to redeem a maximum of 300,000 shares within a well-defined price range during a term of 18 months.

In the course of the financial year 2006, Ackermans & van Haaren redeemed 165,300 shares. These shares were acquired to cover the company's obligations under the stock option plan. Including these shares and taking into account the sale of 32,050 shares pursuant to the exercise of option, the situation as per 31 December 2006, reads as follows:

Number of redeemed shares	214,594 (0.64 %)
Par value per share	0.07 euro
Average share price	48.15 euro
Total price paid	10,332,133 euro

In addition, Brinvest NV, an indirect subsidiary of Ackermans & van Haaren, holds another 51,300 shares Ackermans & van Haaren.

## II CONSOLIDATED ANNUAL ACCOUNTS

### 1 Risks and uncertainties

Pursuant to the Act of 13 January 2006 amending the Company Code, the annual report must contain a description of the main risks and uncertainties with which Ackermans & van Haaren is confronted.

As outlined in our Mission Statement (p. 5), Ackermans & van Haaren invests in a limited number of companies with international growth on a long term basis.

The diversified character of these investments in such areas as construction and dredging activities, financial services, real estate and private equity (with investments in sectors ranging from oleochemistry and media to, more recently, the production of wooden boards and laminate flooring) contributes to a balanced spread of the economic and financial risk. In addition, Ackermans & van Haaren generally finances these investments with equity.

Of course, every group company has an individual risk profile determined by the sector in which it is active. Thus, the results of Bank Delen are partially dependent upon the overall stock-market climate. Bank J.Van Breda & C° is sensitive to the overall economic situation and the interest curve. DEME is internationally active in a very competitive market. Although DEME has developed over the last years important activities in sectors adjacent to its core activities, turnover remains to a certain extent dependent upon capital dredging work, which have an inherent cyclical character and are sometimes influenced by geopolitical developments. The real estate and promotional activities of Leasinvest Real Estate and Extensa respectively are also dependent on the general economic situation and the interest curve. Finally, the sector of private equity is characterised by increasing competition (including from abroad). The players who are active on this market possess significant investment means and do not necessarily all have the same risk profile regarding leveraged deals.

Ackermans & van Haaren itself also has a considerable cash reserve that is partially invested in short-term deposits and partially in blue chip shares, such as KBC Group and Fortis.

## 2 Comments on the consolidated annual accounts

The consolidated annual accounts for the financial year 2006 of Ackermans & van Haaren were prepared in accordance with International Financial Reporting Standards (IFRS).

The consolidated total assets as at 31 December 2006 are € 4,722 million, an increase of 12% compared to the total assets at the end of 2005 of € 4,208 million. The main cause of this increase is the changed consolidation method of LRE (now fully consolidated, formerly equity method), which has an impact on the assets of € 420 million. Furthermore, a capital gain of € 150 million was realised on the sale of the stake in Quick Restaurants.

2006 is a year characterised again by significant investments. Within the "private equity" segment, the group invested around € 103 million, of which € 79.6 million in new investments (Turbo's Hoet, Groupe Flo and Trasys) and € 23.4 million in follow-up investments in, among others, UBF Media Group, Oleon, Oleon Biodiesel, Mercapital and NMC.

Ackermans & van Haaren also took a 40% stake in the security firm Cobelguard and a final instalment of € 68 million was paid in connection with the increase in 2004 of the interest in Finaxis to 75%.

The key divestment in 2006 is the sale by GIB (50% AvH) of its stake in Quick Restaurants to the French group CDC Capital Investissement. In 2006 also the sale of the shares in SCF (E5 mode), Soficatra and Teleskop took place, as well as a partial sale of the IBF and Belfimas stakes. Thus, the total amount of divestments amounted to € 261.8 million.

The investments and divestments resulted in a net treasury position of € 340.7 million at the end of 2006, compared to € 434.4 million at the end of the last financial year. The cash revenue from the sale of the interest in Quick Restaurants (211 million - AvH part) was only received in the beginning of 2007, and is therefore not expressed in the net treasury position as of the end of the 2006 financial year. Including the cash from the sale, the treasury would amount to € 552 million.

At the end of 2006, the total investment portfolio (including unrealised capital gains) of the group amounts to € 233.7 million.

The consolidated shareholders' equity of Ackermans & van Haaren (part of the group - before distribution of profits) increased to € 1,423.7 million as at the end of 2006, corresponding to € 42.5 per share.

The consolidated result (part of the group) is € 307.6 million, which represents an increase of 10.3% compared to the € 279.0 million for the 2005 financial year. Ackermans & van Haaren owes its excellent results both to the better state of affairs in most group companies and to significant exceptional results.

An (economic) break down of these results over the group's various pillars of activity is given in the "Key Figures" annexe to the brochure.

Partly thanks to the world-wide dredging boom, DEME has succeeded in increasing its turnover to an historic level, namely € 1,077.5 million with almost complete utilisation of the fleet. In line with this rise in turnover (+27% compared with 2005), it was able to increase its profits by 24% to € 50.4 million. At the same time, it should be noted that disappointing results were posted at several sites in the Middle East and India, the main one being in Qatar.

Given the international activities of LRE and Extensa, the favourable prospects and the 2006 results, the real estate sector has clearly gained a strategic position within the group.

Thanks to a further increase in its assets under management, Bank Delen was able to record a splendid result. Bank J. Van Breda & C° succeeded in largely compensating for the impact of the smoothing out of the rates curve with the growth of fee income.

In 2006, almost all companies in the "Private Equity" portfolio were able to report favourable results. Also, as mentioned earlier, 2006 was a year of major investment.

The exceptional results achieved in the "Private Equity" segment mainly involve capital gains realised on the sale of Quick Restaurants (€ 150.4 million), SCF (€ 3.6 million) and Atenor Group shares as part of a shareholder reshuffle following the arrival of Le Foyer (€ 2.1 million).

On the other hand, profit of € 16.7 million was achieved in the "AvH and subholdings" segment on the sale of the Soficatra stake, on a reshuffle of Henschel-Teleskop, on a partial sale of Belfimas and IBF and as a result of reversal of previously accounted provisions.

## 3 Key events following closing of the financial year

Since the end of the financial year the group has made three new investments, namely

### Spanogroup NV

On 10 November 2006 Sofinim and the management, under the leadership of Jan Ide, reached an agreement

with the Vanden Avenne family to acquire Spanogroup. Spanogroup is an integrated producer of various types of wood-based product such as chipboards, melamine boards, MDF and laminate flooring. This transaction was completed on 19 January 2007.

#### Financière Duval SAS

AvH has taken, to the amount of 20 million euro, a 20% participation in the French group Financière Duval, mainly via a capital increase. Warrants are attached to the new shares which allow AvH to increase its participation to 30%.

The Financière Duval group is active in three areas: holiday homes, elderly and care homes or flats and project development in commercial real estate and turnkey projects.

#### Distriplus

Sofinim and NPM are incorporating a 50/50 joint venture under the name Distriplus, which will be home to the specialised distribution chains DI (pharmacies/perfumery), Planet Parfum (perfumes and cosmetics) and Club (books and stationery).

DI will be acquired from the Delhaize Group. The chains Planet Parfum and Club are already in the hands of NPM.

Sofinim is entering Distriplus and is investing a total of € 66 million.

## 4 Research and development

In 2006, Ackermans & van Haaren and the wholly and proportionally consolidated participations have not engaged in any research and development activities.

## 5 Financial instruments

Within the AvH group, financial instruments are used for risk management. More specifically, this involves financial instruments that would mitigate the effect of an increase in short-term interest rates.

Within Extensa Group (formerly "Leasinvest") and AvH Coordination Center these instruments form part of the financing of short-term credit requirements via the commercial paper programme.

The counterparties of these financial instruments are exclusively renowned banks with which Ackermans & van Haaren has built up a long-term relationship.

Within Bank J. Van Breda & C° a similar effort is being made to pursue a cautious policy in terms of interest rate risk by using interest swaps and options.

## 6 Prospects AvH-group 2007

Except in case of unforeseen circumstances, the Board of Directors of Ackermans & van Haaren expects for 2007 a further strengthening of the current result of the group.

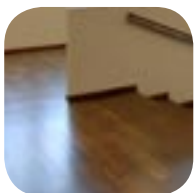
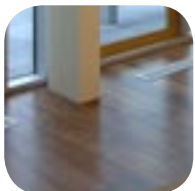
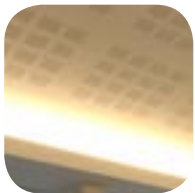
On behalf of the board of directors, 17 April 2007

**Luc Bertrand**  
*Director*

**Alain Dieryck**  
*Chairman*



# KEY EVENTS 2006



Strong investment activity at the level of AvH and Private Equity; sale of Quick Restaurants.





### January 2006

DEME orders two new medium-jumbo trailing suction dredgers earmarked for markets in India, the Middle East and the Far East. Delivery of the first ship, Brabo (with a hopper capacity of 11,650 m<sup>3</sup>) is scheduled for November 2007. The second ship, Breydel (with a hopper capacity of 9,000 m<sup>3</sup>) will come into service in April 2008.

### February 2006

GIB, a subsidiary of both AvH and NPM, concludes an agreement with the Suez Group regarding the acquisition of 100 % of the shares in Trasys, an independent Belgian IT services provider.

Bank Delen acquires stock exchange brokers Rampelbergs & Cie. For Bank Delen, the acquisition of Rampelbergs & Cie represents an improvement in quality for its Brussels headquarters and an increase of its assets under management with 117 million.

### March 2006

Sofinim signs an agreement with Mr Alfred Hoet and companies under his control regarding the acquisition of a 50% shareholding in part of the current Turbo's Hoet Group, a service provider in the transport sector.

With Axa's contribution of its 100% shareholding in De Leeuwe, Warehouse Finance and Logistics Finance, Leasinvest Real Estate acquires a real estate portfolio with a real value of € 49.10 million. As a result, the AvH Group's participation falls from 35.52% to 29.23%.

### April 2006

AvH reaches an agreement with the founders of the Cobelguard security group regarding the acquisition of a 40% shareholding in D&S Holding, the parent company of Cobelguard, Cobelservices and Cobelguard Light CIT.

Sofinim concludes an agreement to sell its 25% shareholding in the listed company SCF to the majority shareholder Shopinvest (59.9%) at a price of € 8 per share (total price: € 19.6 million).

### May 2006

In accordance with the agreement in the matter signed in March 2006, AvH and Sofinim transfer their entire stake in IlloSpear (including the stake held via Sofinim) to the American group Spear, which already holds a 25% stake in the company. At the same time, Sofinim acquires 100% of the shares in Alupa from Illospear.

Extensa obtains a permit to develop the first phase (300 housing units) of the land division in Wondelgem (75,000 m<sup>2</sup> – 500 housing units in total).

### July 2006

Leasinvest Real Estate holds 90.12% of the shares in the listed real estate investment trust Dexia Immo Lux after acquiring a total of 51.13% in March 2006 and the launch and reopening of the public bid to acquire the rest of the shares in July 2006.

Oleon (Sofinim 37.1%), one of the top 3 oleochemical companies in Europe, has concluded a contract with Akzo Nobel to take over Akzo Nobel's European oleochemical activities in Emmerich, Germany.

### September 2006

DEME baptizes the new trailing suction hopper dredger "Marieke" (5,600 m<sup>3</sup>) and officially brings it into commission.

### October 2006

GIB accepts the voluntary public takeover bid launched by CDC Capital Investissement on all shares of Quick Restaurants. This transaction yields € 423 million in cash for GIB (AvH share 50%). In AvH's consolidated accounts, this results in capital gain of about € 150 million.

### November 2006

DEME obtains an extension of the work on Al Raha Beach in Abu Dhabi (United Arab Emirates). With this, an existing land reclamation contract more than doubles to a total value of € 110 million.

Sofinim and the management team under Jan Ide reach an agreement with the Vanden Avenne family to acquire Spanogroup. Spanogroup is an integrated producer of a variety of products made from wood, such as chipboard, laminated boards, MDF and laminated flooring. The deal was completed in January 2007.

A new trailing suction hopper dredger, the "Reynaert" (5,600 m<sup>3</sup>) is launched at the IHC boatyard and was brought into service in March 2007.

### December 2006

Grossfeld (25% Extensa) obtains a socio-economic licence to operate a shopping centre in the first phase (100,000 m<sup>2</sup>) of the Cloche d'Or development (400,000 m<sup>2</sup>) in Luxembourg.

Bank J. Van Breda & C° relocates its administrative headquarters to the renovated and extended (former) Antwerp South Goods Station on the Ledeganckkaai.

# MOST IMPORTANT **EVENTS** AFTER THE 2006 FINANCIAL YEAR

## **January 2007**

Euromoney elects Bank Delen as the "Best Private Bank in Belgium in 2007".

## **February 2007**

UBF Media Group and Euro Media Télévision announce their intention to merge both groups to become the European market leader in the field of audiovisual facilities (combined sales of € 300 million).

AvH and the Bracht family conclude a shareholders agreement and, from now on, will together represent 30.43% of the capital in Sipef.

DEME wins significant new orders (India and Abu Dhabi) for a total value of € 177 million.

## **March 2007**

AvH acquires a 20% stake in the French group Financière Duval, a real estate developer and real estate services provider (holiday parks, rest and care homes).

AvH acquires (via Sofinim) 50%, alongside CNP (50%) in Distriplus, which, apart from Club and Planet Parfum, will own Di, a company that will be required from Delhaize.

As of March 2nd 2007 the AvH share has been included in the reference index BEL20 of Euronext Brussels.

# GENERAL INFORMATION TO THE SHAREHOLDER



(right top)

*Board of Directors*

*f.l.t.r. seated:*

F. van Haaren, A. Dieryck,  
L. Bertrand, T. Jurgens

*f.l.t.r. standing:*

P. Willaert, T. van Baren,  
J. Delen, P. Macharis



(right bottom)

*Executive Committee*

*f.l.t.r. seated:*

J. Suykens, L. Bertrand,  
T. Bamelis

*f.l.t.r. standing:*

P. Bevernage,  
P. Dejonghe



# BOARD OF DIRECTORS, SUPERVISION AND DAILY MANAGEMENT

## BOARD OF DIRECTORS

*Chairman*

Alain Dieryck

*Chairman of the Executive Committee*

*Directors*

Luc Bertrand

Jacques Delen

Teun Jurgens

Pierre Macharis

Thierry van Baren

Frederic van Haaren

Pierre Willaert

*Statutory Auditor*

Ernst & Young Bedrijfsrevisoren BCV, represented by  
Jan De Landsheer and Patrick Rottiers.

## EXECUTIVE COMMITTEE

*Chairman*

Luc Bertrand

*Members*

Tom Bamelis

Piet Bevernage

Piet Dejonghe

Jan Suykens

Alain Dieryck, chairman of the board of directors, is present  
at the executive committee as observer.

## MANAGEMENT PARTICIPATIONS (in addition to the members of the executive committee)

*Contracting*

Werner Poot

*Private Equity*

Marc De Pauw

André Xavier Cooreman

Koen Janssen

Matthias De Raeymaker

Harold Vanheel (since 1 April 2007)

## GROUP SERVICES

*Finance*

Tom Bamelis

*Financial Manager*

Hilde Delabie

*Group Controller*

Sophie Wuyts

*Controller*

Marc De Groote

*Accounting*

Bart Bressinck

*Accounting*

Jean-Claude Janssens

*Treasurer*

*Legal*

Piet Bevernage

*Secretary General*

Sofie Beernaert

*Legal Counsel*

Edouard De Saegher

*Administration and Personnel*

Brigitte Adriaenssens

*Corporate Secretary SNI/Sofinim*

Michel Malengreau

*Tax Counsel*

# CORPORATE GOVERNANCE CHAPTER

## 1 GENERAL INFORMATION

On 14 April 2005, the Board of Directors of Ackermans & van Haaren adopted the first Corporate Governance Charter ("Charter"). The Charter has been prepared in accordance with the provisions of the Belgian Corporate Governance Code ("Code"), that the Corporate Governance Committee, under the presidency of Count Maurice Lippens, published on 9 December 2004. The first Charter was formally announced on 6 May 2005.

Since then, the Board of Directors updated the Charter in its meeting on 18 april 2006 in order to bring it into agreement with various royal decrees issued in implementation of European regulations regarding market abuse. The amended Charter was published on 4 May 2006. It can be consulted in three languages (Dutch, French and English) on the company website at [www.avh.be](http://www.avh.be).

Pursuant to the Code, Ackermans & van Haaren is must include a chapter ("Chapter") in its brochure in which special attention is given to factual information about corporate governance, any changes that may have occurred in the corporate governance policy, and events relevant to corporate governance that occurred during the past business year. This Chapter also includes explanations of derogations from the recommendations of the Code in accordance with the "comply or explain" principle.

## 2 BOARD OF DIRECTORS

### 2.1 Composition

<i>Name</i>	<i>Born</i>	<i>Office</i>	<i>End of term of office</i>
Alain Dieryck	1943	<i>Chairman, non-executive</i>	2009
Luc Bertrand	1951	<i>Executive</i>	2009
Jacques Delen	1949	<i>Non-executive</i>	2008
Teun Jurgens	1948	<i>Independant non-executive</i>	2010
Pierre Macharis	1962	<i>Independant non-executive</i>	2008
Thierry van Baren	1967	<i>Non-executive</i>	2010
Frederic van Haaren	1960	<i>Independant non-executive</i>	2009
Pierre Willaert	1959	<i>Independant non-executive</i>	2008

### 2.2 Non-executive and executive directors

**Luc Bertrand** is chairman of the Ackermans & van Haaren executive committee.

**Jacques Delen** is chairman of the executive committee of Bank Delen, a subsidiary of Ackermans & van Haaren.

Luc Bertrand, Jacques Delen and **Alain Dieryck** are directors of Scaldis Invest which, with a stake of 33%, is the principal shareholder of Ackermans & van Haaren.

Luc Bertrand and Alain Dieryck are also directors of Belfimas, which controls Scaldis Invest with a share participation of 91.35%.

Scaldis Invest and Belfimas are holding companies which invest exclusively (directly and indirectly) in Ackermans & van Haaren shares.

**Thierry van Baren** is marketing and communication consultant.



### 2.3 Independent directors

**Teun Jurgens** is a company director.

**Pierre Macharis** is managing director and chairman of the executive committee of the listed company VPK Packaging Group NV.

**Frederic van Haaren** is a company director.

**Pierre Willaert** is a company director.

Teun Jurgens, Pierre Macharis, Frederic van Haaren and Pierre Willaert are independent directors within the meaning of article 524 of the Company Code, and meet all the independence criteria set out in point 2.2.4 of the company's Charter.

### 2.4 Directors' remuneration

All but one director received a director's fee in 2006. The director's fee consists of a basic sum of 20,000 euro and an extra sum of 2,500 euro per membership in an advisory committee. In 2006, the directors received a total of 142,500 euro in fees. Since the sums of these directors' fees bear no relation to the results, they can be equated to fixed, non-performance related remuneration.

The individual fees and other benefits paid, directly or indirectly, by Ackermans & van Haaren and its subsidiaries to non-executive directors in 2005 (and paid in 2006) were as follows:

#### Directors' fees borne by AvH

Alain Dieryck	€ 10,000
Luc Bertrand	€ 20,000
Jacques Delen	€ 22,500
Teun Jurgens	€ 22,500
Pierre Macharis	€ 22,500
Frederic van Haaren	€ 22,500
Pierre Willaert	€ 22,500

### 2.5 Activity Report

The board of directors met 8 times in 2006. Average presence was 97%. The individual presence rate was as follows:

Alain Dieryck	8/8
Luc Bertrand	8/8
Jacques Delen	8/8
Teun Jurgens	7/8
Pierre Macharis	7/8
Erik van Baren	4/4
Thierry van Baren	4/4
Frederic van Haaren	8/8
Pierre Willaert	8/8

In 2006, the board of directors monitored the group's results and the development of activities in the various participations via reports prepared by the executive committee. The board of directors also took several important investment and divestment decisions in the past financial year.



At its meeting of 22 November 2006, the board of directors consented, in accordance with article 5.3 of the Charter, to Pierre Macharis investing alongside Sofinim NV in Spangroup NV, together with some other investors. This decision was based, among other things, upon Pierre Macharis' large experience in and specific knowledge of the industry of wood and paper.

At the meeting of 16 January 2007, the non-executive directors have discussed, in absence of the executive director and in accordance with article 2.7 of the Charter, the relation between the board of directors and the executive committee. The directors involved, expressed their general satisfaction on the transparance and the good cooperation between the two corporate bodies and in this context made some suggestions to the executive director.

## **2.6 Code of Conduct regarding conflicts of interest**

The board of directors published in the Charter (2.9. and 4.7.) its policy on dealings which may give rise to a conflict of interest (within the meaning of the Company Code or otherwise) between Ackermans & van Haaren or a company affiliated to it on the one hand, and members of the board of directors or executive committee (and their close relatives) on the other.

In 2006, no decisions had to be made which gave cause to apply this policy.

## **2.7 Code of Conduct regarding financial transactions**

The board of directors published its policy on the prevention of market abuse in the Charter (5.). The board of directors updated this policy at its meeting of 18 April 2006 in order to bring the existing rules of conduct in line with the Royal Decrees of 24 August 2005 and 5 March 2006, implementing Directive 2003/6/EC on insider trading and market manipulation. The updated rules of conduct were included in the second version of the Charter, which has been posted since 4 May 2006 on [www.avh.be](http://www.avh.be).

# **3 AUDIT COMMITTEE**

## **3.1 Composition**

Thierry van Baren	<i>non-executive</i>
Frederic van Haaren	<i>independant, non-executive</i>
Pierre Willaert	<i>independant, non-executive</i>

## **3.2 Activity report**

The audit committee met four times in 2006.

In March and September 2006, the audit committee, in the presence of financial management and the auditor, concentrated on an analysis of the annual and six-monthly financial statements respectively. The audit committee also focused its attention on the procedure regarding the application of the so-called "one on one rule" to safeguard the independence of the auditor.





The audit committee in its meeting of March 2006 discussed the first annual accounts prepared in accordance with IFRS.

The December 2006 audit committee meeting discussed the reports on the internal audit activities and approved the internal audit schedule for the 2007 financial year.

The members of the audit committee also received reports from the audit committees at Ackermans & van Haaren's operational subsidiaries.

## 4 REMUNERATION COMMITTEE

### 4.1 Composition

Jacques Delen	<i>non-executive</i>
Teun Jurgens	<i>independant non exécutif</i>
Pierre Macharis	<i>independant, non-executief</i>

### 4.2 Activity report

The remuneration committee met twice in 2006, on 24 January and 22 November. In 2006, the remuneration committee requested Towers Perrin to verify the market conformity of the remuneration of the members of the executive committee.

The remuneration committee gave the board of directors its recommendations, partly based on the report of Towers Perrin, on fixed remunerations for the members of the executive committee and on the allocation of share options to the aforementioned members and other group executives.

## 5 EXECUTIVE COMMITTEE

### 5.1 Composition

Luc Bertrand	<i>Chairman</i>
Tom Bamelis	
Piet Bevernage	
Piet Dejonghe	
Jan Suykens	

Alain Dieryck, chairman of the board of directors, attended the meetings of the executive committee as an observer.

### 5.2 Activity report

The executive committee met 21 times in 2006. Average attendance was 93%.

Among other things, the executive committee is responsible for the day-to-day management of Ackermans & van Haaren and prepares the decisions which the board of directors is required to take.

### 5.3 Remuneration of the members of the executive committee

The members of the executive committee receive fixed remuneration, a bonus linked to the consolidated net result of Ackermans & van Haaren, and share options. They also have the benefit of a company car and group life insurance (pension scheme, death cover, disability cover) and hospitalisation insurance. The group life insurance is of the "fixed contribution" type.



	<i>Fixed <sup>2</sup> remuneration</i>	<i>Bonus <sup>3</sup></i>	<i>Group and hospitalisation insurance</i>
Executive committee (overall) <sup>1</sup>	1,637,260	2,496,240	98,272
CEO (individual)	554,139	1,035,080	26,882

<sup>1</sup> Includes the CEO's remuneration. <sup>2</sup> Includes all benefits of every sort arising from provision of a company car.

<sup>3</sup> The bonus calculated for the 2006 financial year and payable in 2007. The bonus calculated for the 2005 financial year, paid in 2006, was € 2,064,497.

The fixed and variable remuneration and other benefits which Ackermans & van Haaren and its subsidiaries directly or indirectly granted to the members of the executive committee in 2006 can be summarised as follows (see table above).

By exercising their share options (including options granted in January 2007), the members of the executive committee may acquire a total of 208,300 Ackermans & van Haaren shares (see table at the bottom of this page).

#### 5.4 Main contractual conditions

The chairman of the executive committee is a director of Ackermans & van Haaren director.

The contracts of the other members of the executive committee contain the usual provisions regarding remuneration (fixed and variable remuneration), non-competition and confidentiality. These contracts are of indefinite duration. Any member of the executive committee is entitled to

<i>Allocation</i>	<i>2000</i>	<i>2001</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>
Due date	12.01.11	07.02.12	31.01.11	26.01.12	24.01.13	03.01.14	08.01.15
Exercise price	€ 28.26	€ 32.33	€ 15.98	€ 19.02	€ 27.08	€ 46.09	€ 62.12
Luc Bertrand							16,000
Tom Bamelis							4,000
Piet Bevernage							4,000
Piet Dejonghe							4,000
Jan Suykens							5,500
Totaal	1,800	58,000	24,000	24,000	33,500	33,500	33,500



end his contract unilaterally subject to six (6) months' notice. The company is entitled to unilaterally end the contract of any member of the executive committee subject to eighteen (18) months' notice.

## 6 INTERNAL AND EXTERNAL AUDIT

The company's statutory auditor is Ernst & Young Bedrijfsrevisoren BCV, represented by Jan De Landsheer and Patrick Rottiers.

The statutory auditor conducts the external audit (of both consolidated and statutory figures) of Ackermans & van Haaren, and reports to the board of directors twice a year.

The statutory auditor was appointed at the ordinary general meeting of 24 May 2004. Its mandate expires on 29 May 2007.

The board of directors will propose to the ordinary general meeting of 29 May 2007 to renew the mandate of Ernst & Young Bedrijfsrevisoren BCV for a period of three years.

The statutory auditor's annual fee for auditing the statutory and consolidated Ackermans & van Haaren annual accounts is € 34,090 (excluding VAT). In 2006, the auditor was also paid an extra fee of € 51,890 (excluding VAT) for due diligence activities and €15,200 (excluding VAT) was paid to Ernst & Young Tax Consultants for tax advice.

The total cost for the external audit of Ackermans & van Haaren and integral consolidated subsidiaries (including the €34,090 mentioned above) was € 514,170 in 2006.

The internal audit was conducted by the group controller, who reports to the chairman

of the executive committee. The group controller reports directly to the board of directors at least once a year.

## 7 SHAREHOLDER STRUCTURE AND CROSS SHAREHOLDINGS

### 7.1 Shareholder structure

Scaldis Invest NV holds 11,054,000 shares in the capital of Ackermans & van Haaren, i.e. a stake of 33%. Scaldis Invest is in turn controlled by Belfimas NV, which holds 91.35% of the capital in Scaldis Invest.

Pursuant to the law of 2 March 1989, Scaldis Invest communicated its participation percentage to the Company and to the Banking, Finance and Insurance Commission. Said notice was published, in accordance with article 4, §2 of the law of 2 March 1989, on 18 May 2000.

### 7.2 Cross shareholdings

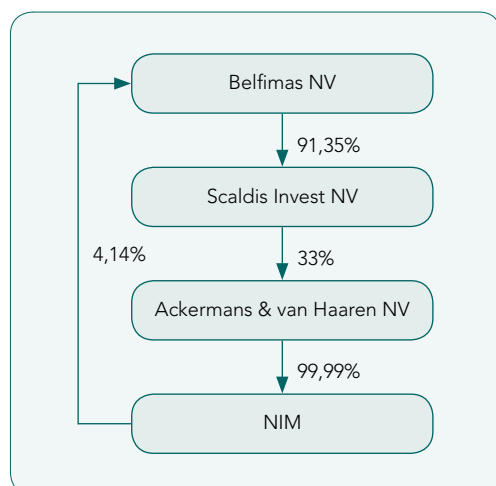
Through its subsidiary NIM NV, Ackermans & van Haaren holds 4.14 % of the share capital in Belfimas.

Ackermans & van Haaren holds 214,594 of its own shares. These shares were acquired between 2001 and 2006 with a view to covering the stock option plan. Its indirect subsidiary, Brinvest NV (AvH 98.7%), holds 51,300 shares in Ackermans & van Haaren.



### 7.3 Graphic presentation

Shareholder structure and cross shareholdings, as at 17 April 2007, is shown in the following diagram:



### 7.4 Reference shareholder

Belfimas is the Ackermans & van Haaren (indirect) reference shareholder. Belfimas' sole purpose is to invest, directly or indirectly, in Ackermans & van Haaren shares.

All transfers of securities issued by Belfimas are subject to a statutory right of approval of the Belfimas board of directors.

Two of Ackermans & van Haaren's directors (Luc Bertrand and Alain Dieryck) sit on the Belfimas board of directors.

The board of directors has no knowledge of agreements existing between Ackermans & van Haaren shareholders.

## 8 COMPLY OR EXPLAIN

The Ackermans & van Haaren Charter derogates from the Code recommendations on only a few points:

### 8.1 Composition of the nomination committee

In accordance with recommendation 5.3./1, Appendix D of the Code, the nomination committee must be made up of a majority of independent non-executive directors.

The Ackermans & van Haaren nomination committee consists of all the members of the board of directors. Since only half of the board of directors are independent non-executive directors, the Charter derogates from the Code in that regard.



The board of directors is, however, of the opinion that derogation is justified since its relatively limited size (eight members) does not impede efficient deliberation and decision-making and since the board of directors as a whole is better able to evaluate the size, composition and succession planning of a.o. the board of directors.

### **8.2 Prior approval of the stock option plan by the general meeting**

In accordance with recommendation 7.13 of the Code, any system used to remunerate members of executive management in the form of share options must be approved beforehand by the shareholders via a resolution of the ordinary general meeting. This approval must relate to the system itself, but need not relate to the individual granting of share-related remuneration under the plan.

Ackermans & van Haaren has introduced a stock option plan in 1999 (this is before introduction of the Code). The outline of this plan was explained at the ordinary general meeting of 1999. All options are still allocated on the basis of the 1999 stock option plan. Given that the board of directors has not approved a new stock option plan since that time (with features differing from those in the existing plan), the board is of the opinion that there is no need to put the existing plan before the general meeting by resolution again.

### **8.3 Submission of proposals to the general meeting**

In accordance with recommendation 8.9 of the Code, the minimum share percentage a shareholder is required to possess in order to submit proposals to the general meeting may not be exceed 5% of the capital.

The board of directors has decided not to follow this recommendation.

At the general meeting, Ackermans & van Haaren shareholders are able to ask the directors and statutory auditor questions relating to an item on the agenda.

# GENERAL INFORMATION REGARDING THE COMPANY

## Registered office

Begijnenvest 113, 2000 Antwerpen  
BTW BE 0.404.616.494  
R.P.R. Antwerp

## Incorporation date, last amended bylaws

The company was incorporated on 30 December 1924 by notarial deed, published in full in the Annexes to the Belgian Official Gazette of 15 January 1925 under number 566.

The bylaws have been modified several times and for the last time by notarial deed of 29 August 2005 published by excerpt in the Annexes to the Belgian Official Gazette of 14 Septembre, 2005 under number 05128972.

## Duration

The company was established for an indefinite duration.

## Legal Form, applicable law

Limited liability company under Belgian law, making or having made a public offering of securities within the meaning of article 438 of the Company Code.

## Statutory purpose

La société a pour objet:

The statutory purpose of the company includes the following:

(a) the project study, supervision and management of all kinds of public and private works, mainly in the field of construction in general, as well as the organization and administration of all companies or businesses and assistance to them in all forms;

(b) the contracting of all sea- and land-based public or private works in the area of construction and, in particular, all kinds of sea- and river-based works, major irrigation activities and the canalisation of waterways, major dewatering and pumping works, dredging, drilling, sounding, well-sinking, drainage, the building of permanent structures, digging, and the general contracting of construction works, as well as the re-floating of boats and ships;

(c) sea- and land-based prospecting for industrial extraction, mainly of crude oil or natural gas, as well as mineral products in general;

(d) the operation, production, processing, distribution, purchase, sale and transport of all products derived from industrial extraction;

(e) the acquisition, operation, development and transfer of land, real estate and any property entitlement;

(f) the acquisition, the operation and the realization, in any form whatever, of intellectual property rights, licenses and concessions;

(g) the acquisition of a participation, by way of subscription, contribution, merger, cooperation, financial intervention or in any other way, in any company, enterprise, operation or association in Belgium or abroad, already existing or still to be incorporated;

(h) the management, development and realization of these participations;

(i) involvement, directly or indirectly, in the management, control or dissolution of any company, enterprise, business or association in which it has a participation;

(j) providing assistance to the board of directors or to management or support in all possible management matters of

companies, businesses or associations in which it has a participation, and in general, performing all acts constituting entirely or partially, directly or indirectly, holding activities.

The company may carry out all civil, commercial, industrial and financial activities as well as activities relating to real and movable property that are linked, directly or indirectly, to its statutory purpose or that may enhance the realization thereof.

The company may provide securities or guarantee in favour of companies, enterprises, businesses or associations in which it has a participation, act as representative or agent, provide advances, credit facilities and mortgages or other securities.

The company's activities may be carried out both abroad and in Belgium.

## Consultation of documents regarding the company

The statutory and consolidated annual accounts are deposited with the National Bank of Belgium.

A coordinated version of the company bylaws can be consulted with the clerk of the Commercial Court of Antwerp, as well as on the company's website ([www.avh.be](http://www.avh.be)).

The brochure is sent to the registered shareholders and to anyone who so requests.

# GENERAL DATA REGARDING THE COMPANY'S CAPITAL

## **Subscribed capital**

The subscribed capital is 2,295,278 euro. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value.

## **Capital increases**

The most recent capital increase was decided upon on 11 October 1999, as part of the merger by take-over of Belcofi NV by Ackermans & van Haaren NV.

## **Authorized capital**

In the events set out in the special report approved by the extra-ordinary general meeting of 29 August 2005, the board of directors is authorised, to increase the company's capital during a period of five years as of 14 September 2005, once or in more times, by a maximum amount of 500,000 euro.

The capital increases decided upon pursuant to this authorisation may be performed in accordance with the terms and conditions as shall be determined by the board of directors such as, amongst others, by way of a contribution in cash or, subject to applicable law, by way of a contribution in kind, or by means of the conversion of disposable or non-disposable reserves and issue premiums, with or without the issuance of subordinated or non-subordinated convertible bonds, as well as through the issuance of warrants or other securities, whether or not attached to other securities issued by the company, the board being entitled to decide whether or not the new securities shall remain registered and are not convertible into bearer securities.

The board of directors shall further be entitled to use the authorised capital, in the event of a public take-over bid on the securities issued by the company, subject to the terms and conditions of article 607 of the Company Code.

The board of directors may, in the interest of the company, restrict or cancel the shareholders' preferential right, following a capital increase or in the framework of the issuance of convertible bonds or bonds to which warrants may or may not be attached or, subject to legal restrictions, of warrants carried out within the restrictions of the authorised capital, including to one or more well-defined parties, or members of the company's personnel or of its subsidiaries.

## **Nature of the shares**

Paid-up shares may either be in registered or bearer form, as the shareholder decides. <sup>(1)</sup>

Shareholders holding bearer shares may at any time and at their own expense request the conversion of their shares into registered shares.

The shares are indivisible vis-à-vis the company which may suspend the rights attached to any share, the ownership, right of usufruct or naked ownership of which is disputed.

In case of usufruct, the naked owner of the share shall be represented vis-à-vis the company by the holder of the right of usufruct, unless the parties decide otherwise.

1 On 1 January 2008, all bearer shares will be converted as of law into dematerialised shares pursuant to article 5 of the law of 14 December 2005 on the abolition of bearer securities. The board of directors will propose in 2007 that the general meeting amend the articles of association in the light of this new legislation.

# PATRONAGE

For many years now, Ackermans & van Haaren has supported certain projects of a scientific and socio-cultural nature with a link to the Antwerp region. An effort has always been made to establish a lasting relationship with the partners, it being understood that this relationship is periodically assessed.

In 2006 Ackermans & van Haaren supported, among others, the following projects for a total of around € 137,000:

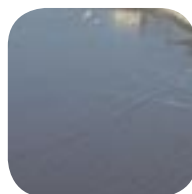
- Royal Museum of Fine Arts in Antwerp
- Christian de Duve Institute of Cellular Pathology, Internationale vzw (non-profit organisation)
- Lucia, vzw (non-profit organisation) (support for mothers in need)
- Vlerick Leuven Gent Management School, Stichting van Openbaar Nut (Public Utility Foundation)
- Institute for Tropical Medicine, Stichting van Openbaar Nut (Public Utility Foundation)
- Corporate Funding Programme, vzw (non-profit organisation)
- Special Olympics, vzw (non-profit organisation)
- King Baudouin Foundation
- Erasmus Fund
- St. Joris, vzw (non-profit organisation)



# REPORT ON ACTIVITIES



# DEME nv



DEME is one of the largest **hydraulic engineering companies** in the world. Turnover of the group rose by 27% in 2006.



**EME is one of the largest dredging and hydraulic engineering companies in the world. From its core activities, dredging and marine civil engineering**

**works, the group developed complementary activities such as environmental works (especially the treatment of contaminated sediments), services to the oil and gas sector and the winning of building aggregates from the sea.**

Because of the provision made for anticipated losses at two major sites (Qatar, India), the EBITDA rose by only 15% to € 177 million (€ 153 million in 2005). Nevertheless, the EBITDA margin still came to 16%. Thanks to a positive tax effect, net profits rose from € 41 million in 2005 to € 50 million. The consolidated shareholders' equity amounted to € 338 million at the end of 2006. The increased working capital requirements as a result of major long-term projects, the increased volume of trade and the new investments led to a net debt position of € 380 million.

## Financial overview 2006

The upwards trend of the volume of business in the international dredging industry continued in 2006.

In 2006 the turnover of the DEME group rose by 27% to € 1.077 million (€ 845 million in 2005).

## Operational overview 2006

The core business market is driven by the fast-growing degree of containerisation and the related demand for new or extended ports and navigation channels, the development of LNG port infrastructure, quickly expanding oil-and-gas pipeline networks, shortage of industrial and residential surface in coastal areas, increasing environmental awareness, urge for lasting coastal protection to cope with climatic changes, expanding beach and waterborne tourism.

In 2006 a strong confirmation of the Middle East boom was shown, with a number of interesting new contracts awarded to the DEME group. While this region shows a continuing positive trend, DEME has also been able to penetrate new markets in Africa (Angola), South and Central America (Brasil) and Eastern Europe (Russia).

Activities in Western Europe reached a more than reasonable level despite stiff competition. In June 2006 DI and Baggerwerken Decloedt, as temporary association, won a new contract for

AvH controlling and beneficial interest: 50%

**DEME** consolidated (31 December 2006)

(x 1,000 euro)	2006	2005	2004
Turnover	1,077,470	845,123	649,074
EBITDA	176,625	153,343	119,304
EBIT	82,186	78,426	42,115
Net income	50,417	40,674	27,689
Net cash flow	147,667	118,221	103,324
Shareholders equity (part group)	337,875	310,819	281,660
Net financial position	-380,209	-254,504	-162,014
Balance sheet total	1,323,786	1,079,643	831,900
Personnel	2,766	2,588	2,394



the maintenance of the Scheldt and the approach channels to the Antwerp locks. Furthermore, a significant number of dredging and port expansion projects in Europe offer a promising outlook for the coming years.

The combined efforts of the environmental specialists at DEC (DEME Environmental Contractors) – Ecoterres and the Dutch subsidiary de Vries & van de Wiel resulted in a high level of activity in Benelux. The intensive canvassing of the English and Irish market meant that DEC was also able to profit from its position as technological leader in these areas. DEC also managed to gain a foothold in Scandinavia and make progress in Italy, while new steps were taken in France and Spain.

The oil-related and gas-related services of DEME subsidiary Tideway Offshore and Marine Contractors also saw further growth in 2006. This positive evolution was felt both in the area of trench dredging and landfall construction and in the area of precision stone dumping in deep waters.

As a further support to the international activities, the new 5,600 m<sup>3</sup> capacity trailing suction hopper dredger "Marieke" was commissioned to DEME in September 2006 and its sister ship "Reynaert" was launched in November 2006. The latter vessel was commissioned mid March 2007. Yet another two trailers were ordered in 2006. The 11,650 m<sup>3</sup> capacity trailer "Brabo" will be commissioned in November 2007; the 9,000 m<sup>3</sup> capacity trailer "Breydel" will be ready by April 2008. Adding to this the 3,500 m<sup>3</sup> trailer "Mellina" that joined DEME's fleet early 2006, DEME is considerably strengthening its striking power in the medium segment of its fleet. This impressive series of investments shows the confidence

the shareholders have in the core business activity of the Group, the dredging market having the perspective of several years of high fleet utilisation degrees.

## 1 DREDGING AND MARINE WORKS

### 1.1 Benelux activities

DI and Baggerwerken Decloedt continued the maintenance dredging works in the North Sea, in the access channels to the ports of Zeebrugge, Ostend, Nieuwpoort, Blankenberge, and in the River Scheldt. In Ghent DI and DEC continued the extension and operation of the silt treatment facility Fasiver involving the remediation of 1 million m<sup>3</sup> contaminated silt to be dredged in the area.

In the Netherlands, DI, IPEM and de Vries & van de Wiel are part of the consortium that signed a concession agreement with the local authorities for the development of the new Zuiderzeehaven-Kampen. In addition, DI executed a beach nourishment contract on the island of Texel. The brand new trailer "Marieke" did its very first job here.

### 1.2 International dredging activities

In France, the important project Le Havre Port 2000 has been completed. The port has been officially opened on 30 March 2006.

In Germany, DEME-subsiary Nordsee completed the maintenance dredging works on the river Elbe. A new maintenance dredging contract for the river Elbe was awarded and started in 2006. Furthermore, DI was very active in Italy (replenishment works with the jumbo trailer "Pearl River" with deep dredging installation dredging down



to over 100 m.) and Spain (trenching works for the construction of quay walls and deepening of access channels). In Ireland (rock drilling and dredging activities combined with treatment of dredged material by DEC in Castletownbere) and Scandinavia (dredging mercury polluted organic sediments from two lakes at Hultsfred) mainly dredging activities, combined with environmental projects, were executed.

In Russia, the new trailer "Marieke" was deployed for almost 3 months in the deepening works for the new access channel in the framework of the construction of the new storm surge barrier of St-Petersburg.

In Bulgaria, DI obtained an important contract for the deepening and widening of the access channel and turning basin of the newly upgraded port of Burgas.

Maintenance dredging works were continued in Bonny Channel, giving access to the LNG terminals of Bonny Island in Nigeria. Besides, various maintenance assignments commissioned by the oil and gas industry were executed.

In Ghana, DI completed early 2006 stage 2 of an important contract called "Korle Lagoon Ecological Restoration Project" at Accra.

In Angola too, land reclamation works and several harbour dredging activities were carried out.

In India, DI completed dredging works in the Gautami-Godavari estuary and land reclamation of the site platform for the new Reliance natural gas facility in August 2006. In the meantime DEME has been awarded by the same client the contract for trenching dredging at the same place a 20 km-long trench in order to connect gasfields and for its connection with the offshore platform. Late

2006, DI / ISD started dredging and reclamation work in the framework of the construction of the new port of Gangavaram on the East Coast of India.

In Qatar, two important works are under construction in the Doha area. The major part of the construction works of the prestigious Pearl Qatar Project were completed by the end of 2006. The dredging and reclamation of the platform for the New Doha International Airport was continued. The works involved the borrowing at sea and reclamation of 60 million m<sup>3</sup> of sand to create 1,700 ha of new land.

In the United Arab Emirates, DI has started the reclamation of new land at Al Raha Beach for building and infrastructure development. It consists of the creation of a new waterfront of some 450 ha. for 120,000 residents.

Activities in South America could be developed with contracts in Venezuela with the execution of two maintenance dredging assignments in the navigation channel of the Orinoco River and realignment works in the Maracaibo channel and in Argentina where, under a long-term contract for maintenance dredging, another maintenance dredging project was executed at La Plata Harbour. In Brazil, DI, in a joint venture, was awarded a contract for reclamation works for an ore terminal.

Following a 6 to 7-year high-level activity in its area, DIAP (Dredging International Asia Pacific) has been faced, since second half 2002, with a sand export ban by both Malaysia and Indonesia. The works in Singapore continued during 2006 on a considerably reduced scale with the award of a variation contract for reclamation of Pulau Ular. At the end of October 2006, the trailer "Pallierter"



commenced works on sand rehandling for the Jurong Phase 4 joint venture.

In the People's Republic of China, a new contract was signed with Guangzhou Dredging Company. As a result the jumbo trailer "Nile River" was mobilised to the PRC and started operations in January 2007. In South-Korea, DI completed, in temporary association, an important dredging contract within the framework of the construction of the Pusan Container terminal.

### **1.3 Tideway Marine And Offshore Contractors BV**

In 2006, Tideway's D.P. Fall Pipe Vessels "Rollingstone" and "Seahorse" have been executing rock placement services for pipeline / cable protection and stabilization for several major offshore pipelay contractors and oil and gas companies. They were active in the Gulf of Mexico, East Canada and the North Sea Area. In Thailand and Kuwait, Tideway was involved in shore approach construction works.

### **1.4 Scaldis Salvage And Marine Contractors NV**

Scaldis Salvage and Marine Contractors, in which DEME has a 55% stake, was active on various important salvage/ wreck removal projects and heavy-lift operations in the whole of Europe. Early 2007 Scaldis managed to secure in joint venture the wreck removal works of the sunken container carrier 'Rokia Delmas' off the coast of Ile de Ré in France. This operation can be compared with the previous spectacular salvage operation of the "Tricolor".

### **1.5 Geo@Sea NV**

DEME gathered its expertise in the field of maritime construction, rock socketing, drilling and installation services for jetty foundations and mooring systems, the installation of offshore structures etc. under the company Geo@Sea. In Angola, Mexico and Oman Geo@Sea completed the installation of mooring piles with large diameter. Drilling and blasting operations in Cameroun and Ireland and assistance in rejuvenation programs of offshore platforms at the North Sea prove Geo@Sea's worldwide ambitions.

## **2 ENVIRONMENTAL ACTIVITIES: DECONTAMINATION OF SOILS AND STORAGE OF POLLUTED SLUDGE**

Apart from the existing sludge and/or soil recycling centres in Kallo and Ruisbroek, DEC also started operations in a new sediment and soil recycling centre in Zeebrugge in February 2006.

Umicore assigned to DEC the ten-year dewatering project in Balen already in 2005. In 2006, the first goethite sludge was treated.

The remediation of three acid tar lagoons in the region of Ghent for the account of Total was started in February 2006. About 30,000 tons of acid tar have already been treated and are stored on site so far.

In the Netherlands, de Vries & van de Wiel executed several sanitation and inner town dredging works. In the United Kingdom, DEC was selected as one of the specialist contractors to clean up the Olympics Park (250 ha) site in London.

In Spain, Italy and Sweden, DEC also starts to gain a foothold.





At the end of 2006, an agreement was reached in France with the company 'Extract', in order to merge all sludge and soil treatment activities of both companies in France into a 50/50 joint company Extract-Ecoterres S.A.

### 3 BUILDING MATERIALS

DEME Building materials, specialises in the extraction, processing of aggregates from its own sand and gravel sources for the construction industry. The geographical spread of its marine aggregate reserves allows DBM to offer a perfect alternative for river dredged materials for ready-mix concrete and concrete products. Aggregates were supplied to the ports of Le Havre and Dieppe in France, Flushing and Amsterdam in the Netherlands and Hamburg in Germany.

### 4 POWER@SEA / C-POWER

In Power@sea the group's know how in the field of development and construction of off-shore wind farms is concentrated. The first participation of Power@sea is the C-power project on the Thorntonbank with respect to which the company will also be responsible for the maintenance after completion of the project.

C-Power, a public company incorporated under Belgian law, stands for the development and implementation of a farshore wind farm on the Thornton Bank, 27 to 30 km in the North Sea in water depths ranging from 12 to 24.5 m. The wind farm will have an installed capacity of 300 MW. As such, this project is the largest offshore wind farm of its kind in the world.

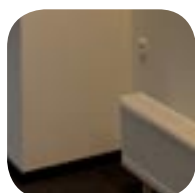
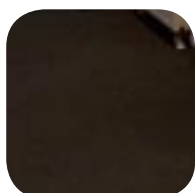
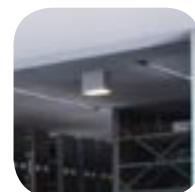
In 2006 the soil investigation and basic engineering have been carried out and certified. The start of the execution works is expected at the beginning of the second quarter of 2007.

### Prospects for 2007

As of 31/12/06, DEME's order portfolio amounted to € 1,601 million (compared with € 1,390 million on 31/12/05), of which 32% in Benelux, 12% in Europe, 16% in South-East Asia and 31% in the Middle East and India.

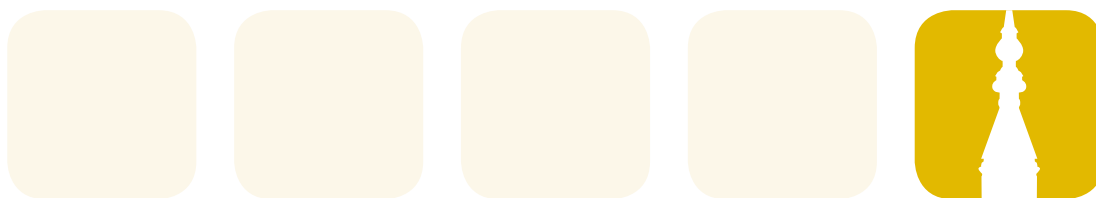
Based on this order book and the anticipated tenders in the market, DEME also expects a highly active dredging market for the coming years, coupled with an almost complete take-up rate of the fleet. The expected rise in the volume of trade in 2007 should normally lead to a more than proportional rise in operating profits.

# ALGEMENE AANNEMINGEN VAN LAERE nv



The entire Van Laere group has contributed to the increase of the net result. **Turnover** rose with 20% in 2006.





**he Van Laere construction group is involved in office building construction, civil engineering works, environmental and industrial projects**

**and car parks. Van Laere is mainly active in Belgium, and operates on a small scale in France, Luxembourg and the Netherlands.**

#### Financial overview 2006

As a group, Van Laere realised a good, positive result, with contributions coming from both Van Laere and its subsidiaries.

Van Laere's turnover rose by 20 percent in 2006, despite the high pre-tender costs incurred on the Oosterweel project. The LORO consortium, which was formed to realise the Oosterweel junction and of which Van Laere is a member, was not selected for the project's final negotiation phase.

AvH controlling and beneficial interest: 100%

**VAN LAERE** consolidated (31 December 2006)

(x 1,000 euro)	2006	2005	2004
Turnover	212,498	178,274	199,315
Net result	4,349	1,401	-923
Net cash flow	6,511	3,617	1,646
Shareholders equity (part group)	28,276	24,125	22,223
Net financial position	19,022	20,351	19,103
Balance sheet total	122,859	96,205	98,167
Personnel	640	656	702

The French subsidiary VPN again managed to produce a record result and Thiran (based in Ciney) was able to turn the tide and achieve its target result.

The restoration company Arthur Vandendorpe of Bruges showed a vigorous performance. Worthy of mention was the constant search for and optimisation of synergies between Van Laere and Vandendorpe.

#### Operational overview 2006

##### **VAN LAERE NV**

Van Laere recorded several fine achievements in 2006.

Work on the new Ackermans & van Haaren headquarters reached full speed in 2006 and was completed in the spring of 2007.

In Antwerp, the first Silvertop towers were also completed. This renovation project is the largest ever of its kind in the area of social housing. Thanks in part to works completed, Van Laere succeeded in winning the contract to renovate tower 2, of which dismantling started late 2006.

The renovation of the Sint-Felix warehouse in Antwerp was also completed, to the satisfaction of all involved.

Early 2006, Van Laere made the final touches for the 2 completion phases at the new Court-house in Antwerp.

Towards the end of 2006, Van Laere completed the new headquarters for Bank J. Van Breda & C°. The old Antwerp South goods station was completely restored and a separate, newly built wing was added.

The new build and renovation project in the library at the University of Antwerp's faculty



of law has now reached the finishing stage, and the re-laid Astridplein has been officially opened.

The underground car park at St. Petersplein (707 spaces) in Ghent was delivered. Again in Ghent, the RVT Senior City was completed. This project is something of a reference in the care sector.

In Winterslag, the underground car park at the mine site, built as a 'design - build - finance' project, was opened.

Van Laere realised a large-scale office complex in Diegem for Robelco. The first phase was delivered in 2006 and the rest will be ready by mid-2007.

In Laakdal, work started on the construction of a European distribution centre for Nike, and the project being scheduled for completion in 2007.

Finally, Van Laere has successfully built a few underground car parks, more particularly in Knokke-Heist and Béthune in Northern France.

### ANMECO

Traditionally, the activities of Anmeco, which specialises in the construction of difficult and unique metal structures, resulted for the most part from synergies with Van Laere.

### ARTHUR VANDENDORPE

Vandendorpe has enjoyed a good 2006. The synergy between Van Laere and Vandendorpe, which keeps growing, is one of mutual added value. Worthy of mention here is the restoration of the Prinsenhof in Bruges (in a temporary commercial association with Van Laere). This building, once the residence of Maria of Burgundy and Maximilian of Austria, was converted into a five star hotel to be run by Kempinski.

Vandendorpe was also active in Ghent, where Redevco commissioned the renovation of the Inno building, and in Antwerp, where they restored the bronze statues and the fountains on Astridplein. They also restored the tower and facing masonry on the new Ackermans & van Haaren building.

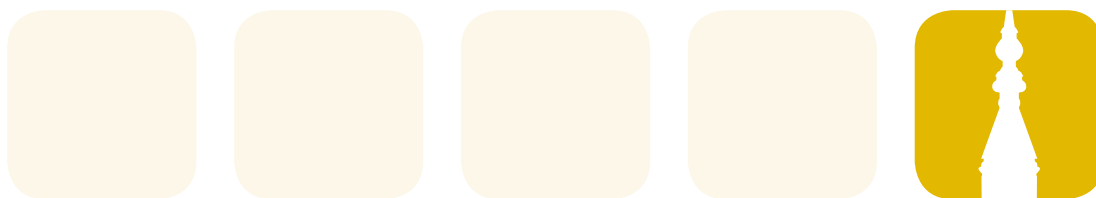
### GROUPE THIRAN

The final two apartment blocks on the Evere site are still under construction, bringing the total to seven. The projects in Neder-over-Heembeek, the renovation project in Ottignies, and the Nicolay project (apartments) have been brought to a successful conclusion thanks to strict technical and budgetary controls.

### VPN

In Northern France, VPN is a well-established name in the market for laying and relaying public spaces, streets and squares.

Thanks in part to a good economic climate, 2006 was again an excellent year for VPN.

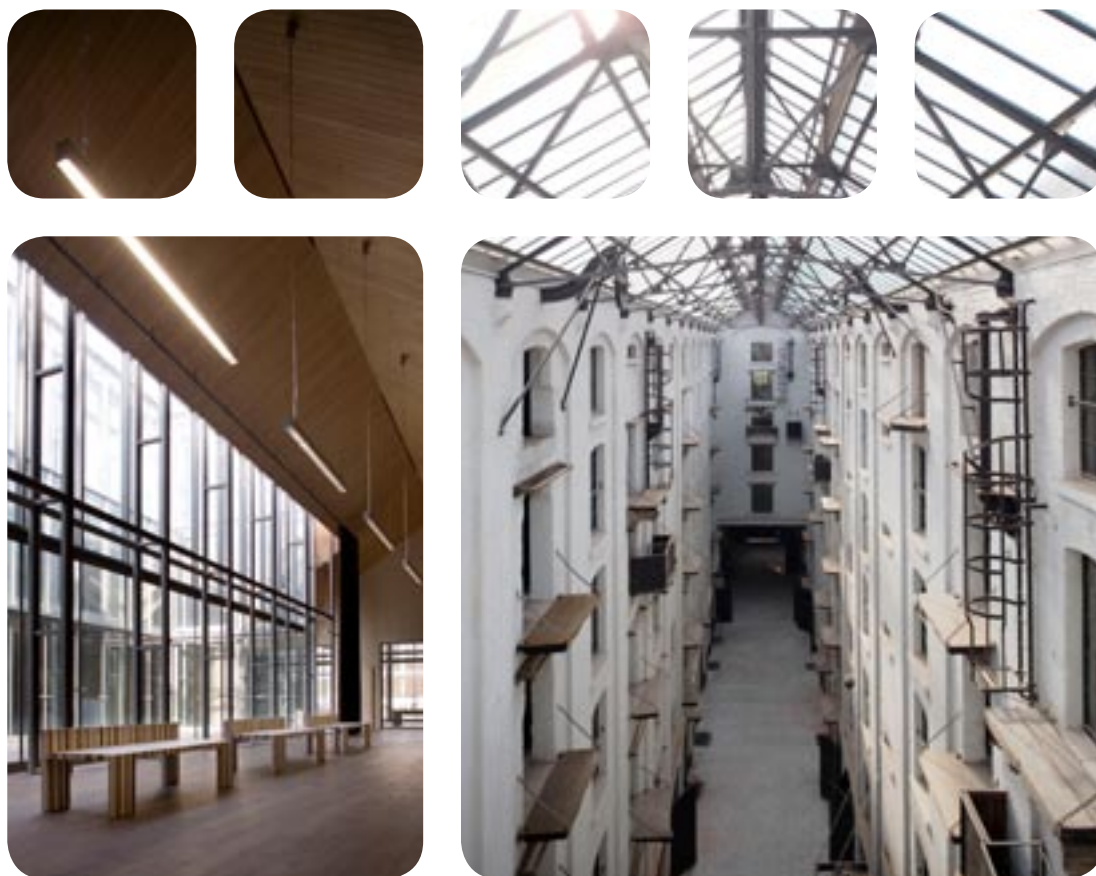


### Prospects for 2007

Given the works in progress and number of assignments in the pipeline, we can say that 2007 will be a year of transition for Van Laere. We will have to wait and see how the market

responds to the sharp rise in the price of building materials which has occurred over the past several months.

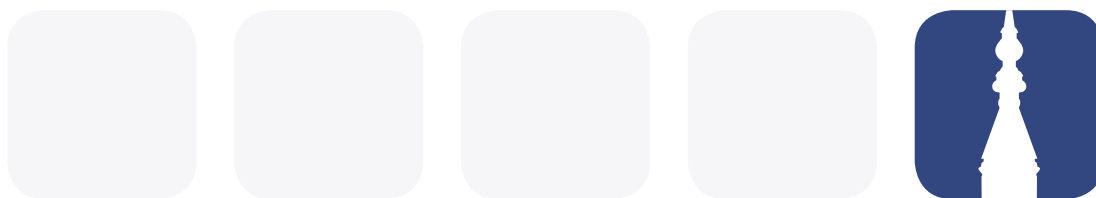
In 2007, Van Laere and its partners will continue to concentrate on the tender for PPS projects.



# EXTENSA LEASINVEST REAL ESTATE



Real estate activities of AvH contribute to a large extent (€ 28.3 mio) to the AvH group result and become a valuable 4th pillar of the group.



**Leasinvest Real Estate Comm.VA is a listed investment company with a real estate portfolio worth € 476.3 million.**

**This portfolio contains offices, as well as logistic (and semi industrial) and retail buildings in Belgium and the Grand Duchy of Luxembourg.**

**Extensa is a developer of real estate projects in the residential, offices and retail market in Belgium, the Grand Duchy of Luxembourg, Eastern Europe and Turkey.**

AvH controlling and beneficial interest: 100%

#### **GROEP LEASINVEST – EXTENSA**

(x 1,000,000 euro)

	<b>2006</b>	<b>2005</b>
<b>Combined balance sheet</b>		
RE Investments & Leasings	51.96	49.95
Land development	19.77	21.86
Real estate projects	22.00	19.99
Participation LRE <sup>1</sup>	71.14	63.16
Shareholders equity (part group) <sup>2</sup>	101.63	76.37
Financial debt	64.92	129.70
<b>Contribution to result AvH</b>		
LRE (including LREM) <sup>3</sup>	9.52	6.47
Extensa	18.76	5.14

<sup>1</sup> 2006: number of shares 1,172,903 (29.2%); 2005: number of shares 1,154,047 (35.5%).

<sup>2</sup> Including subordinated loan for the amount of 13,9 million euro from AvH group.

<sup>3</sup> The result of the first semester 2006 of LRE is taken into account at 35.5%, the result of the second semester 2006 is taken into account at 29.2%.

#### **Financial overview 2006**

The Extensa Group recorded a consolidated net profit of € 28.3 million in 2006 (2005: € 11.6 million).

The listed investment trust company, Leasinvest Real Estate, in which the group has a stake of 29.2%, contributed € 9.5 million to this.

Extensa's development activities contributed € 18.8 million. Of this, € 7.3 million came from capital gains on real estate sales, and € 9.6 million from the revaluation of the Tour & Taxis project which, given its almost complete leasing, has to be included at fair value in accordance with IFRS rules.

The Extensa' Group's consolidated shareholders' equity as at 31 December 2006 amounted to € 101.6 million account taken of the deferred payment loan provided by the AvH group.

#### **Operational overview 2006**

##### **EXTENSA GROUP NV**

The real estate investment portfolio as at 31.12.2006 still amounts to € 51.96 million and generates a gross rental yield on investment of 6.89%.

In the course of the financial year, a capital gain of € 7.3 million was realised on the sale of a portion of the portfolio to LRE and AXA, which then contributed this portfolio into Leasinvest Real Estate. In accordance with IFRS rules, the Koninklijk Pakhuis (including car park) and the Openbaar Pakhuis belonging to Tour & Taxis were also included as a real estate investment at market value. Based on a cautious estimate





and allowance made of € 49.52 million in project debts, the leased premises on the Tour & Taxis site were valued at € 39.25 million (at 50%) (or € 78.50 million at 100%), implying a gross rental yield on investment of 11.05%. The T&T Koninklijk Entrepot (32,000m<sup>2</sup> offices and 8,000m<sup>2</sup> retail) are almost fully occupied. Occupation rate of the Openbaar Pakhuis (18,000m<sup>2</sup> exhibition and events halls) has also improved.

The land portfolio represents a consolidated book value of € 19.8 million. In total the portfolio extends to about 200 ha, of which about 100 are currently under development. In the period 2007-2012 this will lead to the sale of more than 1,000 building lots and plots for about 600 apartments. An important partitioning permit has been obtained for phase I (+/- 300 housing units from a total of 500) of the Ghent-Wondelgem master plan. Permits were also obtained for a variety of smaller projects, at locations such as Herent and Brasschaat.

Extensa is currently working on a number of larger development projects in Kontich (230,000m<sup>2</sup> of land), Hasselt (2 areas of land: 28,000m<sup>2</sup> and 40,000m<sup>2</sup>), Leuven (65,000m<sup>2</sup> of land) and Mons (75,000 m<sup>2</sup>), and aims to obtain partitioning permits in the course of 2007.

A further 6 ha or so of land were also purchased, mostly in the province of Antwerp, some of which were new plots, and some to open up existing land.

Most of the development activity is situated in Brussels and Luxembourg, with activities starting up in Eastern Europe and Turkey.

In Brussels, Extensa is still hoping that the various government agencies involved will implement the master plan approved in January

2003 regarding the further development of the Tour & Taxis site (+/- 450,000m<sup>2</sup> on a 30 ha site). The Tour & Taxis-project is a 50/50 joint venture between Extensa and Robelco.

Extensa also has a land position in Evere (1.5 ha).

The design of the "Kinesis" project has been altered to bring it in line with new market conditions. In 2007, new urban development permits are expected for a modular office building of 24,000m<sup>2</sup> and 80 apartments. In Leuven, Implant (50%) is continuing work on the redevelopment of the former municipal swimming pool into 40 apartments.

The urban development project in the south of the city of Luxembourg (Grand Duchy) has also progressed well. Late 2006, a socio-economic permit was awarded to Grossfeld PAP to develop a shopping centre with a regional scope. Agreement was reached with Auchan on the hypermarket. In the course of 2007, the urban development procedures will continue to pave the way for the start of this combined housing, office, hotel and retail project (100,000m<sup>2</sup> in the initial phase). Extensa holds a 25% stake in this project along with Bouwfonds Real Estate Development (50%) and a local family from Luxembourg (25%).

The overall project has a development potential of 400,000m<sup>2</sup> on land covering an area of 25 ha.

Belrom Unu (Extensa 30%), a joint venture with Belgian partners, has started construction of a retail park covering a total of 55,000m<sup>2</sup> in Targu Mures (Romania). The main commercial leaseholders are Auchan, Baumax and Media Galaxy. New land positions in other Romanian cities are being examined for similar developments.



Extensa Istanbul (100%) was incorporated with a view to acquiring land positions in the centre of Istanbul.

Extensa Slovakia (100%) has investigated several opportunities in Slovakia and has laid the foundation for concrete projects in the future.

## LEASINVEST REAL ESTATE

The fair value of the real estate portfolio as at 31.12.2006 amounts to € 476.3 million (against € 272.2 million at the end of 2005). This significant increase is due to:

- The acquisition of 90.12% in the real estate investment company Leasinvest Immo Lux NV (previously Dexia Immo Lux NV) listed on Euro-next Brussels (to mid-September 2006) and the Luxembourg Stock Exchange, in two stages, i.e.

an initial acquisition of 51.13% from Dexia Bank and Ethias Group and an ensuing public takeover bid resulting in an extra stake of 38.99%. The total transaction price was € 177.3 million (for 100% of the shares). Afterwards, additional shares have been acquired, resulting in a 95.64% shareholdership of LRE in Leasinvest Immo Lux as at 31.12.2006.

- The acquisition of an Extensa Group real estate portfolio involving buildings (logistic and office) in Mechelen (Wolters Kluwer), Tongeren (SKF) and Brussels (Alcan) worth € 47.7 million, acquired by AXA Belgium and then contributed by AXA Belgium in consideration of new Leasinvest Real Estate shares. As a result of AXA Belgium contributing this portfolio, the Leasinvest Real Estate share issue rose from 3,249,221 to 4,012,832, and the AvH group's participation in LRE fell from 35.52% to 29.23%.

The total investment value (before deduction of transaction costs) at the close of 2006 was € 488.5 million (31.12.2005: € 279.2 million). As at 31.12.2006 this real estate portfolio extends to a total area of almost 285,000 m<sup>2</sup>, spread over 54 buildings on 29 sites in Belgium (69% of the consolidated real estate portfolio) and Luxembourg (31%). The portfolio is made up of 74% office buildings, 8% semi-industrial buildings, 11% logistics and 7% shops.

The office buildings are mainly located in Brussels (35% of the total portfolio), Luxembourg (24%), Ghent (8%) and Mechelen/Antwerp (7%). The warehouses are situated in Belgium (7%) and Luxembourg (4%). The shops are situated in Belgium (5%) and Luxembourg (2%). The average portfolio 'duration' as at 31.12.2006 is 4.47 years.

AvH controlling and beneficial interest: 29.2%

## LEASINVEST REAL ESTATE

(x 1,000,000 euro)	2006	2005
Netto result <sup>1</sup>	29.30	18.04
Shareholders equity (part group)	243.39	178.07
Real estate portfolio (fair value)	476.30	272.20
Rental yield	7.45%	7.32%
Occupancy rate	96.97%	92.97%
Per share:		
Net asset value (in €)	60.65	54.80
Closing price (in €)	76.70	66.20

<sup>1</sup> As the financial year of LRE ends at 30 June, two semesters of different financial years are consolidated at AvH-level for the determination of LRE's result.



The occupancy rate as at 31.12.2006 rose sharply to 96.97% (31.12.2005: 92.97%).

The **rental yield on investment value** amounted to 7.27% as at 31.12.2006 and 7.45% based on fair value (2005: 7.14% and 7.32% respectively).

The shareholders' equity (share group) as at 31.12.2006 was € 243.4 million. The net assets thus amount to € 60.65 per share based on the fair value of the portfolio and € 63.60 based on the investment value.

Net debts as at 31.12.2006 were € 221 million, representing a debt ratio (in accordance with the RD of 21.06.2006) of 46.61%. On the basis of a maximum allowable debt ratio of 65%, this gives Leasinvest Real Estate an investment capacity of € 258 million. The total assets of Leasinvest Real Estate as at 31.12.2006 were € 491.1 million.

The price of the Leasinvest Real Estate share fluctuated between € 62 and € 79.2 in the 2006 calendar year. The closing quote on 31.12.2006 was € 76.7.

Of all the real estate investment trust shares, the Leasinvest Real Estate share performed best with a performance of 21.66% (source: Global Property Research Nederland - Kempen & C°).

Leasinvest Real Estate closed its financial year as at 30.06.2006 with a net result (share group) of € 19.7 million, giving a net result of € 5.94 per diluted share. Based on a gross dividend of € 3.75 per share, this gave a dividend return for the 2005/2006 financial year of 5.67% (based on the average share price).

## Prospects for 2007

The current division into plots and the realisation of building projects will make a significant positive contribution to the results of the Extensa Group in 2007. New positions will be further consolidated to support the results in the medium-term. As always, the precise timing of some projects will depend on many external factors, such as licensing.

In 2007, Leasinvest Real Estate aims to maintain its high occupancy rate and to allow its portfolio to grow selectively through acquisitions of diversified real estate portfolios or attractive properties.

Given the significant growth of the real estate portfolio, realised at the end of the 2005-2006 financial year, in which the full impact of the past year will become visible in the current 2006/2007 financial year, we expect (unforeseen circumstances aside) a good net result for the 2006/2007 financial year, without taking the portfolio result and exceptional transactions into account (e.g. goodwill).



# COBELGUARD



**obelguard**  
Security is the  
only Belgian  
security firm  
still speciali-  
sing in static

**security for movable and immo-  
vable real estate, mobile security  
and store theft prevention.**

## Financial overview 2006

Cobelguard has seen a significant growth in turnover in recent years: 43% in 2005 and 20% in 2006. The company realised this growth among its existing customers and major new customers. Economies of scale and an ongoing, careful monitoring of costs made it possible to maintain the operational margin at 5.6%. EBIT grew in 2006 by almost 22% to € 1.7 million. The slight decrease in net profits is due entirely to the rise in taxation.

AvH controlling and beneficial interest: 40%

**COBELGUARD** consolidated (31 December 2006)

(x 1,000 euro)	2006	2005
Turnover	29,757	27,733
EBIT	1,692	1,387
Nettoresult	962	1,094
Cash flow	1,369	1,3577

## Operational overview 2006

In April 2006, AvH acquired a 40% participation in D&S Holdings, the parent company of Cobelguard, Cobelguard Services and Cobelguard Light CIT.

Cobelguard was incorporated in 1992 by 2 partners, Dirk Goethals and Stefan De Bock. Since 1996 Cobelguard has concentrated mainly on static security and supervision by unarmed security guards, exclusively on private land.

Cobelguard concentrates on both security for shopping centres, cinemas, office buildings, wholesalers, industry and production companies, ports, car parks, and guarding of trade fairs and events. Cobelguard has also become one the Belgian market leaders in the area of store theft prevention.

Naturally, it also offers services such as attending the scene after alarms, and patrols alone or with dogs, or on horseback.

Cobelservices offers specific services in the area of day and night reception, and related services. The group has recently extended its service offer to include electronic security in collaboration with specialist technology partners.

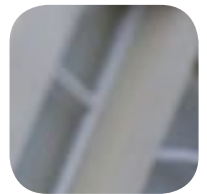
Cobelguard has important clients in the distribution sector, the financial sector and the logistics sector. The 10 biggest clients represented about 60% of total turnover in 2006.

In 2006, Cobelguard employed 770 people, of which 719 were agents (646 in 2005) and retail staff (shop theft agents), and 51 were administrative and operational staff.

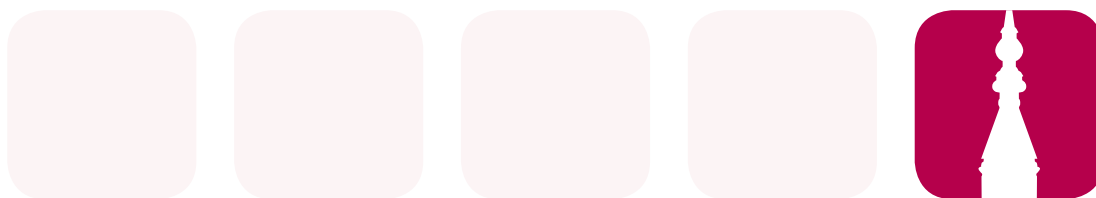
## Prospects for 2007

In 2007, Cobelguard aims to continue its growth trend of the last few years and increase its share of the Belgian market. Cobelguard also aims, with active support from AvH, to investigate possible acquisition opportunities at home and abroad and prepare the way for an extension of the services it offers.

## BANK DELEN nv



Bank Delen –  
“Best Private Bank in  
Belgium 2007” – has  
managed to increase  
its total assets  
under management  
to € 10.5 billion.



**Bank Delen – Private Bankers specialises in asset management and property advice for a broad clientele of principally private individuals.**

**Funds under management as at 31.12.2006 amounted to € 10.6 billion.**

#### Financial overview 2006

The total assets entrusted to Bank Delen have exceeded € 10 billion and amounted to € 10,568 million on 31.12.2006 against € 9,192 million as at 31.12.2005, i.e. an increase of 15%. Only € 117 million of this growth is attributable to an acquisition (Rampelbergs), as opposed to the acquisition of Banque BI&A in 2005, involving € 810 million in managed funds.

Gross operating income rose by almost 12% to € 84.7 million (2005: € 75.8 million).

In view of the minor impact on capital of the 2006 acquisitions, the rise in turnover for the year is, for the most part, attributable to rising income from the autonomous growth of capital. Direct earnings from stocks still account for only 47% of these overall revenues. In 1998, earnings from stocks still accounted for 68% of the total.

Capital gains on the long-term portfolio amounted to € 0.9 million (2005: € 0.8 million), thanks in part to very small capital gains from its own investment portfolio containing mostly government bonds and high-quality debt paper.

Operating costs rose by 2% to € 33.2 million (2005: € 32.7 million). The savings achieved through the integration of Banque BI&A and Rampelbergs largely offset the rise in personnel costs at Bank Delen itself.

These personnel costs represent about 58% of the overall costs.

Non-personnel costs (including write offs) rose by 11%, on the one hand, as a result of investments in the bank's IT infrastructure and on the other hand through the increase in commercial budgets.

Despite these cost increases, Bank Delen's cost/income ratio remains at an extremely competitive 43.3%.

Bank Delen's net profits thus rose by close to 16% from € 25.9 million in 2005 to € 30 million in 2006.

Banque BI&A contributed positively to this result, and Rampelbergs also offered a small, positive contribution.

The consolidated shareholders' equity (before the distribution of profits) was € 148.7 million as at 31.12.2006, against € 134.4 million at the close of 2005.

AvH controlling and beneficial interest: 75%

**DELEN INVESTMENTS** consolidated (31 December 2006)

(x 1,000 euro)	2006	2005	2004
Bank product	84,668	75,878	51,626
Net result	30,007	25,901	21,335
Net cashflow	32,280	29,008	21,820
Shareholders equity (part group)	148,711	134,380	118,433
Funds under management	10,568,456	9,192,121	6,753,012
Cost-income ratio	43.3%	42.8%	38.2%
Return on equity	21.2%	20.5%	18.9%
Personnel	168	168	119



On this basis the bank realised a 21.2% return on shareholders' equity.

Only in very exceptional cases does Bank Delen extend credit to its clientele. The bank's overall credit portfolio was only € 67 million as at 31.12.2006.

### Operational overview 2006

The integration of Banque BI&A's customers at Bank Delen Luxembourg and Rampelbergs' customers at Bank Delen in Brussels can certainly be described as a success. This is partly due to the seamless integration and adaptation of the personnel and management who came over from both institutions.

73% of the assets entrusted to Bank Delen are managed directly on a discretionary basis or via the bank's own trust funds.

Bank Delen has about 20,000 customers who either have their assets managed via a discretionary mandate (€ 5,579 million, about 11,760 mandates) or monitored on an advisory basis (€ 2,837 million).

Bank Delen manages about € 2,152 million in own trust funds, which it develops and sells itself, principally among its own clientele.

Bank Delen also offers increasingly structured products which enable investors to keep the proportion of shares in the portfolio constant, but considerably reduce the risks. In the last two and a half years, the Bank has introduced a few products with which in several cases a tidy profit was already made before the due date in several cases.

Whereas in 2005 just about all the stock exchanges performed well, they revealed a

much more varied profile in 2006: Bel20: + 23.65% (2005: +21.03%), DJ Eurostoxx 50: +15.12% (2005: +21.27%), S&P 500: +1.77% (2005: 18.94%), MSCI Far East: - 3.81% (2005: 44.32%).

In 2006, Bank Delen remained true to its philosophy of cautious investment. The stock exchanges fluctuated a great deal in 2006, with strong opening and closing months. Good timing and right choices of sectors and markets had a significant impact on the investment results.

In the meantime, the various establishments of Bank Delen in Antwerp, Rumbeke (West Flanders), Liege and Brussels have all contributed healthily to the growth in assets under management.

Bank Delen also offers its expertise as a 'private banker' and assets manager via the 45 establishments of Bank J. Van Breda & C°.

On 31.12.2006, Bank Delen had € 1,219 million (€ 1,038 million at the close of 2005) under management for clients introduced by Bank J. Van Breda & C°. Bank Delen also manages a further sum of € 381 million via the trust funds which Bank J. Van Breda & C° markets among its clientele, and it provides back-office securities administration for Bank J. Van Breda & C° (€ 215 million).

Bank J. Van Breda & C° thus represents about 17% of the total assets at Bank Delen.

In early 2007, Bank Delen took a new geographic step with its opening of a fully fledged office in Ghent, initially employing 4 experienced members of staff.

At the close of 2006, Bank Delen employed a total of 168 staff, of which about 50% are in contact with its clientele.

In 2006, Bank Delen made further investments in the strengthening and upgrading of its commercial teams.



In this context, it has recruited 7 investor relations and asset managers, and is permanently in search of talented employees.

To further strengthen its name among new clientele and new employees, Bank Delen has decided to be the main sponsor as from 2007 of the Antique Fair held every January at the Tour & Taxis site in Brussels.

This sponsoring also crowns a Jubilee Year in which Bank Delen celebrated its 70th anniversary. The bank has its origins in the exchange office set up by André Delen (father of Jacques Delen) in 1936.

Early in 2007, the British Euromoney Magazine voted Bank Delen the best Belgian Private Bank 2007. Bank Delen had also taken honours in previous years.

This vote is an important recognition of the bank's goal-oriented approach in which the best possible management of the clientele's assets based on the retention of those assets, and a long-term perspective, are key elements.

### **Prospects for 2007**

The growth in managed funds in recent years will more or less automatically contribute to a further rise in Bank Delen's recurrent results. This is, of course, dependent on the general economic situation and the situation on the stock markets.

Given the vigorous performance of most of the world's stock exchanges - Belgium in particular in 2006 - the timing of correct decisions will be even more important in 2007.

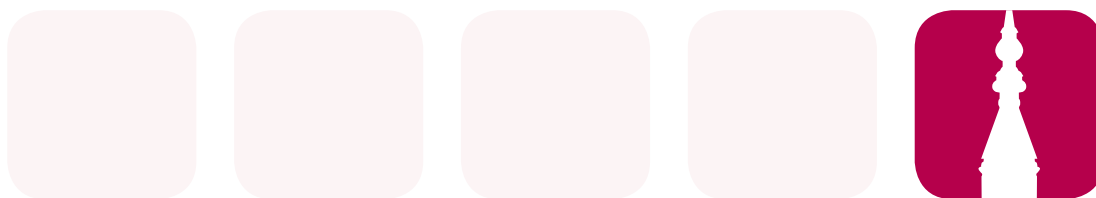
The strong capital base and the efficient organisation will continue to afford Bank Delen the opportunity to selectively search for external growth opportunities in Belgium and possibly abroad. With a strong focus on property advice and asset management for private clientele, the Bank will continue to work diligently on the development of its business.



# BANK J. VAN BREDA & C° nv



Bank J. Van Breda & C°  
realises a strong  
**commercial growth**  
with its target group  
clients of entrepreneurs  
and liberal professions.



**Bank J. Van Breda & Co**  
is a specialised advisory  
bank focusing exclusively  
on entrepreneurs and the  
liberal professions, with  
respect to both their

**private and professional interests, and with  
specific attention to capital growth.**

## Financial overview 2006

In 2006, Bank J. Van Breda & Co recorded consolidated net profits of € 24.4 million. In 2005 the operational net profits were € 28.8 million, of which 4.2 million came from the former leasing activity which was sold in September 2005 to BNP Paribas Lease Group, and 24.6 million from core clients and Car Finance. Compared with this result, excluding Leasing (24.6 million), Bank J. Van Breda & Co therefore just about maintained a status quo.

With net profits of € 24.4 million in 2006, Bank J. Van Breda & Co succeeded in compensating the loss of its leasing business in two years time. Net profits were also 24.4 million in 2004, but leasing was included at that time.

Without the contribution from leasing, the average annual growth (CAGR) in Bank J. Van Breda & Co's net result in the period 1998-2006 was about 11%.

Consolidated bank product amounts to € 78.9 million, representing a decrease of 3% compared with 2005, excluding leasing (€ 81.4 million). Volume increases in deposits and loans and the rise in commission earnings (+20%) were not sufficient to fully compensate the decline in interest earnings due to the flattening of the interest curve.

Total bank product (€ 78.9 million) consists of € 56.6 million (-5% against 2005) in net interest earnings and € 16.1 million in commission earnings (+20% against 2005).

Like the other financial institutions, Bank J. Van Breda & Co makes a profit from the margin between interest on short-term deposits and interest on long-term loans. The marked flattening of

AvH controlling and beneficial interest: 75%

**BANK J. VAN BREDA EN CO** consolidated (31 December 2006)

(x 1,000 euro)	2006	2005	2004
Bank product	78,949	81,418 <sup>1</sup>	84,373
Net result	24,397	24,620 <sup>2</sup>	24,422
Shareholders equity (part group)	224,371 <sup>3</sup>	237,170	201,309
Balance sheet total	2,596,297	2,666,736	2,381,724
Total amount invested by clients	4,057,319	3,537,549	3,117,883
Private loans granted	1,790,717	1,670,248	1,671,220
Net loan loss provision	0.04%	0.13%	0.27%
Cost-income ratio	57.0%	51.0%	54.0%
Return on equity	10.6%	13.2%	12.7%
Bis Tier1 Capital Ratio	10.6%	10.0%	8.3%
Solvency ratio (RAR)	13.1%	14.4%	12.3
Personnel	403	380	393

<sup>1</sup> Bankproduct including leasing: 90.9 million euro.

<sup>2</sup> Excluding current contribution Leasing of 4.2 million euro and capital gain (22.6 million euro) on sale of Leasing J. Van Breda & Co.

<sup>3</sup> After distribution of € 17.5 million dividend in 2005 en € 13 million extraordinary dividend in 2006.



the interest curve, particularly since the second half of 2006, led to a decrease in net interest earnings, which could only be partially offset by the underlying volume growth in target group clients.

Additionally, the capital gains and value fluctuations on financial instruments in 2006 were just € 1.6 million, against € 3.4 million in 2005.

Costs amounted to € 44.6 million, representing a rise of 6% against 2005 (excluding Leasing at € 42.2 million). This rise is attributable to increased investments in extra commercial staff and IT applications. Despite the tight labour market in 2006, the bank managed to recruit and train 13 extra investor relations managers.

This rise in costs was amply compensated by the rise in commission earnings (+20%) and commercial interest earnings resulting from higher deposit (+12%) and loan (+7%) volumes.

As stated above, the commercial results in 2006 were not enough to compensate the decline in capital gains and interest earnings caused by the flattening of the interest curve. As a result, the cost / income-ratio rose to 57% (51% in 2005), which is still respectable in the Belgian banking context.

Amounts written off and provisions for credit files decreased further from € 1.7 million in 2005 to an exceptionally low level of € 0.7 million, which comes down to just 0.04% of the average credit portfolio (0.13% in 2005).

Corporate tax fell, thanks to the notional interest deduction, to € 9.1 million.

At the close of 2006, shareholders' equity was € 224 million against € 237 million as at 31.12.2005. In the course of the financial year, € 30.5 million were paid in dividends.

This dividend did not affect the solvency ratio reported to the Bank, Finance and Insurance

Commission, which amounts to 13.1% as opposed to 14.4% in 2005, with the minimum requirement being 8%. The ratio based on shareholders' equity in the narrow sense (Tier 1) was 10.6% (10% in 2005), with a minimum requirement of 4%.

To some extent the bank's strong capital base keeps the return on shareholders' equity down to what is still a very respectable 10.6%.

### Operational overview 2006

The niche strategy employed by Bank J. Van Breda & C<sup>o</sup>, in which it focuses on entrepreneurs and the liberal professions, confirms its success. The number of target group clients continues to grow (+3.4% in 2006). The many entrepreneurs and liberal professions who joined in recent years are entrusting more and more of their banking affairs, both private and professional to the bank. This can be seen in the growth in product groups per target group client and in the average bank product per target group client.

In 2006 the assets invested by clients saw a record growth of € 520 million (+14.7%) to more than € 4,057 million. Clients continue to build their assets through our bank unabated.

Client deposits rose to € 1,640 million (+ 12%)

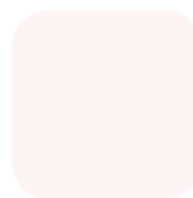
Investments in off-balance sheet products again rose sharply by 17% to € 2,417 million.

Asset management grew by 17% in 2006.

Today, Bank Delen manages € 1,219 million for Bank J. Van Breda & C<sup>o</sup> clients (€ 1,038 million in 2005). There was a steady inflow of new capital from both existing and new clients.

Insurance investments grew again by more than € 141 million to a volume of € 880 million (+19%).





In investment funds we saw growth to € 251 million in capital invested (237 in 2005, +6%).

Commission earnings from other insurance products (mostly group life insurance) rose by 31% to almost € 1.4 million. The outstanding reserves rose by 19% by the close of the financial year to more than € 66 million.

The overall volumes of investments in off-balance sheet products grew vigorously, resulting in a 15% growth in net commission earnings from core clients.

After two years of extraordinary growth, the loan volume from target group clients continued to rise in 2006 and reached € 1,500 million (+8%).

The bank implemented a cautious lending policy in which, in principle, loans were granted only to those target group clients who maintained or sought overall relations with the bank, both privately and professionally.

Bank J. Van Breda & C° was also active across Belgium in the car financing and leasing sector via its subsidiary Van Breda Car Finance, mainly as a lender for the clients of large, independent car dealers.

The entire organisation is dedicated to quick credit solutions for private cars and operates via its own website, which supports local car dealers in the overall sales process: from the quote stage, through application processing and drawing up the finance contract, to checking payment of the file. In this way, it simplifies sales for its partners, who are able to expand their services to include financing.

At the close of 2006 the portfolio total amounted to € 245 million against € 241 million at the close of 2005. The market conditions put the interest margin under extra pressure, through which the result for this activity fell 6% against the record result for 2005.

The bank maintains relations with its clientele via 45 offices, of which 11 are run by independent operators. Of these 45 offices, 5 are now in Wallonia and 2 in Brussels.

At the close of 2006, the bank relocated to its new headquarters in the magnificently restored former Goods Station South at Ledeganckkaai in Antwerp. This is a significant investment with a view to the future. The bank has an auditorium and many reception areas for discussions on asset counselling.

Aside from Brussels Montgomery, the bank now also has an office on the other side of the city, in Brussels Basiliek. It is also investing heavily in the renovation and upgrading of its offices. In 2007 the bank plans to expand or relocate to new premises in Antwerp Plantin, Liege, Namur, Roeselare and Turnhout.

To become the best relationship banker for entrepreneurs and liberal professions, the bank is paying a great deal of attention to its personnel policy. This starts with the recruitment of highly qualified personnel. 75% of the bank's staff has a post-secondary diploma.

At the close of 2006, the bank employed a total of 403 staff members. Today, the network as a whole employs 122 investor relations managers. In 1999 there were only about 60.

The client-oriented approach is provided by a strong commercial team. In 2006, the percentage of staff in direct contact with the client continued to rise to the high level of 62% (expressed in full-time equivalents). This goes hand in hand with a considerable and ongoing training programme. We think it important here to integrate people quickly and fully into our own corporate culture.

Client and personnel loyalty go hand-in-hand. This is why Bank J. Van Breda & C° operates a social policy aimed at retaining its personnel.

Working on a results basis and participating in the growth in profits are supported by a broad stock option plan.

In 2006, Bank J. Van Breda & C° was one of 25 nominees in the Best Employer 2006 survey conducted by the HRM Centre at the Vlerick Leuven Gent Management School in collaboration with Vacature and the Great Place to Work Institute Europe.

In 2006, the bank invested in the development of applications allowing clients a better understanding of their capital accumulation via Bank J. Van Breda & C°. It also continued the streamlining and further automation of the credit process for target group relations and the further development of client administration systems. These developments will result in an even better organisation of client advice and follow-up, both commercially and as regards risks. Investments in this area will continue in 2007.

At Van Breda Car Finance, the extranet application [www.vanbredavendor.com](http://www.vanbredavendor.com) has played a crucial role in the business process for several years.

### **Prospects for 2007**

As expected, in 2006, after two years of extraordinary growth (+25% in 2004, +18% in 2005), Bank J. Van Breda & C° did not see a growth in profits for the first time in 11 years. The first half of the year saw a rise in profits compared with 2005 excluding leasing, which was offset in the second half of the year by a rise in the short-term interest rate.

In previous years, Bank J. Van Breda & C° has invested heavily in its new headquarters, in upgrading its offices from a commercial point of view, in supporting IT systems, and in a considerable increase in the number of investor relations managers, who all undergo a thorough training programme. This resulted in higher costs, which were amply compensated by the rise in commercial interest and commission earnings stemming from the successful commercial strategy.

In 2007, however, a further flattening of the interest curve could weigh heavily on overall interest earnings and on opportunities for capital gains from financial instruments. Despite a sustained and cautious lending policy, the exceptionally favourable development in credit losses cannot simply be projected forward to 2007.

On the other hand, the continued and vigorous development of our commercial results in the core activity of relationship banking for entrepreneurs and the liberal professions strengthens our confidence in the long-term potential of the strategy. This should lend further support to continued growth in profits in the mid and long-term.



**he insurance group BDM-Asco consists of insurance company Asco (working with agents in Belgium and the Netherlands), life insurance company Asco**

**Leven (mainly active in "Branch 23" products) and the agents BDM (Antwerp) and Bruns ten Brink (Netherlands). The core activity of the group BDM/Asco is maritime and industrial insurance.**

In 2006, the insurance markets were of spared huge losses. In general, results across all markets are very respectable. Besides, 2006 was a year with an excellent financial climate. However, this favourable climate prompted some to reach for a greater share of the market, and this led to the way to a lowering of premiums. In Belgium, the market for life insurance had to cope with higher taxation on its products.

After a disappointing year 2005, Asco Leven (part Asco 50%) could continue its growth in 2006, which resulted in an increase of the total reserves under management from 26.9 million euro at the end of 2005 to approximately 38.6 million at the end of 2006. Several new products have been launched and some new distribution channels have been opened.

BDM and its Dutch affiliate Bruns ten Brink are active as agents for both Belgian and foreign insurers. In the course of 2006, BDM merged with Minerva, which is active in the same sector and was acquired by BDM in 2005. BDB and BtB together realised 87.6 million euro in premiums, of which 35.9 million from the maritime sector.

In 2006, gross premium volume realised by insurer Asco amounted to 16.2 million euro, which represents an increase with 7%, compared to 2005 (15.1 million euro). Thanks to a further decrease of reinsurance, net premiums increased proportionally stronger from 5 million euro to 6 million euro.

Net reserves rose from 6.3 million euro to 8.3 million euro and reached a ratio of 1.5 on the net premiums earned.

Asco realised a capital gain of 1.4 million euro on its investment portfolio, partly in view of its investment of 2 million euro in new premises at the Entrepotkaai in Antwerp. The premises at Lange Nieuwstraat were sold early 2007.

AvH controlling and beneficial interest: 50%

**ASCO NV** consolidated (31 December 2006)

(x 1,000 euro)	2006	2005	2004
Gross premiums	16,175	15,166	16,241
Net result	1,559	1,845	1,352
Shareholders equity	10,652	9,760	7,924

AvH controlling and beneficial interest: 50%

**BDM NV** consolidated (31 December 2006) <sup>1</sup>

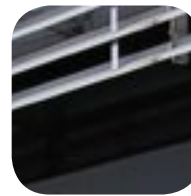
(x 1,000 euro)	2006	2005	2004
Premiums earned	87,612	68,260	67,866
Turnover	11,517	7,314	7,197
Net result	1,131	779	792
Shareholders equity	4,579	3,779	3,340
Personnel	118	81	81

<sup>1</sup> Geconsolideerde cijfers BDM - Bruns ten Brink (IFRS).

## PRIVATE EQUITY



Strong investment activity, both at the level of Sofinim and GIB; important **capital gains** on the sale of Quick Restaurants.





**ckermans & van Haaren provides risk capital to a small number of medium-sized enterprises with good management, a strong competitive posi-**

**tion and the potential for growth. Contrary to the industrial investment strategy of AvH, this is also done via minority participations.**

#### **Financial overview 2006**

2006 was again a successful year for the financial markets and for the European "private equity" or venture capital sector in particular. The rather small rise in interest, stable consumer confidence, and higher but again falling energy prices made for a climate of relative economic optimism. Venture capital funds raised record amounts. Sums from € 5 to 10 billion per fund are no longer exceptional. This context created a situation in which record sums were invested, at increasing prices. The European M&A market grew by more than 30% almost touching € 1,000 billion in deals, while the share of the venture capital market rose. In Belgium, the venture capital market even quadrupled, approaching the billion € mark in equity investments. AvH also invested heavily in venture capital in 2006, in an amount of € 103 million.

The situation on the financial markets leads us to believe that the above trends will continue in 2007. More and more investment money is looking for a worthy cause. Given the current understanding of the market, AvH expects a small number of larger new participations for 2007, but still sees as a priority to support the growth ambitions of existing participations.

#### **GIB NV**

AvH control and shareholding percentage: 50%

We are lending shape to our partnership with the Frère group through GIB, which is controlled jointly by AvH and the Nationale Portefeuille Maatschappij. In 2006, the business conducted through this collaboration was fascinating. In March GIB and the French investment company Tikehau Capital Partners acquired control of the French listed restaurant group Groupe Flo. AvH indirectly invested € 45 million in an indirect ("beneficial") stake of 23.4%. In May, GIB took over the IT services supplier Trasys from Suez-Tractebel. AvH indirectly invested € 8.7 million in a beneficial stake of 46%. In October, GIB agreed to contribute its controlling interest in Quick Restaurants as part of a public takeover bid from the French CDC. AvH's share in the sales price was € 211 million.

#### **GIB Participations**

**Groupe Flo** operates a good 170 restaurants and is therefore one of the leading players on the French commercial restoration market. Groupe Flo's strategy is based on developing a portfolio of complementary brands and restaurant concepts aimed at a variety of market segments. At present, Flo operates 4 formulas:

- Hippopotamus: the 88 Hippopotamus restaurants (65 under own management) have a high-end position in the fast-growing "grill" segment (average price € 22)
- Brasseries: in the traditional cuisine segment, Flo has 21 brasseries (18 under own management) including a series of "institutions" such as La Coupole, Flo, Bofinger and Vaudeville, and several



## GROUPE FLO

(x 1,000 euro)	2006	2005
Turnover	348,500	310,300
EBITDA	38,100	31,400
Net result	19,009	12,100
Shareholders equity (part group)	133,700	113,000
Net fin. position	-81,800	-87,600

[www.groupeflo.com](http://www.groupeflo.com)



## TRASYS

(x 1,000 euro)	2006	2005
Turnover	64,459	59,727
EBITDA	6,592	5,078
Net result	3,578	2,352
Shareholders equity (part group)	9,560	5,982
Net fin. position	-453	965

[www.trasys.be](http://www.trasys.be)

smaller brasseries under the name of Petit Bofinger (average price: € 40)

- Bistro Romain: forty restaurants provide excellent Italian cuisine (no pizzas), for an average price of € 24
- Tablapizza: since taking over this chain of 6 restaurants in June 2006, Flo has also become active in the pizzeria segment (average price: € 18).

Historically, Flo has also operated as a concession holder, running restaurants in neighbourhoods with a captive clientele (La Défense office zone, and Disneyland Paris amusement park).

With this complementary and structured range, Flo aims to expand its market share in a sector which is still very fragmented and mostly run by independent restaurants. In 2006, following a phase of restructuring and repositioning, Flo again began to show profitable growth. All brands saw a rise in turnover (5.6% "like-for-like") and twenty new establishments were opened (15 Hippopotamus). Through its acquisition of Tablapizza, Flo is now present in the under-€ 20 segment. The growth went hand in hand with an appreciable improvement in the margins. In 2007, Flo intends to continue along the same path: increase turnover by taking advantage of all the elements in the marketing mix and accelerating its development by opening thirty or so new establishments.

**Trasys** is an independent, Belgian "IT service provider". The company was incorporated up in 1981 by the Suez-Tractebel group and in early 2006 was taken over by GIB and its management team. At the present time, there are

more than 600 people employed at numerous establishments in Belgium and offices in Luxembourg, London, Paris and Athens, where Trasys has created a "near-shore" centre. In 2006, Trasys succeeded in developing its activities further, despite persistent price pressure, during a period of economic recovery. The objectives for 2007 involve the further development of its consulting activities, an activity with high added value which has grown vigorously over several years, and the diversification of its clientele to include big private European customers.

## SOFINIM NV

AvH control and shareholding percentage: 74%

In 2006 the majority of Sofinim's participations fared well in the good economic climate. Thus the turnover and/or results for Arcomet, Hertel, NMC, Oleon, Turbo's Hoet Groep and UBF rose vigorously. Other participations such as Corelio were able to build on the good figures for 2005. Alupa, Cindu and Egemin appear to be on the right path and are continuing their recovery. In other participations, such as Alural, Corn. Van Looke and Oleon Biodiesel, the start-up of new production facilities weighed down on the results. The good overall situation kept write-downs on the portfolio to an absolute minimum.

Sofinim was also able to achieve a few full and partial exits. The participation in SCF (E5 mode) was sold off in its entirety at the occasion of a



## Turbo's Hoet

### TURBO'S HOET GROEP

(x 1,000 euro)	2006
Turnover	254,628
EBITDA	15,175
Net result	6,393
Shareholders equity (part group)	56,601
Net fin, position	-52,445

[www.turbos-hoet.com](http://www.turbos-hoet.com)

"de-listing". On the SCF transaction, Sofinim achieved an IRR of 16.5% spread over the 1995-2006 investment horizon. This shows yet again that the long-term perspective does not have a detrimental effect on return. There were partial exits from amongst others Atenor, where an important partner was brought in, and Cindu, Hertel, Mercapital and Net Fund Europe, via capital distributions or rearrangements.

In 2006, Sofinim invested € 48.5 million, its highest investment figure ever. The investments were well spread over new and existing participations, and were made in Alupa, Mercapital, NMC, Oleon, Oleon Biodiesel, Turbo's Hoet Groep and UBF. They related to the acquisition of new participations or the financing of new production facilities and acquisitions. But Sofinim also took over shares from partners who wished to exit, while Sofinim was willing to keep supporting the growth of those participations.

The positive contributions from Atenor, Corelio, Hertel, NMC and Oleon, as well as Sofinim's increased participation in a number of these companies, resulted in an increase of Sofinim's contribution of profits to the consolidated result of Ackermans & van Haaren.

The adjusted net asset value, which shows how Sofinim's value has evolved, increased to € 352 million at the close of 2006 (334 million euro in 2005).

#### Sofinim Participations

In June 2006, Sofinim acquired a participation, mainly through an increase

in capital, in the newly formed **Turbo's Hoet Groep** (THG - Sofinim 50.0%). The Hoet family holds the other 50%. The family contributed a variety of business activities, namely the sale and reconditioning of parts for private cars and trucks, the DAF truck dealership, and finally, a truck lease and rental business. With the help of a sound economy, THG saw vigorous organic growth in 2006. Thanks to the contribution of new resources, THG also took new initiatives, including the acquisition of the Walloon truck dealer "Universal Trucks". Several premises and buildings at home and abroad were purchased, or options were taken, with a view to expanding the network of DAF and Iveco garages. In 2006, THG realised consolidated turnover of € 254.7 million (€ 215,5 million pro forma in 2005) and net profits of € 6.4 million (€ 3.6 million pro forma in 2005). In 2007, THG aims to invest heavily in developing its dealer network, in particular in Russia (Moscow), Bulgaria (Burgas), France (Arras) and Belgium (Liege and Brussels). It is also investigating how it might strengthen its position in and outside Belgium in the sale and repair of turbo's.

In 2006, **Oleon Holding** (Sofinim 37.1%) confirmed its good results of 2005. Oleon is one of the market leaders in the European oleochemicals market. It processes vegetable oils and animal fats to produce biologically degradable raw materials for use in detergents, cosmetics, feed and industrial sectors (e.g. lubricants). Turnover rose slightly to € 282 million. With EBITDA of € 27 million, Oleon



### OLEON HOLDING

(x 1,000 euro)	2006	2005
Turnover	281,661	268,086
EBITDA	26,565	28,118
Net result	12,656	10,413
Shareholders equity (part group)	62,746	50,154
Net fin, position	-58,939	-47,661

[www.oleon.com](http://www.oleon.com)



## NMC

(x 1,000 euro)	2006	2005
Turnover	151,520	123,674
EBITDA	24,835	17,979
Net result	10,753	4,845
Shareholders equity (part group)	42,047	30,829
Net fin, position	2,156	1,806

[www.nmc.be](http://www.nmc.be)

has one of the best operational cash flows (10%) in the world oleochemicals market. In July 2006, Oleon took over the European oleochemicals business of Akzo Nobel in Germany, representing an annual turnover of € 50 million (3 months of 2006 having been consolidated). Oleon aims to further consolidate its position on the European oleochemicals market and to strengthen its niche position in the ester market on a global scale. After the fire in the fatty acids plant early in 2007, it was decided to rebuild the damaged part and renew the older part in order to enable Oleon to emerge stronger from this episode by early 2008. In the course of 2006, Sofinim increased its participation in Oleon Holding from 31.6% to 37.1%.

**Oleon Biodiesel** (Sofinim 22.2% direct and 40.8% indirect), in which Oleon has a 50% stake, completed its investment in a 100,000-ton biodiesel production unit in 2006. The factory came on line in February 2007. Oleon Biodiesel was allocated a French quota in 2006, and the Belgian government also allocated a quota of 60,000 tons for a period of 6 years. In the meantime, Oleon has supplied the Belgian market with its first biodiesel.

In early 2006, NMC considerably extended its network by acquiring two Finish companies involved in cross-linked polyethylene foam products. In Poland, the local production capacity was expanded. NMC is a European leader in the area of extruded and preformed foam products made from polyethylene, polystyrene, polyurethane and synthetic rubber. The group encompasses four business units, i.e. the Decoration business unit (decorative products for home interiors and facing walls), the Insulation business unit (insulation products for the heating, bathroom and insulation sector), the Nomafoam business unit (including industrial packaging for the automotive sector, as well as sports and relaxation), and the "Do It Yourself" business unit (decoration and insulation products). In 2006, Sofinim was able to increase its stake from 22.2% to 28.4% by exercising warrants and acquiring shares from a shareholder who wished to sell.

The Hilversum-based (NL) **UBF Media Group** (Sofinim 41.2%) – formerly known as United Broadcast Facilities International - saw its turnover (+20.7%) and profits continue to rise in 2006. UBF is a full service broadcast and multimedia facility company that offers creative and technical solutions for the European broadcast industry. It currently employs 900 fulltime staff members spread over the following branches: United Nederland (NL), Cinevideogroep (NL), United Decor (NL), Videohouse (B), NOB Studios (D), TV Unit (D, 25%), CTV Outside Broadcasts (GB) and United Portu-



## UBF MEDIA GROUP

(x 1,000 euro)	2006	2005
Turnover	142,666	118,210
EBITDA	25,779	20,891
Net result	3,610	2,505
Shareholders equity (part group)	28,697	17,989
Net fin, position	-58,124	-58,328

[www.ubf.nl](http://www.ubf.nl)

In 2006, **NMC** (Sofinim 28.4%) showed excellent results. There was vigorous growth in turnover, operational profits and operational cash flow. This was due to the restructuring of the Belgian entity in 2005, but was also the result of recent years' investments in the further internationalisation of the business and favourable economic





## HERTEL HOLDING

(x 1,000 euro)	2006	2005
Turnover	525,026	390,192
EBITDA	28,750	18,054
Net result	9,332	5,593
Shareholders equity (part group)	43,747	33,478
Net fin, position	-38,711	-24,622

[www.hertel.com](http://www.hertel.com)

gal (P). In early 2006, Allianz Capital Partners (ACP), the new shareholder, acquired NPM Capital's shareholding. The arrival of ACP fuels UBF's international growth ambitions to become an important European player in providing technical services for multimedia audiovisual productions. This will enable UBF to take advantage of technological developments and the investment needs they involve, so as to keep meeting customers' needs with high quality resources and staff. Early 2007, UBF signed a letter of intent with the French EurosMédia Télévision with a view to a merger of their activities.

In 2006, the Dutch company **Hertel Holding** (Sofinim 36.0%) saw its turnover rise above € 500 million for the first time, along with a sharp rise in net profits. The regrouping of the business under four headings with focussed monitoring up is bearing fruit, alongside the strong demand in Hertel's market. Also worthy of mention are the acquisitions of the German MWL (chemical installation maintenance and new build), Hertel's largest acquisition ever, and the acquisitions of several AK Kvaerner worksites in the UK. Through these acquisitions, Hertel was able to expand its service package. It is also increasing its activities in China. Via Integrated Plant Maintenance (60% of turnover), Hertel offers a total package of maintenance services, principally for the (petro) chemical and electricity industry. Plant and Equipment Construction (11% of turnover) focuses on project work in the same sectors. Market Services (22% of turnover)

operates in a variety of sectors such as water treatment (legionella prevention), accommodation and specialist modular units for the offshore, shipbuilding and defence industry, asbestos removal, maintenance and dismantling of nuclear plants, and temporary staff. Production & Trade (7% of turnover) operates in sealing compounds, rubber films and insulation materials for the construction business and industry. Hertel realises 43% of its turnover in the United Kingdom and Ireland and is the market leader in industrial services. Hertel also occupies a strong position in the Netherlands, Belgium and Lithuania. Other important markets are Germany and Eastern Europe. Hertel operates on projects around the world. In 2006, Hertel rearranged its capital by abolishing its preferential shares. Early in 2007 the rubber department became independent as the result of an MBO. Prospects for 2007 remain positive.

The German **Engelhardt Drück** (Sofinim 100%) prints labels for the food and beverages industry, relying mainly on offset technology. Engelhardt is without doubt one of the leading players in the German market. In the previous financial year, turnover grew significantly, rising to more than € 68 million. Profitability also rose significantly. In 2006, major investments were also made in new machinery and new production techniques.

**Corelio**, in which Synvest (Sofinim 48.3%) holds a 32.8% interest (2005: 29.5%), is the new group name given to VUM Media following the increase of its shareholding in Mediabel to 100%.



## ENGELHARDT DRUCK

(x 1,000 euro)	2006	2005
Turnover	68,411	62,902
EBITDA	3,491	2,626
Net result	712	504
Shareholders equity (part group)	8,967	8,255
Net fin, position	-3,783	-1,529

[www.engelhardt-etikett.de](http://www.engelhardt-etikett.de)



## CORELIO

(x 1,000 euro)	2006	2005
Turnover	346,441	336,782
EBITDA	37,556	34,403
Net result	9,773	9,249
Shareholders equity (part group)	60,368	54,812
Net fin, position	-45,406	-35,447

[www.corelio.be](http://www.corelio.be)

Corelio thus became the largest newspaper publisher in Belgium and the only one to cover the entire Belgian market, on the one hand via VUM (De Standaard, Het Nieuwsblad and Het Volk) and on the other via Mediabel (Vers L'Avenir). With these papers, Corelio represents a total circulation of 464,444 copies.

Passe Partout, the free door-to-door paper, strengthened its national presence in 2006 and with a circulation of more than 5 million copies is now present on the Belgian market via 116 editions.

In addition, the Corelio group is developing a significant commercial printing business and is becoming more and more active in the audiovisual sector, among other things through several regional radio broadcasters, TV and film productions (Woestijnvis 40%, Caviar 50%) and in the magazine segment (Minoc).

In a difficult advertising market, Corelio saw its consolidated turnover rise by 3% to € 346.4 million and its operating cash flow by almost 9% to € 37.6 million.

The consolidated net profits remained relatively stable at € 9.8 million, largely as a result of extraordinary costs and provisions in the context of Mediabel's integration and restructuring.

In 2007, much effort will go into operational integration in the new Corelio group and modernisation of the printing presses. New initiatives are also being considered to further strengthen the group in its various niches.

In the course of 2006, **Axe Investments** (Sofinim 48.3%) increased its investment

in listed financial securities. Renovation works started on Ahlers House. Xylos (applied ICT services and training courses), in which Axe holds a 40% stake, performed well in 2006. Various investment projects were analysed, without any new participations being acquired.

In 2006, **Atenor** (Sofinim 12.09%) confirmed its strategy of concentrating on the real estate sector. Thus at the end of the financial year the group had more than 180,000 m<sup>2</sup> under development. The results for 2006 were characterised by a variety of deals. There was the sale of the participation in Delta Extinctors (the European leader in the market segment for 1 to 3 kg fire extinguishers), the sale of Immo Steichen (promoter of a real estate project in the Grand Duchy of Luxembourg), the sale of the participation in Hexaten (an office complex in La Hulpe), a protocol agreement with the Democratic Republic of the Congo (on a compensation for the takeover in 1973 of a series of companies in which Atenor was shareholder) and, finally, an agreement with a view to selling the President project (a 30,000 m<sup>2</sup> development in the Grand Duchy of Luxembourg). Work will also continue on the development of several important real estate projects. Worthy of mention are South City, a mixed 40,000 m<sup>2</sup> project at Brussels South Station, Premium, a mixed project on land covering 1.5 ha at Willebroekkaai in Brussels, and the redevelopment of the Hotel Crown Plaza site in the heart the European district in Brussels. At the end of 2006, Sofinim slightly



## AXE INVESTMENTS

(x 1,000 euro)	2006	2005
Turnover	16	25
EBITDA	-67	-284
Net result	1,369	1,037
Shareholders equity (part group)	19,800	18,784
Net fin, position	3,262	7,698

[www.axe-investments.com](http://www.axe-investments.com)



## ATENOR GROUP

(x 1,000 euro)	2006	2005
Turnover	78,745	79,040
EBITDA	12,478	14,507
Net result	13,626	11,706
Shareholders equity (part group)	75,654	62,521
Net fin. position	-59,922	-66,646

[www.atenor.be](http://www.atenor.be)



## ALUPA

(x 1,000 euro)	2006	2005
Turnover	24,926	27,027
EBITDA	-291	-17
Net result	-2,222	-2,187
Shareholders equity (part group)	4,920	7,108
Net fin. position	-3.372	521

[www.alupa.com](http://www.alupa.com)

reduced its participation in order to allow the entry of a new shareholder.

Sofinim participates via 2 funds (SPEF I - 2.0% and SPEF II - 1.3%) in the Spanish company **Mercapital**. SPEF I was established in 1997 with funds in an amount of € 258 million. It has reached the final stage of realising its participations, and some of the proceeds of the sale have already been paid to the shareholders. SPEF II raised € 600 million in 2000 and acquired another new participation in 2006 (Gasmedi: gasses for medical applications; 70% interest). With this the fund has been invested in full. On the whole, the SPEF II participations developed satisfactorily in 2006.

The Genk-based **Alupa** (Sofinim 100.0%) is one of the leading European producers of metalised paper for use in the labelling and cigarette industry. Alupa, formerly a subsidiary of Illospear, was acquired by Sofinim following the latter's sale of Illospear. After the split, Alupa managed to establish itself as an independent player in the market. During the first half of the financial year, turnover and results were negatively affected by a number of extraordinary events, such as the aforementioned split as costs relating to the technological development of a new product. Thanks to a new management team, a significant turnaround was achieved in the last few months of the financial year. The perfected label paper technology, an integrated optimisation plan, and increased production yields led to a structural improvement of turnover and results.



## IDIM

(x 1,000 euro)	2006	2005
Turnover	1,923	97
EBITDA	380	-368
Net result	15	-716
Shareholders equity (part group)	10,111	10,096
Netto fin. positie	-5,734	-5,511

**I.D.I.M.** (Sofinim 37.5%) operates as a real estate promoter in the region of Brussels. It concentrates on constructing buildings for high technology companies. The poor economic situation which affected this sector for the last few years continued in 2006 to weigh heavily on the company's most important project (the development of the Neder-over-Heembeek site). At the close of 2006, part of the land was sold, which resulted in a capital gain. The project originally planned has been modified in view of the establishment of enterprises in the food industry (Food Factory), for which the studies and realisations are planned in 2007 - 2008 in collaboration with the GOMB and the Brussels Capital Region. The further development of the company remains closely tied in with the trend in demand in this market.

For **Egemin International** (24.6%) 2006, in which a turnover of € 83 million was posted, was a mixed



## EGEMIN INTERNATIONAL

(x 1,000 euro)	2006	2005
Turnover	82,677	72,214
EBITDA	1,781	262
Net result	-393	-1,864
Shareholders equity (part group)	8,413	9,150
Net fin, position	2,637	3,196

[www.egemin.be](http://www.egemin.be)

year. The sale of Egemin ECS had a negative effect on turnover, but this was more than offset by the sharp rise in the turnover of the Material Handling division, which began reaping the rewards of the turnaround that was implemented in 2005. This division managed to record truly excellent result, especially in the USA and Germany. For the Industrial Automation division, 2006 was another transitional year, with too low an order volume and an operating loss. The acquisition of Produmex R&D forms part of the continued strategic reorientation of this division. Finally, Egemin Consulting successfully continued its geographical growth strategy. R&D remained at a high level and is aimed at supporting the range of own software products.

In 2006, **Arcomet Beheer** (Sofinim 10.0%) continued in the vein of its good figures of 2005. Arcomet rents out construction cranes in Europe (1,300 tower and rapid assembly cranes as at 30 September 2006), and provides related services, such as studies, set-up, crane engineers, maintenance and transport. Arcomet also produces a small range of large rapid assembly cranes and has its own trading department. In the previous financial year, it again invested heavily in expanding and renewing the fleet. 2006 was marked by a high capacity utilisation resulting from rapidly improving markets, in which Arcomet often occupies a leading market position. As a result turnover rose above € 100 million (+ 33%), and operating profits doubled to more than € 9 million. New

business activities, related to the distribution of new cranes, were started in the UK. In Italy, a joint venture partner was acquired. On the other hand, the small department for leasing of mobile cranes was sold to the joint-venture partner, which affected the net result. The joint venture in the United States developed successfully. The shareholding of the joint venture partner in the United Kingdom was bought in early 2007. The group is expected to continue to grow in the new financial year.

2006 was an excellent year for **Corn. Van Loocke's** (Sofinim 45.0%) traditional business activities, despite the sharp rise in the prices of raw materials. Turnover rose by 9%. However, the company's operational results were put under pressure by start-up losses on a significant investment project. As a producer of semi-finished chemical components for the ink, paint and varnish industry, the company is one of Europe's biggest producers of metal soaps. It also manufactures synthetic resins for surface coatings, naphthalene acids and wood protection products. Besides a few important "tolling contracts" with prominent chemicals groups, Corn. Van Loocke has a wide range of self-produced products.

2006 was a year of disappointments for the **Alural Group** (Sofinim 26.3%). Alural operates in the area of surface treatments for aluminium (lacquers), mainly in the construction world. The production line, which was modernised in 2005, took much longer to reach cruising speed than expected. Additionally, market conditions and



## ARCOMET BEHEER

(x 1,000 euro)	2006	2005
Turnover	103,124	77,443
EBITDA	23,881	16,356
Net result	2,724	1,061
Shareholders equity (part group)	30,168	27,582
Net fin, position	-58,573	-55,457

[www.arcomet.be](http://www.arcomet.be)



## CORN. VAN LOOCKE

(x 1,000 euro)	2006	2005
Turnover	23,686	21,774
EBITDA	2,253	1,863
Net result	511	505
Shareholders equity (part group)	4,080	4,168
Net fin. position	-2,901	-2,440

[www.vanloocke.be](http://www.vanloocke.be)



## CINDU

(x 1,000 euro)	2006	2005
EBITDA	218	816
Net result	2,484	-541
Shareholders equity (part group)	2,328	4,204
Net fin. position	283	4,381

[www.cindu.nl](http://www.cindu.nl)

cost structures made it no longer worthwhile to continue some activities, such as joint venture in Ghlin. A structure was agreed with the joint venture partner, in which employment was safeguarded as much as possible, while customers were still being supplied. Finally, much effort has gone into the renewal of an ERP package, to be implemented in 2007. All of this affected the group results. On the other hand, the French activities taken over early in 2005 started off well. The subsidiary in Poland also performed well. And group turnover rose by 5%.

At **Cindu** (Sofinim 50.0%), the Cindu Chemicals subsidiary showed a much improved but nonetheless disappointing result, under the leadership of an interim manager. Cindu Chemicals (Cindu 50%, alongside the Corus steel company) is active in areas such as coal tar refinement. In 2006, much work went into the outlining of a new strategic plan and renewed management structure for the coming years. Cindu continued to work on the sale of real estate no longer needed to operate the business.



## ALURAL GROUP

(x 1,000 euro)	2006	2005
Turnover	38,689	36,989
EBITDA	2,818	3,934
Net result	47	512
Shareholders equity (part group)	5,907	5,849
Net fin. position	-2,987	521

[www.alural.be](http://www.alural.be)

**IDOC** (Sofinim 13.6%) made laminated and secure identity documents in Belgium and Luxembourg, as well as the so-called plastic "smart cards". Early in 2006, Idoc reached an agreement with the listed company Zetes on the sale of its "plastic cards" business. In view of the sale and the end of the Belgian identity card contract, Idoc's operational activities were reduced to a minimum and only a few holding functions remain.

## IDOC

(x 1,000 euro)	2006	2005
Turnover	3,180	2,713
EBITDA	-325	-1,366
Net result	467	-1,618
Shareholders equity (part group)	3,180	2,713
Net fin. position	986	320

## OTHER INVESTMENTS

### NATIONALE MAATSCHAPPIJ DER PIJPLEIDINGEN NV

Nationale Maatschappij der Pijpleidingen NV (NMP), originally incorporated by the Belgian State, specialises in building and managing pipelines for the transportation of industrial gasses and products used in the petrochemicals industry. NMP owns and/or manages a pipeline network of more than 800 km in Belgium.

The pipelines were operated without any notable problem in the course of 2006.

The renovation programme on the pipeline between Zeebrugge and Ghent, which is temporarily out of use, was suspended because the potential user pulled out.

In consultation with the authorities and the users, the Antwerpen-Feluy propylene and ethylene pipe was relocated locally onto the territory of Kruibeke and Bornem. The relocation work was successfully completed in mid-2006.

In the second half of 2006 a project was begun to bring the decommissioned ND150 section of the propylene pipe between Antwerp and Feluy back into use. Negotiations with the potential user have not yet been finalised.

#### Prospects

NMP plans further extension projects in the Antwerp port area. However, the schedule will be tailored to suit primary production unit investments by multinational chemical concerns.

### SIPEF NV

SIPEF is an agro-industrial group which provides management and marketing services for tropical plantations via majority interests. This Euronext-Brussels listed company is geographically oriented towards the Far East and mainly produces palm oil and rubber, alongside tea and tropical fruits.

Almost half of the turnover is generated from Indonesia. Due to their low cost structure and agronomic efficiency, the palm oil and rubber businesses on the island of Sumatra are the most profitable in the group, and in 2006 they accounted for 73% of the operating results. Despite rising tea prices, the profitability of the tea plantations has suffered, from drought effects of El Niño and from considerable rises in the price of diesel, and the energy supply has now been restructured to accommodate coal and water power.

The palm oil and rubber businesses in Papua New Guinea, which accounts for 28% of turnover, are also among the group's core activities. Work

AvH controlling and beneficial interest: 75%

### NATIONALE MAATSCHAPPIJ DER PIJPLEIDINGEN

consolidated (31 December 2006)

(x 1,000 euro)	2006	2005	2004
Turnover	16,373	17,743	25,607
Net result	2,359	2,104	1,716
Net cash flow	5,903	8,108	8,967
Shareholders' equity (part group)	34,526	32,915	31,266
Net financial position	17,716	10,315	1,498
Balance sheet	64,060	64,892	67,045
Personnel	5	5	5



to extend the available areals was continued and in 2007 the oil palm planting programme will have reached completion to enable the project to fully utilise production output at the 2 factories. Strong market prices also guarantee a sufficient yield from the rubber business in this country which allows for a regeneration of the areals.

The quality of the Northern Vietnamese tea plantations has been improved in response to the relatively low profit margins in the sector.

The historically important activity on the African continent is still confined to Ivory Coast. The banana plantation in the vicinity of Abidjan has stood firm, thanks to futures contracts, in a very difficult European market, which was flooded with South American bananas after a change in the import regulations. The palm oil plantations were restructured in 2006 and 40% of the business disposed of in the process in order to return the financial year to a close with positive results.

The expansion programme of recent years has led to an increase in palm oil and rubber produc-

tion at SIPEF's own plantations. The processing of third party palm products was downscaled further due to a lack of profitability, meaning that global oil production remained at 246,000 tons. Rubber production exceeded the 12,000-ton mark.

In 2006, SIPEF was able to benefit from rising sales prices for palm oil, rubber and tea. The significant demand for vegetable oil from China and India, further stimulated by demand from the biodiesel sector, has led to a continued rise in palm oil prices, which are currently in excess of USD 600 per ton in 2007. Market prospects for vegetable oils are still favourable in the medium-term. The worldwide lack of supply of natural rubber caused by the switch to other cultures in periods of low prices was not enough to offset the demand from China. The speculative positions adopted by investment funds have amplified this effect, as a result of which rubber prices showed unprecedented volatility in the previous year. Drought in Kenya, the main production country, has temporarily affected tea prices in a favourable sense, but standardisation in production has also brought world market prices to previously disappointing levels.

As a result of these unfavourable price effects and rising production, the group's gross profits grew by 13%. The management of general overheads and realisation of a few non-recurrent operating revenues led the operating results to rise, before the adjusted biological asset values were applied, by 31% to € 24.55 million. The net result, share of the group, is, partially thanks to value created through biological assets, as much as 59% higher than the previous year and now amounts to € 20.02 per share.

AvH controlling and beneficial interest: 18.80%

**SIPEF** nv consolidated (31 December 2006)

(x 1,000 euro)	2006	2005	2004
Turnover	129,607	119,326	140,089
EBITDA	30,143	25,380	39,589
EBIT	27,477	17,536	27,813
Net result	17,499	11,008	13,800
Net cash flow	24,191	21,245	28,514
Shareholders' equity (part group)	117,921	111,644	92,499
Net financial position	-26,739	-21,140	-23,646
Balance sheet	215,228	199,706	186,797



# DIVESTED ACTIVITIES

## QUICK RESTAURANTS NV

Following a capital increase and sale of several non-core activities, SIPEF has a healthy balance sheet structure which will allow it to expand in the Indonesian palm oil sector. In 2006, an extra 8,353 ha of oil palm, land was purchased and a letter of intent was signed for a further 6,500 ha. The new project could still expand to 20,000 new hectares, which should double the Indonesian palm oil business in the long-term. The available cash flow was also used to finance the acquisition of an extra 5% of the Tolan Tiga companies, which now from part for 95% of the Group.

The budgets for 2007 therefore make allowance for an ambitious planting programme involving 5,100 ha of oil palms and rubber trees, spread across Indonesia and Papua New Guinea, in which the anticipated cash flow can be used to support the expansion. The further sale of non-core activities may also serve to keep debt at a low level. By expanding in sectors where profitability is highest, SIPEF can develop further as an efficient quality supplier of raw palm oil, rubber and tea for the processing industry, which is viewing the origin, ethical production standards and reliability of the products as ever more important.

On 26 October 2006, GIB irrevocably agreed to contribute its 57.42% controlling interest in Quick Restaurants as part of a public bid by the French CDC Capital Investissements at the price of € 37.8 per share. This price represents a premium of 28% compared with the average price in the week prior to the announcement, which was itself 30% higher than the price at the close of 2005. From the sale, which was completed on 16 January 2007, GIB (AvH 50%) received € 423 million, and AvH realised a capital gain of € 150 million.

In taking over GIB in 2002, AvH and Nationale Portefeuillemaatschappij had acquired control over Quick Restaurants. Since that time, we have together fulfilled our role as active shareholder. To start with, we recapitalised the company to allow Quick to regain the confidence of its shareholders. We then assisted the outstanding management team led by Jean-Paul Brayer in the restructuring of the restaurants and repositioning of the Quick brand. Quick is now managing its restaurant real estate more actively with a view to creating value. Since 2002, Quick has increased its operating result by 46% per year on average.



# CONTENTS

## **Consolidated financial statements**

Consolidated income statement 75

Consolidated balance sheet 76

Consolidated cash flow statement 78

Statement of changes in equity 79

## **Notes to the financial statements**

- 1 IFRS valuation rules 80
- 2 Subsidiaries and jointly controlled subsidiaries 84
- 3 Associated participating interests 87
- 4 Segment information 88
- 5 Business combinations 98
- 6 Intangible assets 98
- 7 Goodwill 99
- 8 Property, plant & equipment 100
- 9 Investment property at fair value 101
- 10 Financial assets 102
- 11 Banks - receivables from credit institutions and clients 106
- 12 Inventories and construction contracts 107

- 13 Lease 108
- 14 Provisions 109
- 15 Financial debts 110
- 16 Banks - debts to credit institutions, clients & securities 111
- 17 Taxes 112
- 18 Financial instruments 114
- 19 Share based payment 116
- 20 Rights and commitments not reflected in the balance sheet 117
- 21 Employment 117
- 22 Pension liabilities 118
- 23 Discontinued operations 119
- 24 Related parties 120
- 25 Earnings per share 121
- 26 Proposed and distributed dividends 121

Statutory auditor's report 122

**Statutory annual accounts 123**

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards and IFRIC interpretations effective on 31 December 2006, as approved by the European Commission.

CONSOLIDATED FINANCIAL STATEMENTS


## INCOME STATEMENT (BY NATURE)

(x 1,000 euro)	Note	2006	2005	2004
<b>Revenue</b>		<b>372,034</b>	<b>349,737</b>	<b>1,828,509</b>
Sale of goods				74
Rendering of services		18,501	19,800	1,472,624
Lease revenue		9,621	25,292	31,336
Real estate revenue		10,399	5,626	7,304
Interest income - banking activities		98,158	92,906	79,708
Commissions receivable - banking activities		18,283	18,024	15,745
Revenue from construction contracts		209,359	170,102	201,904
Other operating revenue		7,712	17,987	19,814
<b>Other operating income</b>		<b>15,785</b>	<b>14,491</b>	<b>10,039</b>
Interest on financial fixed assets - receivables		692	776	708
Dividends		15,062	13,541	8,941
Capital grants				2
Other operating income		32	174	389
<b>Operating expenses ( - )</b>		<b>-349,450</b>	<b>-333,202</b>	<b>-1,762,386</b>
Raw materials and consumables used ( - )	12	-160,023	-134,775	-152,958
Changes in inventories of finished goods, raw materials & consumables ( - )		-464	-938	-676
Interest expenses Bank J. Van Breda & Co ( - )		-65,533	-60,396	-55,279
Employee expenses ( - )	21	-59,244	-60,266	-1,304,303
Depreciation ( - )		-6,605	-9,319	-26,776
Impairment losses ( - )		-1,523	-6,025	-31,851
Other operating expenses ( - )		-64,530	-59,725	-228,420
Provisions		8,471	-1,757	37,878
<b>Profit (loss) from operating activities</b>		<b>38,370</b>	<b>31,026</b>	<b>76,162</b>
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>		<b>13,108</b>	<b>-16,515</b>	<b>5,944</b>
Private equity	10	11,639	-17,906	6,645
Financial assets held for trading	18	-952		
Investment property	9	1,342	-657	
Derivative financial instruments	18	1,080	2,048	-701
<b>Profit (loss) on disposal of assets</b>		<b>31,416</b>	<b>232,067</b>	<b>65,402</b>
Realised gain(loss) on intangible and tangible assets		760	242	249
Realised gain(loss) on investment property				
Realised gain(loss) on financial fixed assets		27,154	210,273	48,450
Realised gain(loss) on other assets		3,502	21,552	16,704
<b>Finance income</b>		<b>28,389</b>	<b>23,917</b>	<b>24,213</b>
Interest income		27,365	22,064	21,392
Other finance income		1,024	1,854	2,821
<b>Finance costs ( - )</b>		<b>-11,003</b>	<b>-15,555</b>	<b>-33,776</b>
Interest expenses ( - )		-9,083	-10,486	-23,386
Other finance costs ( - )		-1,920	-5,069	-10,390
<b>Share of profit (loss) from equity accounted investments</b>	10	<b>237,728</b>	<b>65,631</b>	<b>49,359</b>
<b>Other non-operating income</b>		<b>4,086</b>	<b>1,919</b>	<b>799</b>
<b>Other non-operating expenses ( - )</b>		<b>-13</b>	<b>-1,681</b>	<b>-2,387</b>
<b>Profit (loss) before tax</b>		<b>342,081</b>	<b>320,809</b>	<b>185,717</b>
<b>Income taxes</b>	17	<b>-12,947</b>	<b>-14,532</b>	<b>-24,597</b>
Deferred taxes		-160	3,228	714
Current taxes		-12,787	-17,760	-25,311
<b>Profit (loss) after tax from continuing operations</b>		<b>329,135</b>	<b>306,277</b>	<b>161,120</b>
<b>Profit (loss) after tax from discontinued operations</b>	23		<b>9,314</b>	<b>-3,183</b>
<b>Profit (loss) of the period</b>		<b>329,135</b>	<b>315,591</b>	<b>157,937</b>
Minority interests		21,534	36,605	23,150
Share of the group		307,600	278,986	134,787
<b>EARNINGS PER SHARE</b>				
<b>1. Basic earnings per share</b>				
1.1. from continued and discontinued operations		9.26	8.36	4.04
1.2. from continued operations		9.26	8.25	4.08
<b>2. Diluted earnings per share</b>				
2.1. from continued and discontinued operations		9.23	8.35	4.04
2.2. from continued operations		9.23	8.23	4.08

We refer to the segment information page 88 and 89 for more comments on the consolidated results

## ASSETS

(x 1,000 euro)	Note	2006	2005	2004
<b>I. NON-CURRENT ASSETS</b>		<b>2,631,284</b>	<b>1,910,404</b>	<b>2,415,176</b>
<b>Intangible assets</b>	6	1,391	1,021	15,116
<b>Goodwill</b>	7	117,826	118,549	475,634
<b>Tangible assets</b>	8	69,439	55,350	93,257
Land and buildings		27,468	12,751	13,734
Plant, machinery and equipment		21,772	25,024	39,105
Furniture and vehicles		2,370	2,557	12,533
Other tangible assets		1,462	1,374	18,347
Assets under construction and advance payments		8,888	5,798	1,324
Operating lease - as lessor (IAS 17)		7,479	7,847	8,214
<b>Investment property</b>	9	471,304	65,157	63,472
<b>Participations accounted for using the equity method</b>	10	588,393	445,041	428,561
<b>Financial fixed assets</b>	10	225,278	169,710	207,050
Private equity participations		162,117	123,869	146,491
Available for sale financial fixed assets		52,694	42,595	38,174
Receivables and warranties		10,466	3,246	22,386
<b>Non-current hedging instruments</b>	18	14,707	7,098	2,118
<b>Amounts receivable after one year</b>		71,951	70,540	227,039
Finance lease receivables	13	70,271	69,691	213,608
Other receivables		1,681	849	13,431
<b>Deferred tax assets</b>	17	5,579	6,571	23,066
<b>Banks - receivables from credit institutions and clients after one year</b>	11	1,065,416	971,366	879,863
<b>II. CURRENT ASSETS</b>		<b>2,090,194</b>	<b>2,298,040</b>	<b>2,067,710</b>
<b>Assets held for sale</b>		27,698	0	0
<b>Inventories</b>	12	34,625	35,207	22,213
<b>Amounts due from customers under construction contracts</b>	12	2,260	1,899	1,894
<b>Investments</b>		835,801	689,393	653,576
Available for sale financial assets	10	814,994	689,393	653,575
Financial assets held for trading	18	20,807		
Time deposits for more than three months				1
<b>Current hedging instruments</b>	18	896	419	389
<b>Amounts receivable within one year</b>		195,173	161,684	539,154
Trade debtors		89,029	56,463	337,952
Finance lease receivables	13	29,200	27,539	104,635
Other receivables		76,944	77,683	96,567
<b>Current tax receivables</b>	17	5,082	8,235	12,766
<b>Banks - receivables from credit institutions and clients within one year</b>	11	752,049	1,029,507	624,681
<b>Cash and cash equivalents</b>		214,778	351,090	183,178
Time deposits for less than three months		177,512	322,698	118,855
Cash		37,265	28,392	64,324
<b>Deferred charges and accrued income</b>		21,834	20,607	29,859
<b>TOTAL ASSETS</b>		<b>4,721,478</b>	<b>4,208,443</b>	<b>4,482,885</b>

## EQUITY AND LIABILITIES

(x 1,000 euro)	Note	2006	2005	2004
<b>I. TOTAL EQUITY</b>		<b>1,803,253</b>	<b>1,303,873</b>	<b>1,127,751</b>
<b>Equity - group share</b>		<b>1,423,664</b>	<b>1,118,180</b>	<b>814,838</b>
<b>Issued capital</b>		<b>113,907</b>	<b>113,907</b>	<b>113,907</b>
Share capital		2,295	2,295	2,295
Share premium		111,612	111,612	111,612
<b>Consolidated reserves</b>		<b>1,151,151</b>	<b>873,447</b>	<b>619,603</b>
<b>Revaluation reserves</b>		<b>169,368</b>	<b>133,228</b>	<b>83,580</b>
Financial assets available for sale		168,835	131,174	83,538
Hedging reserves		3,551	1,157	1,774
Translation differences		-3,018	898	-1,732
<b>Treasury shares ( - )</b>		<b>-10,762</b>	<b>-2,403</b>	<b>-2,253</b>
<b>Minority interests</b>		<b>379,588</b>	<b>185,693</b>	<b>312,912</b>
<b>II. NON-CURRENT LIABILITIES</b>		<b>811,576</b>	<b>982,023</b>	<b>1,002,418</b>
<b>Provisions</b>	14	<b>25,571</b>	<b>39,281</b>	<b>40,651</b>
<b>Pension liabilities</b>	22	<b>1,518</b>	<b>1,340</b>	<b>2,582</b>
<b>Deferred tax liabilities</b>	17	<b>25,444</b>	<b>31,824</b>	<b>37,485</b>
<b>Financial debts</b>	15	<b>222,297</b>	<b>138,197</b>	<b>235,404</b>
Bank borrowings		159,681	75,594	119,582
Debentures				68,956
Subordinated borrowings		62,597	58,490	45,712
Finance leases		20	3	1,076
Other borrowings			4,110	78
<b>Non-current hedging instruments</b>	18	<b>4,978</b>	<b>4,395</b>	<b>3,490</b>
<b>Other amounts payable after one year</b>		<b>11,117</b>	<b>19,424</b>	<b>87,123</b>
<b>Banks - non-current debts to credit institutions, clients &amp; securities</b>	16	<b>520,651</b>	<b>747,563</b>	<b>595,682</b>
<b>III. CURRENT LIABILITIES</b>		<b>2,106,649</b>	<b>1,922,547</b>	<b>2,352,717</b>
<b>Liabilities held for sale</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions</b>	14	<b>0</b>	<b>250</b>	<b>1,161</b>
<b>Pension liabilities</b>	22	<b>50</b>	<b>51</b>	<b>0</b>
<b>Financial debts</b>	15	<b>210,090</b>	<b>157,612</b>	<b>354,592</b>
Bank borrowings		3,085	11,043	131,210
Subordinated borrowings		233	209	128
Finance leases		5	5	2,188
Other borrowings		206,768	146,355	221,066
<b>Current hedging instruments</b>	18	<b>612</b>	<b>926</b>	<b>3,044</b>
<b>Amounts due to customers under construction contracts</b>	12	<b>6,185</b>	<b>5,567</b>	<b>6,410</b>
<b>Other amounts payable within one year</b>		<b>105,285</b>	<b>146,992</b>	<b>358,749</b>
Trade debtors		77,698	49,446	74,657
Advances received on construction contracts		1,020		40
Amounts payable regarding remuneration and social security		14,806	12,312	162,114
Other amounts payable		11,761	85,233	121,939
<b>Current tax payables</b>		<b>8,875</b>	<b>8,411</b>	<b>94,332</b>
<b>Banks - current debts to credit institutions, clients &amp; securities</b>	16	<b>1,740,485</b>	<b>1,579,845</b>	<b>1,499,679</b>
<b>Accrued charges and deferred income</b>		<b>35,067</b>	<b>22,893</b>	<b>34,751</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,721,478</b>	<b>4,208,443</b>	<b>4,482,885</b>

## CASH FLOW STATEMENT (INDIRECT METHOD)

(x 1,000 euro)	2006	2005	2004
<b>I. CASH AND CASH EQUIVALENTS, OPENING BALANCE</b>	<b>351,090</b>	<b>183,178</b>	<b>104,959</b>
<b>Profit (loss) from operating activities</b>	<b>38,370</b>	<b>31,026</b>	<b>76,162</b>
Dividends from participations accounted for using the equity method	27,472	46,359	72,163
Other non-operating income (expenses)	807	32	1,723
Income taxes	-12,947	-14,532	-24,616
Profit (loss) from discontinued operating activities		21,686	-3,183
<b>Non-cash adjustments</b>			
Depreciation	6,605	9,319	24,616
Impairment losses	1,516	6,019	29,635
Share based payment	-6,066	2,215	2,305
(De)increase of provisions	-8,729	1,524	-42,085
(De)increase of deferred taxes	160	-2,774	3,603
Other non-cash income (expenses)	618	-328	-816
<b>Cash flow</b>	<b>47,806</b>	<b>100,545</b>	<b>139,509</b>
<b>Decrease (increase) of working capital</b>	<b>28,266</b>	<b>-207,352</b>	<b>111,671</b>
Decrease (increase) of inventories and construction contracts	846	-92	2,633
Decrease (increase) of amounts receivable	-43,829	2,964	23,923
Decrease (increase) of receivables from credit instit. and clients (banks)	182,731	-518,584	-261,635
Increase (decrease) of liabilities (other than financial debts)	-49,323	-134,140	47,978
Increase (decrease) of debts to credit instit, clients & securities (banks)	-66,272	440,209	297,860
Decrease (increase) other	4,113	2,291	912
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>76,072</b>	<b>-106,807</b>	<b>251,180</b>
<b>Investments</b>	<b>-1,136,066</b>	<b>-255,533</b>	<b>-840,041</b>
Acquisition of intangible and tangible assets	-21,744	-12,182	-19,094
Acquisition of investment property	-8	-229	-752
Acquisition of (new) fully consolidated participations			-1,251
Acquisition of supplementary shareholding in fully consolidated participations		-6,042	-500,409
Acquisition of financial fixed assets	-67,822	-19,276	-12,274
New amounts receivable	-7,705	-590	-16,282
Acquisition of investments	-1,038,788	-217,213	-289,979
<b>Divestments</b>	<b>981,912</b>	<b>578,487</b>	<b>544,065</b>
Disposal of intangible and tangible assets	517	2,069	3,850
Disposal of investment property	2,396		
Disposal of fully consolidated participations	22,977	252,008	172,287
Partial disposal of fully consolidated participations			23,820
Disposal of financial fixed assets	43,446	85,295	54,099
Reimbursements of amounts receivable	667	961	50,389
Disposal of investments	911,908	238,154	239,620
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-154,155</b>	<b>322,954</b>	<b>-295,976</b>
<b>Financial operations</b>			
Interest received	26,805	28,069	25,906
Interest paid	-6,397	-15,825	-23,975
Other financial income (costs)	946	-2,949	-5,099
(De)increase of issued capital			
(De)increase of treasury shares	-8,549	12	-389
(De)increase of financial debts	-43,048	-27,384	156,624
Distribution of profits	-29,993	-21,688	-18,096
Dividends paid to minority interests	-9,975	-8,470	-11,924
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-70,212</b>	<b>-48,236</b>	<b>123,048</b>
<b>II. NET VARIATION IN CASH AND CASH EQUIVALENTS</b>	<b>-148,294</b>	<b>167,912</b>	<b>78,252</b>
Change consolidation method (full consolidation <-> equity method)	11,989		
Impact of exchange rate changes on cash and cash equivalents	-7		-32
<b>III. CASH AND CASH EQUIVALENTS - ENDING BALANCE</b>	<b>214,778</b>	<b>351,090</b>	<b>183,178</b>

A detailed cash flow statement per segment is presented on page 92.

## STATEMENT OF CHANGES IN EQUITY

(x 1,000 euro)	Issued capital	Consolidated reserves	Revaluation reserves			Treasury shares	EQUITY-GROUP SHARE	Minority interests	TOTAL EQUITY
			Financial assets available for sale	Hedging reserves	Translation differences				
<b>OPENING BALANCE, 1 JANUARY 2005</b>	113,907	619,603	83,538	1,774	-1,732	-2,253	814,838	312,912	1,127,751
<b>Prior period adjustments</b>	0	0	0	0	0	0	0	0	0
Change in accounting policy affecting equity							0		0
Errors affecting equity							0		0
<b>RESTATED OPENING BALANCE, 1 JANUARY 2005</b>	113,907	619,603	83,538	1,774	-1,732	-2,253	814,838	312,912	1,127,751
Distribution of profits		-21,688					-21,688	-8,506	-30,195
Profit (loss) of the period		278,986					278,986	36,605	315,591
Changes in revaluation reserves			47,636	-618	2,631		49,648	-933	48,715
Operations with treasury shares						-151	-151		-151
Other (a.o. changes in consol. scope / shareholders%)		-3,454					-3,454	-154,385	-157,838
<b>ENDING BALANCE, 31 DECEMBER 2005</b>	113,907	873,447	131,174	1,157	898	-2,403	1,118,180	185,693	1,303,873
<b>OPENING BALANCE, 1 JANUARY 2006</b>	113,907	873,447	131,174	1,157	898	-2,403	1,118,180	185,693	1,303,873
<b>Prior period adjustments</b>	0	0	0	0	0	0	0	0	0
Change in accounting policy affecting equity							0		0
Errors affecting equity							0		0
<b>RESTATED OPENING BALANCE, 1 JANUARY 2006</b>	113,907	873,447	131,174	1,157	898	-2,403	1,118,180	185,693	1,303,873
Distribution of profits		-29,993					-29,993	-9,975	-39,968
Profit (loss) of the period		307,600					307,600	21,534	329,135
Changes in revaluation reserves			37,661	2,394	-3,916		36,139	-1,076	35,063
Operations with treasury shares						-8,359	-8,359		-8,359
Other (a.o. changes in consol. scope / shareholders%)		97					97	183,413	183,510
<b>ENDING BALANCE, 31 DECEMBER 2006</b>	113,907	1,151,151	168,835	3,551	-3,018	-10,762	1,423,664	379,588	1,803,253

### GENERAL DATA REGARDING THE CAPITAL

#### Issued capital

The issued capital amounts to 2,295,277.90 euro. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value.

#### Authorised capital

The board of directors is authorised to increase the company's capital once or several times with a maximum amount of 500,000 euro. The board of directors can exercise this authority during the five years following the announcement of the modification of the articles of association as decided by the extraordinary general assembly of shareholders held on 29 August 2005.



## STATEMENT OF COMPLIANCE

The consolidated annual accounts are prepared in accordance with the International Financial Reporting Standards and IFRIC interpretations effective on 31 December 2006, as approved by the European Commission.

### In compliance with IFRS 1, AvH has applied the following options to prepare the opening balance as at 1 January 2004:

- business combinations with origin before the transition date are not restated;
- the cumulative translation differences are included in the consolidated reserves;
- all actuarial gains and losses on post employment obligations are recognised in equity;
- for the application of IFRS 2 "share-based payment", only options granted after 7 November 2002 have been processed;
- the transitional provisions of IFRS 4 for Insurance have been applied.

## BASIS OF PRESENTATION

The consolidated annual accounts have been prepared on a historical cost basis, except for financial instruments and assets which are measured at fair value. The opening balance as at 1 January 2004 has been prepared in accordance with IFRS 1.

## PRINCIPLES OF CONSOLIDATION

The consolidated annual accounts contain the financial details of AvH NV, its subsidiaries and jointly controlled companies, as well as the share of the group in the results of the associated companies.

### 1. Subsidiaries

Subsidiaries are entities which are controlled by the group. Control exists when AvH has the power to steer the financial and operational management of a company in order to obtain benefit from its activities. The participating interests in subsidiaries are consolidated in full as from the date of acquisition until the end of the control.

The financial statements of the subsidiaries have been prepared for the same reporting period as AvH and uniform IFRS valuation rules have been used. All intra-group transactions and unrealised intra-group profits and losses on transactions between group companies have been eliminated. Unrealised losses have been eliminated unless they concern an impairment.

### 2. Jointly controlled subsidiaries and associated participating interests

#### Jointly controlled subsidiaries

Companies which are controlled jointly (defined as those entities in which the group has joint control, among others via the shareholders' percentage or contractual agreement with one or more entities of the joint venture) are included on the basis of the equity method as from the date of acquisition until the end of the control.

#### Associated participating interests

Associated participating interests in which the group has a considerable and significant influence, more specifically companies in which AvH has the power to participate (not control) the financial and operational management decisions of the participation, are included in accordance with the equity method, as from the date of acquisition until the end of the control.

#### The equity method

According to the equity method, the participating interests are initially recorded at cost and the carrying amount is subsequently modified to include the share of the group in the profit or loss of the participating interest, as from the date of purchase.

The financial statements of these companies are prepared for the same reporting period as AvH and uniform IFRS valuation rules are applied. Unrealised intra-group profits and losses on transactions are eliminated to the extent of the interest in the company.

### 3. Private Equity participations of Sofinim

The associated participating interests in the venture capitalist Sofinim are measured pursuant to IAS 28, § 1, at fair value in accordance with IAS 39. They are presented in the balance sheet as "private equity participations" whereby the changes in fair value are included in the result of the period when occurred.

#### Valuation techniques

Financial assets measured at fair value through profit or loss are equity instruments that belong to the investment portfolio of Sofinim, including the associated participating interests.

At the moment of acquisition, the fair value equals the acquisition price as such price has been agreed in a third party transaction. Subsequently, the fair value is adjusted in accordance with the results of the entity concerned. For listed equity instruments, the fair value equals in principle the stock price, except when such stock price is deemed not to be representative in light of the size of the participation and the market liquidity of the equity instrument.

Realised profits and losses on these investments are calculated as the difference between the selling price and the carrying amount of the investment at the time of the sale.

All buying and selling of financial assets in accordance with standard market conventions are recorded on transaction date, i.e. the date when the group agreed to the purchase.

## INTANGIBLE FIXED ASSETS

Intangible fixed assets with a finite useful life are stated at cost, less accumulated amortisation and any accumulated impairment losses.

Intangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful economic life is stated per annum and this is also the case for any residual value. The residual value is assumed to be zero.

Intangible fixed assets with indefinite useful life, stated at cost, are not amortised but are subject to an impairment test on an annual basis and whenever indications of a possible impairment occur.

Costs for starting up new activities are included in the profit or loss at the time they occur.

Research expenses are taken into profit or loss in the period in which they arise. Development expenses that meet the severe recognition criteria of IAS 38 are capitalised and amortised over the useful life.

## GOODWILL

Goodwill is the positive difference between the cost of the business combination and the share of the group in the fair value of the acquired assets, the acquired liabilities and contingent liabilities of the subsidiary, jointly controlled subsidiary or associated participating interests at the time of the acquisition.

Goodwill is not amortised but is subject to an annual impairment test and whenever indications of a possible impairment have occurred.

## TANGIBLE FIXED ASSETS

Tangible fixed assets are carried at cost or production cost less accumulated amortisations and any impairments.

Tangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful life is reviewed on a yearly basis and this is also the case for any residual value.

Repair and maintenance expenses for tangible assets are recognised as an expense in the period in which they occur, unless they result in an increase of the future economic benefit of the respective tangible fixed assets, which justifies their capitalisation.

Assets under construction are amortised as from the time they are taken into use.

Government grants are recorded as deferred income and taken into profit as income over the useful life of the asset following a systematic and rational basis.

## IMPAIRMENT OF FIXED ASSETS

On each closing date, the group verifies whether there are indications that an asset is subject to an impairment. In the event that such indications are present, an estimation is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount. The recoverable amount of an asset is defined as the higher of the fair value minus costs to sell (assuming a voluntary sale) and the value in use (based upon the net present value of the estimated future cash flows). Any resulting impairments are charged to the profit and loss account.

Previously recorded impairments, except on goodwill and available for sale financial assets, are reversed through the profit and loss account when they are no longer valid.

## LEASING AND RELATED RIGHTS - INVESTMENT PROPERTY

### 1. The group's company is lessee

#### Finance lease

*(group's company carries all substantial risks and rewards of ownership)*

At the start of the lease period, the assets and liabilities are recognised at fair value of the leased asset or if lower, the net present value of the minimum lease payments, as determined at the time of the beginning of the lease. The discount rate used for the calculation of the net present value of the minimum lease payments is the interest rate implied in the lease agreement, insofar as this rate can be determined. In the other case, the marginal interest rate of the lessee is to be used.

#### Operating lease

*(substantial risks and rewards remain with the lessor)*

The lease payments are recognised at cost on a straight-line basis over the lease period, unless a different systematic basis better represents the time pattern of the rewards for the user.

### 2. The group's company is acting as lessor

#### Finance lease

The finance lease contracts are recorded in the balance sheet under the long and short-term receivables at the present value of the future lease payments and the residual value, irrespective of whether the residual value is guaranteed. The accrued interests are recognised in the income statement, calculated at the interest rate implied in the lease.

Acquisition costs related to lease contracts and allocatable to the contract are recorded in the income statement across the term of the contract. Acquisition costs which cannot be allocated to a contract (super commission, certain campaigns) are immediately recorded in the income statement.

#### Operating lease

The operating leases concern leases which do not qualify as a finance lease. A distinction is made between operating leases which, in accordance with IAS 17, are measured at cost, and operating leases which are considered as investment property and which, in accordance with IAS 40.33 are measured at fair value by which means the changes in fair value are recorded in the profit and loss account. The difference between both types depends on the calculation method of the option. If the call option takes into account the market value, the contract will be qualified as a property investment. In all other cases, these contracts are considered as operating leases in accordance with IAS 17.

### 3. Investment property – leased buildings

Investment property is measured at fair value through profit or loss. On a yearly basis, the fair value of the leased buildings is determined upon valuation reports.

## FINANCIAL INSTRUMENTS

### 1. Available-for-sale financial assets

Available-for-sale shares and securities are measured at fair value. Changes in fair value are reported in equity until the sale or impairment of the investments, in which case the cumulative revaluation is recorded in the income statement.

When the fair value of a financial asset cannot be defined reliably, it is valued at cost.

When a decline in the fair value of an available-for-sale financial asset had been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative losses that had been recognised directly in equity are recorded in the profit and loss account.

### 2. Financial assets designated at fair value through profit or loss

Changes in fair value of "financial assets designated at fair value through profit or loss", in particular 'private equity participating interests', are recorded in the profit and loss account.

### 3. Derivative financial instruments

The operational subsidiaries belonging to the Ackermans & van Haaren group are each responsible for their risk management, such as exchange risk, interest risk, credit risk, commodity risk, etc. The risks vary according to the particular business where the subsidiaries are active and therefore they are not managed centrally at group level. The respective executive committees report to their board of directors or audit committee regarding their hedging policy.

At the level of Ackermans & van Haaren NV and subholdings, the (mainly) interest risks are however managed centrally by the AvH Coordination Centre. Derivative instruments are initially valued at cost. Subsequently, these instruments are recorded in the balance sheet at their fair value; the changes in fair value are reported in the income statement unless these instruments are part of hedging transactions.

#### Cash flow hedges

The value fluctuations of a derivative financial instrument that complies with the strict conditions for recognition as a cash flow hedge are recorded in equity for the effective part.

The ineffective part is recorded directly in the profit and loss account.

The hedging results are recorded out of equity into the profit and loss account at the moment the hedged transaction influences the result.

#### Fair value hedges

Changes in fair value of a derivative instrument that is formally allocated to hedge the changes of fair value of recorded assets and liabilities, are recognised in the profit and loss account together with the profits and losses caused by the fair value revaluation of the hedged component.

The value fluctuations of derivative financial instruments which do not meet the criteria for fair value hedge or cash flow hedge are recorded directly in the profit and loss account.

#### 4. Interest-bearing debts and receivables

Financial debts and receivables are valued at amortised cost using the effective interest method.

#### 5. Trade receivables and other receivables

Trade receivables and other receivables are valued at nominal value, less any impairments for uncollectible receivables.

#### 6. Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments and are recorded on the balance sheet at nominal value.

### INVENTORIES / CONSTRUCTION CONTRACTS

Inventories are valued at cost (purchase or production cost) according to the FIFO method (first in, first out) or at net realisable value when this is lower. The production cost comprises all direct and indirect costs incurred in bringing the inventories to their completion at balance sheet date and this corresponds with the estimated sales prices in normal circumstances, minus the handling, marketing and distribution costs (net realisable value).

Construction contracts are valued according to the Percentage of Completion method whereby the result is recognised in accordance with progress of the works. Expected losses are immediately recognised as an expense.

### CAPITAL AND RESERVES

Costs which are related to a capital transaction are deducted from the capital.

The purchase of treasury shares is deducted from equity at purchase price. Subsequent sale or cancellation at a later date does not affect the result; profits and losses with regard to treasury shares are recorded directly in equity.

### TRANSLATION DIFFERENCES

#### Statutory accounts

Transactions in foreign currency are recorded at the exchange rate on the date of the transaction. Positive and negative unrealised translation differences, resulting from the calculation of monetary assets and liabilities at closing rate on balance sheet date, are recorded as income or cost respectively in the profit and loss account.

#### Consolidated accounts

Based upon the closing rate method, assets and liabilities of the consolidated subsidiary are converted at closing rate, while the income statement is converted at the average rate of the period, which results in translation differences included in the consolidated equity.

### PROVISIONS

A provision is recognised if a company belonging to the group has a (legal or indirect) obligation as a result of a past event, and it is probable that the settlement of this obligation will require an outflow and the amount of this obligation can be determined in a reliable manner.

In the event that the difference between the nominal and discounted value is significant, a provision is recorded for the amount of the discounted value of the estimated expenses. The resulting increase of the provision in proportion to the time is recorded as an interest charge.

#### Restructuring

Provisions for restructuring costs are only recognised when the group already has a detailed and approved restructuring plan and the planned restructuring has already started or been announced to the relevant staff members. No provisions are made for costs relating to the normal activities of the group.

#### Guarantees

A provision is made for warranty obligations relating to delivered products, services and contracts, based upon statistical data from the past.

### CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities are mentioned in the notes if their impact is important.

### TAXES

Taxes are composed of current and deferred taxes. Both types of taxes are recorded in the profit and loss accounts except when they relate to components being part of the equity and therefore allocated to the equity.

Deferred taxes are based upon the balance sheet method applied on temporary differences between the carrying amount of the assets and liabilities of the balance sheet and their tax base. The main temporary differences consist of different amortisation percentages of tangible fixed assets, provisions for pensions and carry-forward tax losses.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except when the deferred tax liability arises from the original recognition of goodwill or the initial recording of assets and liabilities in a transaction that is not a business combination and that at the time of the transaction has no impact on the taxable profit.
- except with regard to investments in subsidiaries, joint and associated companies, where the group is able to control the date when the temporary difference will be reversed, and it is not likely that the temporary difference will be reversed in the foreseeable future.

Deferred tax assets are recorded for all deductible temporary differences and on carry-forward tax credits and tax losses that can be recovered, to the extent that it is probable that there will be taxable profits in the near future in order to be able to enjoy the tax benefit. The carrying amount of the deferred tax assets is verified on every balance sheet date and impaired to the extent that it is no longer probable that sufficient taxable profit will be available to credit all or part of the deferred taxes.

Deferred tax assets and liabilities are determined using the tax rates that are expected to apply for the years when these temporary differences will be realised or settled, based on tax percentages which are enacted or confirmed on the balance sheet date.

### EMPLOYEE BENEFITS

Employee benefits consist of short-term employee benefits, post-employment benefits, other long-term employee benefits, redundancy pay and rewards in equity instruments.

The post-employment benefits include the pension plans, life insurance policies and insurance policies for medical assistance. Pension plans with fixed contribution or defined benefit plans are provided through separate funds or insurance plans. In addition, employee benefits consisting of equity instruments also exist.

## Pension plans

### Defined Contribution Plans

The defined contribution is charged to the profit and loss account of the year to which it relates.

### Defined Benefits Plans

The defined benefit liability at balance sheet date is calculated on the basis of the present value of the pension obligations, plus (minus) the unrecognised actuarial gains (losses) and after deduction of the fair value of the pension plan assets as well as the costs for services performed in the past which have not been recorded yet. In the event that this calculation results in a positive balance, the asset is restricted to the net total of all unrecognised costs of performed services and net present value of any repayments whatsoever of the plan or reductions of future contributions to the plan.

If a new plan is introduced or modifications are made to the existing plan, the costs relating to services rendered in the past (or 'past service costs') are recognised as an expense on a straight-line basis until the benefits are 'vested'. To the extent that the pension benefits are vested immediately, the past service costs are included immediately in the income statement

The amount which is recorded in the profit and loss account consists of the current service expense, any recognised past service costs, the interest cost, the estimated return on plan assets and the actuarial gains and losses.

### Employee benefits in equity instruments

Different stock option plans exist within the Ackermans & van Haaren group, giving employees the right to buy AvH shares or the shares of some subsidiary at a predefined price. This price is determined at the time when the options are granted and it is based on the market price or the intrinsic value.

Furthermore, warrant plans have been established at the level of some subsidiaries.

The performance of the beneficiary is measured on the basis of the fair value of the granted options and warrants and recognised in the profit and loss account at the time when the services are rendered, during the vesting period.

## RECOGNITION OF REVENUE

The revenue is recognised in accordance with IFRS standards taking into account the specific activities of each sector

## DISCONTINUED OPERATIONS

The assets, liabilities and net results of the discontinued operations are reported separately in a single item on the consolidated balance sheet and profit and loss account. The same reporting applies for assets and liabilities held for sale.

## EVENTS AFTER BALANCE SHEET DATE

Events may occur after the balance sheet date which provide additional information with regard to the financial situation of the company at balance sheet date (adjusting events). This information allows the adjustment of estimations and a better reflection of the actual situation on the balance sheet date. These events require an adjustment of the balance sheet and the profit and loss account. Other events after balance sheet date are mentioned in the notes if they have a significant impact.

## EARNINGS PER SHARE

The group calculates both the basic earnings per share as the diluted earnings per share in accordance with IAS 33. The basic earnings per share are calculated on the basis of the weighted average number of outstanding shares during the period. Diluted earnings per share are calculated according to the average number of shares outstanding during the period plus the diluted effect of the warrants and stock options outstanding during the period.

## SEGMENT REPORTING

### 1. Primary segment reporting

Ackermans & van Haaren is currently a diversified group which is active in the following core sectors:

1. **Building, dredging and environmental services** with DEME, one of the largest dredging companies in the world, Algemene Aannemingen Van Laere, a major contractor in Belgium, and Société Nationale de Transport par Canalisation

2. **Real estate and related services** with Leasinvest Real Estate, a listed real-estate investment trust, Extensa, an important land and real estate developer focused on Belgium and Luxemburg and Cobelguard, the fourth largest group in the Belgian security market.

3. **Financial services** with Bank Delen, one of the largest independent private asset managers in Belgium, Bank J. Van Breda & C°, a niche-bank for entrepreneurs and liberal professions in Belgium and the insurance company BDM-ASCO.

4. **Private equity** with Sofinim, one of the largest risk capital providers in Belgium, and GIB.

5. The headquarter activity is bundled in the 5th segment **AvH and subholdings**.

Until mid 2005, Solvus was the core activity of the **Human Resources services** segment.

### 2. Secondary segment reporting

The activities of the globally integrated consolidated companies are mainly concentrated in Belgium, Luxemburg, the Netherlands and France.

## 1. Fully consolidated subsidiaries

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2006	Beneficial interest % 2005
<b>BUILDING-, DREDGING- &amp; ENVIRONMENTAL SERVICES</b>				
<b>Algemene Aannemingen Van Laere</b>	0405.073.285	Belgium	100.00%	100.00%
Anmeco	0458.438.826	Belgium	100.00%	100.00%
Groupe Thiran	0425.342.624	Belgium	99.95%	99.95%
TPH Van Laere	43.434.858.544	France	99.76%	99.76%
V.P.N.	86.325.696.375	France	74.50%	74.50%
Van Laere Infrabouw	810.124.282	Netherlands	90.00%	90.00%
Vandendorpe	0417.029.625	Belgium	90.32%	90.32%
Wefima	0424.903.055	Belgium	100.00%	100.00%
<b>Société Nationale de Transport par Canalisation</b>	0418.190.556	Belgium	75.00%	75.00%
Quinten Matsys	0424.256.125	Belgium	75.00%	75.00%
Corepi	1993.2215.066	Luxemburg	75.00%	75.00%
<b>REAL ESTATE AND RELATED SERVICES</b>				
<b>Extensa Group</b>	0425.459.618	Belgium	100.00%	100.00%
Citérim <sup>(3)</sup>	0450.016.058	Belgium	100.00%	
De Leeuwe <sup>(1)</sup>	0457.482.583	Belgium		100.00%
Extensa	0466.333.240	Belgium	100.00%	100.00%
Extensa Istanbul	566454/514036	Turkey	100.00%	
Extensa Land I	0465.058.085	Belgium	100.00%	100.00%
Extensa Land II	0406.211.155	Belgium	100.00%	100.00%
Extensa Luxembourg	1999.2229.988	Luxemburg	100.00%	100.00%
Extensa Nederland	801.966.607	Netherlands	100.00%	100.00%
Extensa Participations I	2004.2421.120	Luxemburg	100.00%	100.00%
Extensa Participations II	2004.2421.090	Luxemburg	100.00%	100.00%
Extensa Slovakia	36.281.441	Slovakia	100.00%	
Grossfeld Immobilière <sup>(3)</sup>	2001.2234.458	Luxemburg	100.00%	
Kinna Finance	0465.054.523	Belgium	100.00%	100.00%
Kinna I	0465.054.721	Belgium	100.00%	100.00%
Kinna II	0465.054.919	Belgium	100.00%	100.00%
Leasinvest Finance	0461.340.215	Belgium	100.00%	100.00%
Leasinvest Real Estate Management	0466.164.776	Belgium	100.00%	100.00%
Logistics Finance I <sup>(1)</sup>	0418.979.325	Belgium		100.00%
Metropool 2000	0444.461.225	Belgium	100.00%	100.00%
Stevibis	0446.953.135	Belgium	100.00%	100.00%
UPO Invest	0473.705.438	Belgium	100.00%	100.00%
Vilvlease	0456.964.525	Belgium	100.00%	100.00%
Warehouse Finance <sup>(1)</sup>	0419.819.463	Belgium		100.00%
<b>Leasinvest Real Estate <sup>(2)</sup></b>	0436.323.915	Belgium	29.23%	
De Leeuwe <sup>(1)</sup>	0457.482.583	Belgium	29.23%	
Leasinvest Real Estate Facility Services	0878.901.063	Belgium	28.94%	
Leasinvest Immo Lux	1991.8500.012	Luxemburg	27.96%	
Leasinvest Immo Lux Conseil	1991.4000.036	Luxemburg	29.23%	
Logistics Finance I <sup>(1)</sup>	0418.979.325	Belgium	29.23%	
Warehouse Finance <sup>(1)</sup>	0419.819.463	Belgium	29.23%	
<b>FINANCIAL SERVICES</b>				
<b>Bank J. Van Breda &amp; C°</b>	0404.055.577	Belgium	75.00%	75.00%
Van Breda Car Finance	0475.277.432	Belgium	75.00%	75.00%
Beherman Vehicle Supply	0473.162.535	Belgium	60.00%	60.00%
Beherman Vehicle Finance	0473.376.232	Belgium	60.00%	60.00%
Station Zuid	0454.664.041	Belgium	75.00%	75.00%
<b>Finaxis</b>	0462.955.363	Belgium	75.00%	75.00%
<b>PRIVATE EQUITY</b>				
<b>Sofinim</b>	0434.330.168	Belgium	74.00%	74.00%
Sofinim Luxembourg	2003.2218.661	Luxemburg	74.00%	74.00%
Mabeco	0428.604.101	Belgium	74.00%	74.00%

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2006	Beneficial interest % 2005
<b>SUBHOLDINGS AvH</b>				
Anfima	0426.265.213	Belgium	100.00%	100.00%
AvH Coordination Center	0429.810.463	Belgium	99.68%	99.68%
Avafin-Re	1991.2210.289	Luxemburg	100.00%	100.00%
Brinvest	0431.697.411	Belgium	98.71%	98.71%
NIM	0403.232.661	Belgium	100.00%	100.00%
Profimolux	1992.2213.650	Luxemburg	100.00%	100.00%
Protalux	1991.4015.963	Luxemburg	100.00%	100.00%
Urbaninfra	0419.510.944	Belgium	100.00%	100.00%

(1) These real estate companies were sold in 2006 by Extensa to AXA Belgium, which subsequently contributed these assets to Leasinvest Real Estate, which resulted in a dilution of 35.52% to 29.23%.

(2) The acquisition of the exclusive control of Leasinvest Real Estate at the beginning of 2007, as a result of a change to the shareholders' agreement between Extensa and AXA Belgium, resulted in full consolidation at the end of 2006 (minority interests of 70.77%).

(3) The increased beneficial interest resulted in exclusive control and consequently full consolidation.

## 2. Jointly controlled subsidiaries accounted for using the equity method

Name of subsidiary (x 1,000 euro)	Registration nr	Registered office	Beneficial interest % 2006	Beneficial interest % 2005	Total assets	Total liabilities	Turnover	Net-result
<b>BUILDING-, DREDGING- &amp; ENVIRONMENTAL SERVICES</b>								
<b>D.E.M.E.</b>	0400.473.705	Belgium	50.00%	50.00%	1,323,786	985,911	1,077,470	50,417
<b>Société Nationale de Transport par Canalisation</b>								
Corenox	0444.375.608	Belgium	37.50%	37.50%	329	57	1,127	36
Napro	0437.272.139	Belgium	37.50%	37.50%	571	162	190	117
Nitraco	0450.334.376	Belgium	37.50%	37.50%	11,362	9,616	1,425	97
Pipe-Line Antwerpen-Limburg-Luik	0417.381.397	Belgium	38.25%	38.25%	4,158	1,278	3,967	0
<b>REAL ESTATE AND RELATED SERVICES</b>								
<b>Extensa Group</b>								
Grossfeld Immobilière <sup>(3)</sup>	2001.2234.458	Luxemburg		50.00%				
Implant	0434.171.208	Belgium	50.00%	50.00%	4,729	2,060	60	104
Project T&T	0476.392.437	Belgium	50.00%	50.00%	11,078	11,965	772	-507
T&T Koninklijk Pakhuis	0863.090.162	Belgium	50.00%	50.00%	74,097	58,735	3,565	15,116
T&T Openbaar Pakhuis	0863.093.924	Belgium	50.00%	50.00%	10,610	10,103	2,077	1,090
T&T Parking	0863.091.251	Belgium	50.00%	50.00%	6,686	5,420	253	1,684
<b>Leasinvest Real Estate <sup>(4)</sup></b>	0436.323.915	Belgium		35.52%				
<b>FINANCIAL SERVICES</b>								
<b>ASCO</b>	0404.454.168	Belgium	50.00%	50.00%	37,424	26,772	5,996	1,559
<b>B.D.M</b>	0404.458.128	Belgium	50.00%	50.00%	27,922	23,994	6,901	697
<b>Bruns ten Brink</b>		Netherlands	50.00%	50.00%	6,200	5,251	3,562	226
<b>Delen Investments <sup>(1)</sup></b>	0423.804.777	Belgium	75.00%	75.00%	1,299,813	1,151,039	84,668	30,007

Name of subsidiary (x 1,000 euro)	Registration nr	Registered office	Beneficial interest % 2006	Beneficial interest % 2005	Total assets	Total liabilities	Turnover	Net- result
<b>PRIVATE EQUITY</b>								
<b>Quick Restaurants</b> <sup>(2)</sup>	0412.121.524	Belgium		28.94%				
<b>Financière Flo</b> Groupe Flo	39.349.570.937 09.349.763.375	France France	33.00% 23.37%		100,952 398,500	71,370 264,700	0 348,500	-2,519 19,009
<b>Financière Trasys</b> Trasys	0881.214.910 0429.117.706	Belgium Belgium	45.97% 45.97%		33,941 30,104	23,869 20,543	0 64,459	1,093 3,578
<b>SUBHOLDINGS AvH</b>								
<b>GIB-subgroep</b>	0404.869.783	Belgium	50.00%	50.00%	472,059	81,061	0	363,103

(1) After the reorganisation of the shareholder structure of Finaxis, since the beginning of 2004, AvH holds 75% of Delen Investments C.V.A.

(2) GIB sold its participation in Quick Restaurants to the French group CDC Capital Investissement in the fourth quarter of 2006.

(3) The increased beneficial interest resulted in exclusive control and consequently full consolidation.

(4) The acquisition of the exclusive control of Leasinvest Real Estate at the beginning of 2007, as a result of a change to the shareholders' agreement between Extensa and AXA Belgium, resulted in full consolidation at the end of 2006.

IAS 31 offers the option of including jointly controlled subsidiaries in the consolidated accounts according to the proportional consolidation or the alternative equity method. AvH has opted for the equity method.  
The jointly control results from the shareholder structures or agreements.

### 3. Main subsidiaries and jointly controlled subsidiaries not included in the consolidation scope

Name of subsidiary (x 1,000 euro)	Registration nr	Registered office	Beneficial interest % 2006	Reason for exclusion	Total assets	Total liabilities	Turnover	Net- result
<b>BUILDING-, DREDGING- &amp; ENVIRONMENTAL SERVICES</b>								
<b>Algemene Aannemingen Van Laere</b>								
VKV Gmbh		Germany	50.00%	(1)	252	141	39	26
VLK Gmbh		Germany	50.00%	(1)	643	370	22	6
S.C.I. De la Vallee		France	100.00%	(1)	336	227	102	93
<b>REAL ESTATE AND RELATED SERVICES</b>								
<b>Extensa Group</b>								
Beekbaarimmo	1999.2223.718	Luxemburg	50.00%	(1)	251	30	0	-11
Finance and Promotion	0426.357.758	Belgium	100.00%	(1)	2	38	0	-7
Leasinvest Development	0405.767.232	Belgium	100.00%	(1)	1,880	5	0	51
Hypo G	0461.696.244	Belgium	20.00%	(1)	23,336	23,274	0	6
<b>SUBHOLDINGS AvH</b>								
Asco Life	0475.402.641	Belgium	75.00%	(1)	44,043	40,238	13,843	-59
Belcadi	0033.38.885	Netherlands	72.00%	(1)	2	393	0	-7
BOS	0422.609.402	Belgium	100.00%	(1)	279	4	0	0
Cruiser	0060.52.113	Netherlands	100.00%	(1)	1	138	0	-7
GNR <sup>(2)</sup>		Antillen	100.00%	(1)	75	7	0	-5
InTouch Telecom Europe		Netherlands	50.00%	(1)	1,478	234	0	39
Vlaamse Beleggingen	0082.92.942	Netherlands	100.00%	(1)	585	4,789	0	-188
Rent a port	0885.565.854	Belgium	50.00%					

(1) Investments of negligible significance. (2) Figures of GNR in 1000 USD



## 1. Associated participating interests accounted for using the equity method

Name of associated entity (x 1,000 euro)	Registration nr	Registered office	Beneficial interests % 2006	Beneficial interests % 2005	Total assets	Total liabilities	Turnover	Net-result
<b>BUILDING-, DREDGING- &amp; ENVIRONMENTAL SERVICES</b>								
<b>Société Nationale de Transport par Canalisation</b>								
Lighthouse Parkings	0875.441.034	Belgium	33.33%	33.33%	25,968	22,809	15,682	2,997
<b>Nationale Maatschappij der Pijpleidingen</b>								
Belgian Pipe Control	0446.109.037	Belgium	18.75%	18.75%	301	146	473	2
<b>REAL ESTATE AND RELATED SERVICES</b>								
<b>Extensa Group</b>								
Citérim sa (1)	0450.016.058	Belgium		49.23%				
Grossfeld PAP	2005.2205.809	Luxemburg	25.00%	25.00%	19,273	17,824	0	-42
FDC Targu Mures	0331.95.794	Netherlands	30.00%		5,595	524	0	-61
<b>Cobelguard</b>	0448.564.424	Belgium	40.00%		10,157	6,877	29,757	962
<b>FINANCIAL SERVICES</b>								
<b>Bank J.Van Breda &amp; C°</b>								
Power Lease	0459.618.860	Belgium	37.50%	37.50%	174	2	11	11
Finauto	0464.646.232	Belgium	37.50%	37.50%	3,177	3,000	786	-15
Antwerpse Financiële Handelsmaatschappij	0418.759.886	Belgium	37.50%	37.50%	932	788	190	-44
Financieringsmaatschappij Definco	0415.155.644	Belgium	37.50%	37.50%	162	8	43	2
Necadis Credit	0412.639.384	Belgium	37.50%	37.50%	159	3	25	17
Jaguar Finance Belgium (in liquidation)	0462.174.118	Belgium	37.50%	37.50%	9	2	0	4
Informatica J. Van Breda & C°	0427.908.174	Belgium	30.00%	30.00%	3,285	2,131	4,079	5

(1) The increased stake resulted in exclusive control and consequently full consolidation.

## 2. Associated participating interests not accounted for using the equity method

Name of associated entity (x 1,000 euro)	Registration nr	Registered office	Beneficial interests % 2006	Reason for exclusion	Total assets	Total liabilities	Turnover	Net-result
<b>BUILDING-, DREDGING- &amp; ENVIRONMENTAL SERVICES</b>								
<b>Algemene Aannemingen Van Laere</b>								
Proffund	0475.296.317	Belgium	33.33%	(1)	8,437	7,189	2,653	203
<b>SUBHOLDINGS AvH</b>								
Belgian Media Holding	0446.404.787	Belgium	49.99%	(1)	72	0	0	-6
Henschel Engineering	0404.002.030	Belgium	50.00%	(1)	14,485	4,321	38,533	1,369
I.B.F.	0417.827.795	Belgium	30.00%	(1)	8,619	7,017	14,622	504
Nivelinvest	0430.636.943	Belgium	25.00%	(1)	32,308	24,860	442	336

(1) Investments of negligible significance

(x 1,000 euro)	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segment 4 Private Equity	Segment 5 AvH and sub- holdings	Elimina- tions between segments	Total 2006
Primary segment information							
<b>Revenue</b>	229,705	13,104	126,644	7	6,468	-3,894	372,034
Sale of goods							0
Rendering of services	16,373				4,755	-2,627	18,501
Lease revenue		2,060	7,561				9,621
Real estate revenue		10,399					10,399
Interest income - banking activities			98,158				98,158
Commissions receivable - banking activities			18,283				18,283
Revenue from construction contracts	209,359						209,359
Other operating revenue	3,973	645	2,642	7	1,712	-1,267	7,712
<b>Other operating income</b>	22	272	47	7,494	8,950	-1,000	15,785
Interest on financial fixed assets - receivables				252	962	-521	692
Dividends	22	272	47	7,214	7,507		15,062
Capital grants							0
Other operating income				28	482	-478	32
<b>Operating expenses ( - )</b>	-222,604	-11,461	-111,729	-4,855	-3,173	4,372	-349,450
Raw materials and consumables used ( - )	-156,815	-3,208					-160,023
Changes in inventories ( - )	72	-536					-464
Interest expenses Bank J.Van Breda & C° ( - )			-65,533				-65,533
Employee expenses ( - )	-30,159	-1,922	-24,241	-169	-2,752		-59,244
Depreciation ( - )	-5,146	-551	-774	-10	-123		-6,605
Impairment losses ( - )	-535	-873	-684	771	-202		-1,523
Other operating expenses ( - )	-30,503	-4,438	-20,196	-5,172	-8,593	4,372	-64,530
Provisions	481	68	-300	-275	8,497		8,471
<b>Profit (loss) from operating activities</b>	7,124	1,915	14,962	2,645	12,245	-521	38,370
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>							
Private equity		1,171	74	11,639	224		13,108
Financial assets held for trading			-952	11,639			11,639
Investment property		1,342					-952
Derivative financial instruments		-171	1,026		224		1,342
<b>Profit (loss) on disposal of assets</b>	49	7,269	2,008	8,110	13,980		31,416
Realised gain(loss) on intangible and tangible assets	43	727	-16		5		760
Realised gain(loss) on investment property							0
Realised gain(loss) on financial fixed assets		6,541	533	8,111	11,969		27,154
Realised gain(loss) on other assets	6		1,491	-1	2,006		3,502
<b>Finance income</b>	1,801	1,513	19,783	4,467	4,670	-3,844	28,389
Interest income	1,512	782	19,782	4,467	4,666	-3,844	27,365
Other finance income	288	731	1		4		1,024
<b>Finance costs ( - )</b>	-1,465	-3,842	-2,947	-123	-6,990	4,365	-11,003
Interest expenses ( - )	-1,100	-3,492	-2,947	-105	-5,804	4,365	-9,083
Other finance costs ( - )	-366	-350		-18	-1,186		-1,920
<b>Share of profit (loss) from equity accounted investments</b>	26,404	20,196	31,247	162,345	-2,464		237,728
<b>Other non-operating income</b>	33	1,436		756	1,862		4,086
<b>Other non-operating expenses ( - )</b>		-13					-13
<b>Profit (loss) before tax</b>	33,945	29,644	65,126	189,840	23,527	0	342,081
<b>Income taxes</b>	-1,935	-1,118	-9,931		36		-12,947
Deferred taxes	696	-1,023	102		66		-160
Current taxes	-2,631	-94	-10,033		-30		-12,787
<b>Profit (loss) after tax from continuing operations</b>	32,010	28,526	55,196	189,840	23,563	0	329,135
<b>Profit (loss) after tax from discontinued operations</b>							0
<b>Profit (loss) of the period</b>	32,010	28,526	55,196	189,840	23,563	0	329,135
Minority interests	683	0	13,615	7,149	87		21,534
Share of the group	31,327	28,526	41,580	182,690	23,476		307,600

**Building-, dredging- & environmental services: contribution to group result of AvH: 31.3 million euro**

The 50% share of AvH in the results of DEME amounts to 25.2 million euro and makes it the largest contributor. As DEME is a jointly controlled subsidiary of AvH, its contribution has been included through the equity method which implies that DEME's entire profit contribution is summarized on a single line.

In 2006, DEME's turnover increased by 27% (1,077.5 million euro) and its net profit by 24% (50.4 million euro). The fleet was nearly fully utilised. DEME's result from operating activities was affected by some loss-making contracts in the Middle-East and India, including the project for the construction of a new site destined for a new airport in Doha, Qatar. DEME has made provisions for the entire loss related to these sites, as provided at the end of the project, however, without taking into account possible claims and compensation that may be obtained.

The consolidated accounts of Algemene Aannemingen Van Laere and Société Nationale de Transport par Canalisation are included according to full consolidation.

The Van Laere group experienced an active 2006 during which all companies of the group contributed to profit. The 33% stake in "Lighthouse Parkings" in Knokke also made for a positive contribution (included through the equity method).

The growing cash position of SNTC, linked to higher interest rates, resulted in an increase of interest income.

**Real estate and related services: contribution to group result of AvH: 28.5 million euro**

Real estate and related services have only been considered as a separate segment since 2006. Previously, the contributions of Extensa and LRE were included in "financial services". Thanks to significant earnings realised in 2006, the positive forecasts for the coming years and the development of the activity via newly acquired stakes in Cobelguard (2006) and Groupe Financière Duval (2007), "real estate and related services" has clearly made its mark as one of the strategic activities of AvH.

As a result of the changes made to the shareholders' agreement between Axa Belgium and Extensa, with the most recent made in the beginning of 2007, it is clear that Extensa has exclusive control of the listed company Leasinvest Real Estate (LRE). As a result of this, the participating interest in LRE will from 2007 onwards be fully consolidated. For the balance sheet, this is already processed as such in the 2006 annual accounts. The contribution of LRE has been presented in the profit and loss account for the last time through the equity method. This contribution by LRE increased considerably in 2006, partly as a result of LRE's acquisition of Dexia Immo Lux (now Leasinvest Immo Lux).

The results of the real estate activities of Extensa were positively influenced by the realisation of 7.3 million euro capital gains on the sale of part of the Extensa portfolio to LRE and Axa Belgium, the latter subsequently contributed these assets to LRE, by the beginning of the commercialization of Extensa's land inventory, as well as by the revaluation of the rented real estate owned by the project companies of "Tour & Taxis" which are included through the equity method.

**Financial services: contribution to group result: 41.6 million euro**

The majority of this contribution consists of the contribution of the Finaxis group (share of the group 75%) which includes the profits of the bank groups Bank Delen and Bank J. Van Breda & C° and, to a lesser extent, the much smaller contribution of the insurance company "BDM-Asco" in which AvH has a 50% interest, which is included using the equity method. Similar to last year, we wish to draw attention to the full consolidation (via Finaxis) of the interest in Bank J. Van Breda & C° and the incorporation of the participating interest in Delen Investments through the equity method.

**Private equity: contribution to group result: 182.7 million euro**

AvH is active in private equity via two structures: Sofinim (with a minority interest of 26% owned by NPM÷Capital) and GIB (investments included using the equity method given the joint participating interests with Compagnie Nationale à Portefeuille).

The contribution of Quick (the incorporation of the share in the results of the first 9 months as well as the capital gain of 150 million euro on the sale of the participation) is included in the profit from equity accounted investments.

The private equity portfolio of Sofinim is included on the basis of "fair value" whereby the changes in fair value extend across the profit and loss account.

**AvH and subholdings: contribution to group result: 23.5 million euro**

Besides the revenues and costs that relate to the management of the subsidiaries and the treasury position of AvH and subholdings, this segment includes the income of non-consolidated participating interests, consisting of dividends as well as realised capital gains or losses. Capital gains, amongst others, were realised on the sale of the participating interests in Soficatra and Teleskop, as well as on the partial sale of stakes in IBF and Belfimas.

Contrary to 2005, only a small capital gain was realised on the investment portfolio with a contribution of 2.0 million euro to the results of AvH.

(x 1,000 euro)	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segment 4 Private Equity	Segment 5 AvH and sub- holdings	Elimina- tions between segments	Total 2006
Primary segment information							
<b>I. NON-CURRENT ASSETS</b>	212,272	519,653	1,320,617	197,503	395,139	-13,900	2,631,284
<b>Intangible assets</b>		151	1,240				1,391
<b>Goodwill</b>	2,487	112	421		114,806		117,826
<b>Tangible assets</b>	27,768	7,950	23,692	26	10,003		69,439
<b>Investment property</b>	2,749	468,555					471,304
<b>Participations accounted for using the equity method</b>	176,696	26,105	158,204	32,654	194,734		588,393
<b>Financial fixed assets</b>	1,812	636	22	164,823	71,885	-13,900	225,278
Private equity participations				162,117			162,117
Available for sale financial fixed assets	610	617	1		51,467		52,694
Receivables and warranties	1,202	19	21	2,706	20,418	-13,900	10,466
<b>Non-current hedging instruments</b>		1,660	12,975		72		14,707
<b>Amounts receivable after one year</b>	505	12,696	58,647		103		71,951
Finance lease receivables		11,856	58,415				70,271
Other receivables	505	841	232		103		1,681
<b>Deferred tax assets</b>	254	1,788			3,536		5,579
<b>Banks - receivables from credit institutions and clients after one year</b>			1,065,416				1,065,416
<b>II. CURRENT ASSETS</b>	147,613	92,046	1,446,163	181,950	359,801	-137,379	2,090,194
<b>Assets held for sale</b>		27,698					27,698
<b>Inventories</b>	1,226	33,399					34,625
<b>Amounts due from customers under construction contracts</b>	2,260						2,260
<b>Investments</b>	1,079	7,748	593,269	30,122	203,582		835,801
Available for sale financial assets	1,079	7,748	572,462	30,122	203,582		814,994
Financial assets held for trading			20,807				20,807
Time deposits for more than three months							
<b>Current hedging instruments</b>			896				896
<b>Amounts receivable within one year</b>	111,370	9,029	67,067	97,800	47,182	-137,275	195,173
Trade debtors	83,255	4,921			1,801	-948	89,029
Finance lease receivables		1,064	28,136				29,200
Other receivables	28,115	3,044	38,931	97,800	45,381	-136,327	76,944
<b>Current tax receivables</b>	248	580	2,246	368	1,640		5,082
<b>Banks - receivables from credit institutions and clients within one year</b>			752,049				752,049
<b>Cash and cash equivalents</b>	31,204	12,290	12,102	53,453	105,728		214,778
Time deposits for less than three months	20,059			53,275	104,178		177,512
Cash	11,144	12,290	12,102	178	1,550		37,265
<b>Deferred charges and accrued income</b>	228	1,303	18,533	207	1,668	-104	21,834
<b>TOTAL ASSETS</b>	359,885	611,699	2,766,780	379,453	754,939	-151,279	4,721,478

(x 1,000 euro)	Segment 1 BELUX	Segment 2 Others	Elimina- tions between segments	Total 2006
Secondary segment information				
Revenue	359,616	12,478	-60	372,034
Total assets	4,685,897	43,356	-7,775	4,721,478
Investments <sup>(1)</sup>	88,398	8,880		97,278

(1) corresponds with the cash flow from investing activities, excluding the acquisition of investments (page 78)

(x 1,000 euro)

	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segment 4 Private Equity	Segment 5 AvH and sub- holdings	Elimina- tions between segments	Total 2006
Primary segment information							
<b>I. TOTAL EQUITY</b>	236,283	282,210	391,251	372,918	520,591		1,803,253
<b>Equity - group share</b>	227,137	98,796	295,447	284,442	517,844		1,423,664
<b>Issued capital</b>					113,907		113,907
Share capital					2,295		2,295
Share premium					111,612		111,612
<b>Consolidated reserves</b>	229,577	96,961	294,719	271,736	258,159		1,151,151
<b>Revaluation reserves</b>	-2,440	1,835	727	12,706	156,539		169,368
Financial assets available for sale		1,667	-1,972	12,601	156,539		168,835
Hedging reserves	461	175	2,809	105			3,551
Translation differences	-2,901	-7	-109				-3,018
<b>Treasury shares ( - )</b>					-10,762		-10,762
<b>Minority interests</b>	9,146	183,414	95,804	88,476	2,747		379,588
<b>II. NON-CURRENT LIABILITIES</b>	34,546	163,153	594,254	385	33,139	-13,900	811,576
<b>Provisions</b>	1,062	1,890	792	385	21,442		25,571
<b>Pension liabilities</b>	292		483		743		1,518
<b>Deferred tax liabilities</b>	11,809	5,250	1,447		6,939		25,444
<b>Financial debts</b>	19,776	154,008	62,397		17	-13,900	222,297
Bank borrowings	19,573	140,108					159,681
Debentures							0
Subordinated borrowings	200		62,397				62,597
Finance leases	3				17		20
Other borrowings		13,900				-13,900	0
<b>Non-current hedging instruments</b>		81	4,897				4,978
<b>Other amounts payable after one year</b>	1,606	1,924	3,587		4,000		11,117
<b>Banks - debts to credit institutions, clients &amp; securities</b>			520,651				520,651
<b>III. CURRENT LIABILITIES</b>	89,056	166,337	1,781,275	6,151	201,209	-137,379	2,106,649
<b>Liabilities held for sale</b>							0
<b>Provisions</b>							0
<b>Pension liabilities</b>			50				50
<b>Financial debts</b>	2,225	145,172	233	5,245	193,097	-135,882	210,090
Bank borrowings	2,225	860					3,085
Subordinated borrowings			233				233
Finance leases					5		5
Other borrowings		144,312		5,245	193,092	-135,882	206,768
<b>Current hedging instruments</b>		174	438				612
<b>Amounts due to customers under construction contracts</b>	6,185						6,185
<b>Other amounts payable within one year</b>	79,110	10,850	8,558	735	7,362	-1,330	105,285
Trade debtors	73,713	3,512	9	302	1,188	-1,025	77,698
Advances received on construction contracts		1,020					1,020
Amounts payable regarding remuneration and social security	5,004	449	8,355	21	977		14,806
Other amounts payable	394	5,869	194	412	5,197	-305	11,761
<b>Current tax payables</b>	616	1,245	6,982		33		8,875
<b>Banks - debts to credit institutions, clients &amp; securities</b>			1,740,485				1,740,485
<b>Accrued charges and deferred income</b>	921	8,897	24,529	171	717	-167	35,067
<b>TOTAL EQUITY AND LIABILITIES</b>	359,885	611,699	2,766,780	379,453	754,939	-151,279	4,721,478

NOTE 4 / SEGMENT INFORMATION – CASH FLOW  
STATEMENT 2006

(x 1,000 euro)

	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segment 4 & 5 AvH, sub- holdings & Private Equity	Elimina- tions between segments	Total 2006
Primary segment information						
<b>I. CASH AND CASH EQUIVALENTS, OPENING BALANCE</b>	33,068	4,668	8,431	304,922	0	351,090
<b>Profit (loss) from operating activities</b>	7,124	1,915	14,962	14,890	-521	38,370
Dividends from participations accounted for using the equity method	158	4,887	15,605	6,822		27,472
Other non-operating income (expenses)	33	19		756		807
Income taxes	-1,935	-1,118	-9,931	36		-12,947
Profit (loss) from discontinued operating activities						0
<b>Non-cash adjustments</b>						
Depreciation	5,146	551	774	134		6,605
Impairment losses	535	873	677	-569		1,516
Share based payment	330	249	-6,667	23		-6,066
(De)increase of provisions	-298	-153	-56	-8,222		-8,729
(De)increase of deferred taxes	-696	1,023	-102	-66		160
Other non-cash income (expenses)				618		618
<b>Cash Flow</b>	10,395	8,248	15,263	14,421	-521	47,806
<b>Decrease (increase) of working capital</b>	-4,032	9,507	133,353	-110,561		28,266
Decrease (increase) of inventories and construction contracts	97	748				846
Decrease (increase) of amounts receivable	-29,119	9,904	9,443	-34,057		-43,829
Decrease (increase) of receivables from credit instit. and clients (banks)			182,731			182,731
Increase (decrease) of liabilities (other than financial debts)	25,767	-652	755	-75,193		-49,323
Increase (decrease) of debts to credit instit, clients & securities (banks)			-66,272			-66,272
Decrease (increase) other	-777	-494	6,696	-1,311		4,113
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	6,363	17,754	148,615	-96,140	-521	76,072
<b>Investments</b>	-4,216	-7,416	-1,030,967	-97,386	3,919	-1,136,066
Acquisition of intangible and tangible assets	-1,569	-172	-13,811	-6,192		-21,744
Acquisition of investment property		-8				-8
Acquisition of (new) fully consolidated participations						0
Acquisition of supplementary shareholding in fully consolidated participations		-2,637			2,637	0
Acquisition of financial fixed assets	-467	-4,590	-1	-64,045	1,282	-67,822
New amounts receivable	-215	-9		-7,482		-7,705
Acquisition of investments	-1,965		-1,017,155	-19,667		-1,038,788
<b>Divestments</b>	1,670	25,811	890,869	67,481	-3,919	981,912
Disposal of intangible and tangible assets	117	350		50		517
Disposal of investment property		2,396				2,396
Disposal of fully consolidated participations		22,977				22,977
Partial disposal of fully consolidated participations						0
Disposal of financial fixed assets			856	45,227	-2,637	43,446
Reimbursements of amounts receivable	580	87				667
Disposal of investments	974		890,013	22,203	-1,282	911,908
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-2,546	18,394	-140,098	-29,905	0	-154,155
<b>Financial operations</b>						
Interest received	1,512	782	22,087	6,268	-3,844	26,805
Interest paid	-1,100	-3,492	-2,947	-3,224	4,365	-6,397
Other financial income (costs)	-77	381	1,842	-1,199		946
(De)increase of issued capital						0
(De)increase of treasury shares				-8,549		-8,549
(De)increase of financial debts	-4,917	-34,679	4,131	-7,582		-43,048
Distribution of profits				-29,993		-29,993
Dividends paid to minority interests	-1,100	-3,500	-29,959	24,584		-9,975
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-5,682	-40,509	-4,846	-19,696	521	-70,212
<b>II. NET VARIATION IN CASH AND CASH EQUIVALENTS</b>	-1,865	-4,360	3,671	-145,741	0	-148,294
Change consolidation method (full consolidation <-> equity method)		11,989				11,989
Impact of exchange rate changes on cash and cash equivalents		-7				-7
<b>III. CASH AND CASH EQUIVALENTS - ENDING BALANCE</b>	31,203	12,290	12,102	159,181	0	214,778

**Segment 1:  
Building-, dredging- & environmental  
services**

This cash flow overview includes the cash movements of the groups Algemene Aanemingen Van Laere and Société Nationale de Transport par Canalisation. The cash flows of DEME, the largest subsidiary in this segment, are not visible due to the processing of this interest via the equity method.

**Segment 2:  
Real estate and related services**

The cash flows of Leasinvest Real Estate (LRE) are not yet visible in this overview because the stake has been included in the consolidated accounts of 2006 using the equity method. As already indicated on page 89, the consolidation method has been adjusted so that the cash flows of LRE will also be visible in the coming years. With regard to this transition, an adjustment item has been included in this segment to correspond with the balance sheet position on 31.12.2006, where LRE was already fully incorporated.

The investments are related, among others, to the increase of the participating interest in the development company Citérim (now controlled 100% by Extensa) and the stake in a real estate project in Romania.

The divestments relate to a number of real estate assets that were sold by Extensa to Axa Belgium/LRE.

**Segment 3:  
Financial services**

As the participating interests in the groups Delen Investments and BDM-Asco are included using the equity method, the figures in this segment concern almost exclusively cash flows from the accounts of Bank J.Van Breda & C°.

**Segments 4 and 5:  
Private Equity and AvH and subholdings**

The investment activity of AvH and Private Equity are only partially reflected in this overview: it only includes the participations that were acquired directly by Sofinim (new participation in a.o. Turbo's Hoet Group, Alupa and Oleon Biodiesel or the increase of the share in current subsidiaries such as NMC, UBF Media Group and Oleon) or AvH (Cobelguard). Neither the investment activity (Groupe Flo, Trasys) nor the divestment activity (Quick) via GIB is visible here.

The sale of participations in the case of Sofinim concerns mainly SCF and the sale of part of the position in Atenor, and in the case of AvH a number of non-consolidated participations such as IBF (partially), Soficatra, Teleskop and Belfimas (partially). In 2006, AvH purchased treasury shares for the amount of 9.5 million euro in order to cover all outstanding option obligations. On the other hand, treasury shares amounting to 1 million euro were sold to cover exercised options.



(x 1,000 euro)	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segment 4 Private Equity	Segment 5 AvH and sub- holdings	Elimina- tions between segments	Total 2005
Primary segment information							
<b>I. NON-CURRENT ASSETS</b>	201,935	160,145	1,191,371	180,795	190,057	-13,900	1,910,404
<b>Intangible assets</b>		103	917				1,021
<b>Goodwill</b>	2,487	836	421		114,806		118,549
<b>Tangible assets</b>	31,577	8,649	11,108	36	3,981		55,350
<b>Investment property</b>	2,750	62,407					65,157
<b>Participations accounted for using the equity method</b>	162,109	72,411	143,119	55,154	12,250		445,041
<b>Financial fixed assets</b>	2,197	750	22	125,606	55,036	-13,900	169,710
Private equity participations				123,869			123,869
Available for sale financial fixed assets	812	652	2		41,130		42,595
Receivables and warranties	1,385	98	20	1,737	13,906	-13,900	3,246
<b>Non-current hedging instruments</b>			7,098				7,098
<b>Amounts receivable after one year</b>	566	12,600	57,321		53		70,540
Finance lease receivables		12,600	57,091				69,691
Other receivables	566		230		53		849
<b>Deferred tax assets</b>	250	2,389			3,932		6,571
<b>Banks - receivables from credit institutions and clients after one year</b>			971,366				971,366
<b>II. CURRENT ASSETS</b>	118,600	63,166	1,621,508	195,273	416,475	-116,981	2,298,040
<b>Assets held for sale</b>							0
<b>Inventories</b>	1,066	34,141					35,207
<b>Amounts due from customers under construction contracts</b>	1,899						1,899
<b>Investments</b>	81	5,176	484,143	27,665	172,328		689,393
Available for sale financial assets	81	5,176	484,143	27,665	172,328		689,393
Time deposits for more than three months							
<b>Current hedging instruments</b>			419				419
<b>Amounts receivable within one year</b>	81,044	18,427	75,842	92,257	10,297	-116,182	161,684
Trade debtors	53,128	1,915		13	3,011	-1,603	56,463
Finance lease receivables		905	26,634				27,539
Other receivables	27,916	15,607	49,208	92,245	7,286	-114,579	77,683
<b>Current tax receivables</b>	1,303	542	4,195	538	1,657		8,235
<b>Banks - receivables from credit institutions and clients within one year</b>			1,029,507				1,029,507
<b>Cash and cash equivalents</b>	33,068	4,668	8,431	74,391	230,532		351,090
Time deposits for less than three months	18,567			74,325	229,807		322,698
Cash	14,502	4,668	8,431	66	725		28,392
<b>Deferred charges and accrued income</b>	139	212	18,971	423	1,661	-798	20,607
<b>TOTAL ASSETS</b>	320,535	223,311	2,812,879	376,068	606,531	-130,881	4,208,443

(x 1,000 euro)	Segment 1 BELUX	Segment 2 Others	Elimina- tions between segments	Total 2005
Secondary segment information				
Revenue	333,482	16,319	-64	349,737
Total assets	4,170,522	45,179	-7,257	4,208,443
Investments	25,022	13,297		38,320

(x 1,000 euro)

	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segment 4 Private Equity	Segment 5 AvH and sub- holdings	Elimina- tions between segments	Total 2005
Primary segment information							
<b>I. TOTAL EQUITY</b>	216,951	61,973	373,041	373,466	278,442		1,303,873
<b>Equity - group share</b>	208,248	61,973	281,517	290,698	275,744		1,118,180
<b>Issued capital</b>					113,907		113,907
Share capital					2,295		2,295
Share premium					111,612		111,612
<b>Consolidated reserves</b>	205,661	60,582	275,648	279,914	51,644		873,447
<b>Revaluation reserves</b>	2,588	1,391	5,869	10,784	112,596		133,228
Financial assets available for sale		1,713	6,083	10,782	112,596		131,174
Hedging reserves	1,689	-321	-211				1,157
Translation differences	898		-2	2			898
<b>Treasury shares ( - )</b>					-2,403		-2,403
<b>Minority interests</b>	8,702		91,524	82,768	2,699		185,693
<b>II. NON-CURRENT LIABILITIES</b>	37,708	81,977	826,447	110	49,682	-13,900	982,023
<b>Provisions</b>	1,566	2,017	722	110	34,867		39,281
<b>Pension liabilities</b>	87		472		782		1,340
<b>Deferred tax liabilities</b>	12,500	7,720	4,906		6,698		31,824
<b>Financial debts</b>	22,059	71,747	58,290			-13,900	138,197
Bank borrowings	21,856	53,737					75,594
Debentures							
Subordinated borrowings	200		58,290				58,490
Finance leases	3						3
Other borrowings		18,010				-13,900	4,110
<b>Non-current hedging instruments</b>			4,242		153		4,395
<b>Other amounts payable after one year</b>	1,495	493	10,252		7,183		19,424
<b>Banks - debts to credit institutions, clients &amp; securities</b>			747,563				747,563
<b>III. CURRENT LIABILITIES</b>	65,877	79,360	1,613,391	2,493	278,407	-116,981	1,922,547
<b>Liabilities held for sale</b>							0
<b>Provisions</b>			250				250
<b>Pension liabilities</b>			51				51
<b>Financial debts</b>	4,629	71,853	209	390	195,111	-114,579	157,612
Bank borrowings	4,628	6,415					11,043
Subordinated borrowings			209				209
Finance leases	1				5		5
Other borrowings		65,438		390	195,106	-114,579	146,355
<b>Current hedging instruments</b>		383	543				926
<b>Amounts due to customers under construction contracts</b>	5,567						5,567
<b>Other amounts payable within one year</b>	53,277	4,242	8,150	136	81,511	-325	146,992
Trade debtors	47,742	730	9	130	1,159	-325	49,446
Advances received on construction contracts							
Amounts payable regarding remuneration and social security	3,761	495	7,638	6	413		12,312
Other amounts payable	1,774	3,017	503		79,939		85,233
<b>Current tax payables</b>	795	343	6,916	4	354		8,411
<b>Banks - debts to credit institutions, clients &amp; securities</b>			1,579,845				1,579,845
<b>Accrued charges and deferred income</b>	1,609	2,540	17,427	1,964	1,431	-2,076	22,893
<b>TOTAL EQUITY AND LIABILITIES</b>	320,535	223,311	2,812,879	376,068	606,531	-130,881	4,208,443

(x 1,000 euro)	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segment 4 Private Equity	Segment 5 AvH and sub- holdings	Discon- tinued operation Solvus	Elimina- tions between segments	Total 2005
Primary segment information								
<b>Revenue</b>	<b>201,508</b>	<b>12,035</b>	<b>133,706</b>	<b>18</b>	<b>5,976</b>		<b>-3,507</b>	<b>349,737</b>
Sale of goods								
Rendering of services	17,743			13	4,940		-2,896	19,800
Lease revenue		5,210	20,082					25,292
Real estate revenue		5,626						5,626
Interest income - banking activities			92,906					92,906
Commissions receivable - banking activities			18,024					18,024
Revenue from construction contracts	170,102							170,102
Other operating revenue	13,663	1,200	2,694	6	1,036		-612	17,987
<b>Other operating income</b>	<b>20</b>	<b>265</b>	<b>43</b>	<b>7,152</b>	<b>7,840</b>		<b>-828</b>	<b>14,491</b>
Interest on financial fixed assets - receivables				547	638		-408	776
Dividends	20	265	43	6,549	6,664			13,541
Capital grants								0
Other operating income				56	537		-420	174
<b>Operating expenses ( - )</b>	<b>-196,973</b>	<b>-6,072</b>	<b>-110,828</b>	<b>-7,352</b>	<b>-15,904</b>		<b>3,927</b>	<b>-333,202</b>
Raw materials and consumables used ( - )	-134,281	-494						-134,775
Changes in inventories ( - )	-125	-814						-938
Interest expenses Bank J. Van Breda & C° ( - )			-60,396					-60,396
Employee expenses ( - )	-29,877	-1,706	-26,246	-300	-2,137			-60,266
Depreciation ( - )	-7,703	-568	-897	-4	-148			-9,319
Impairment losses ( - )	-470	-33	-1,683	-2,694	-1,145			-6,025
Other operating expenses ( - )	-25,371	-3,857	-21,231	-4,353	-8,840		3,927	-59,725
Provisions	852	1,399	-374		-3,634			-1,757
<b>Profit (loss) from operating activities</b>	<b>4,555</b>	<b>6,228</b>	<b>22,922</b>	<b>-182</b>	<b>-2,089</b>		<b>-408</b>	<b>31,026</b>
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>		<b>-774</b>	<b>1,961</b>	<b>-17,906</b>	<b>204</b>			<b>-16,515</b>
Private equity				-17,906				-17,906
Investment property		-657						-657
Derivative financial instruments		-117	1,961		204			2,048
<b>Profit (loss) on disposal of assets</b>	<b>779</b>	<b>723</b>	<b>24,063</b>	<b>51,764</b>	<b>154,738</b>			<b>232,067</b>
Realised gain(loss) on intangible and tangible assets	234	3	1		4			242
Realised gain(loss) on investment property								0
Realised gain(loss) on financial fixed assets	545	885	22,633	51,764	134,446			210,273
Realised gain(loss) on other assets		-165	1,429		20,288			21,552
<b>Finance income</b>	<b>1,318</b>	<b>2,482</b>	<b>17,784</b>	<b>2,752</b>	<b>2,319</b>		<b>-2,737</b>	<b>23,917</b>
Interest income	881	1,145	17,784	2,718	2,272		-2,737	22,064
Other finance income	437	1,337		34	46			1,854
<b>Finance costs ( - )</b>	<b>-1,564</b>	<b>-6,385</b>	<b>-2,653</b>	<b>-25</b>	<b>-8,074</b>		<b>3,146</b>	<b>-15,555</b>
Interest expenses ( - )	-1,157	-4,578	-2,653	-7	-5,236		3,146	-10,486
Other finance costs ( - )	-406	-1,807		-18	-2,838			-5,069
<b>Share of profit (loss) from equity accounted investments</b>	<b>20,537</b>	<b>9,044</b>	<b>27,318</b>	<b>7,890</b>	<b>842</b>			<b>65,631</b>
<b>Other non-operating income</b>	<b>30</b>	<b>1,579</b>			<b>310</b>			<b>1,919</b>
<b>Other non-operating expenses ( - )</b>	<b>-16</b>	<b>-248</b>			<b>-1,417</b>			<b>-1,681</b>
<b>Profit (loss) before tax</b>	<b>25,640</b>	<b>12,648</b>	<b>91,394</b>	<b>44,293</b>	<b>146,834</b>			<b>320,809</b>
<b>Income taxes</b>	<b>-1,592</b>	<b>-1,039</b>	<b>-15,613</b>	<b>193</b>	<b>3,519</b>			<b>-14,532</b>
Deferred taxes	237	-163	-387		3,541			3,228
Current taxes	-1,829	-876	-15,226	193	-22			-17,760
<b>Profit (loss) after tax from continuing operations</b>	<b>24,048</b>	<b>11,609</b>	<b>75,781</b>	<b>44,486</b>	<b>150,353</b>			<b>306,277</b>
<b>Profit (loss) after tax from discontinued operations</b>						<b>9,314</b>		<b>9,314</b>
<b>Profit (loss) of the period</b>	<b>24,048</b>	<b>11,609</b>	<b>75,781</b>	<b>44,486</b>	<b>150,353</b>	<b>9,314</b>		<b>315,591</b>
Minority interests	735		18,749	11,333	365	5,423		36,605
Share of the group	23,313	11,609	57,032	33,153	149,988	3,891		278,986

(x 1,000 euro)	Segment 1 Building, dredging & environ- mental services	Segment 2 Real estate and related services	Segment 3 Financial services	Segm. 4&5 AvH, sub- holdings and Private Equity	Discon- tinued operation Solvus	Elimina- tions between segments	Total 2005
Primary segment information							
<b>I. CASH AND CASH EQUIVALENTS, OPENING BALANCE</b>	29,006	874	9,240	57,605	86,454		183,178
<b>Profit (loss) from operating activities</b>	4,555	6,228	22,922	-2,270		-408	31,026
Dividends from participations accounted for using the equity method	112	4,965	10,556	30,725			46,359
Other non-operating income (expenses)	14	1,331		-1,313			32
Income taxes	-1,592	-1,039	-15,613	3,712			-14,532
Profit (loss) from discontinued operating activities					21,686		21,686
<b>Non-cash adjustments</b>							
Depreciation	7,703	568	897	152			9,319
Impairment losses	469	36	1,675	3,839			6,019
Share based payment	87	298	2,166	-336			2,215
(De)increase of provisions	-852	-1,405	251	3,529			1,524
(De)increase of deferred taxes	-237	163	841	-3,541			-2,774
Other non-cash income (expenses)	-212			-116			-328
<b>Cash flow</b>	10,047	11,145	23,695	34,381	21,686	-408	100,545
<b>Decrease (increase) of working capital</b>	-748	-4,323	-52,855	-76,015	-73,411		-207,352
Decrease (increase) of inventories and construction contracts	-454	458			-96		-92
Decrease (increase) of amounts receivable	542	7,593	5,724	15,333	-26,228		2,964
Decrease (increase) of receivables from credit instit. and clients (banks)			-518,584				-518,584
Increase (decrease) of liabilities (other than financial debts)	-1,145	-12,484	17,670	-92,632	-45,550		-134,140
Increase (decrease) of debts to credit instit, clients & securities (banks)			440,209				440,209
Decrease (increase) other	309	109	2,126	1,284	-1,537		2,291
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	9,299	6,822	-29,161	-41,634	-51,725	-408	-106,807
<b>Investments</b>	-2,169	-735	-212,389	-37,016	-3,224		-255,533
Acquisition of intangible and tangible assets	-1,288	-44	-5,413	-2,008	-3,430		-12,182
Acquisition of investment property		-229					-229
Acquisition of (new) fully consolidated participations							0
Acquisition of supplementary shareholding in fully consolidated participations	-699			-5,549	206		-6,042
Acquisition of financial fixed assets	-21	-410		-18,846			-19,276
New amounts receivable	-80	-11		-499			-590
Acquisition of investments	-81	-40	-206,976	-10,116			-217,213
<b>Divestments</b>	1,810	5,794	243,035	353,710	-25,862		578,487
Disposal of intangible and tangible assets	425	25	24	8	1,587		2,069
Disposal of investment property							0
Disposal of fully consolidated participations	662		36,845	241,950	-27,449		252,008
Partial disposal of fully consolidated participations							0
Disposal of financial fixed assets		5,769		79,526			85,295
Reimbursements of amounts receivable	723			238			961
Disposal of investments			206,166	31,988			238,154
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	-359	5,059	30,646	316,694	-29,086		322,954
<b>Financial operations</b>							
Interest received	882	1,145	24,496	3,023	1,260	-2,737	28,069
Interest paid	-1,157	-4,578	-2,653	-3,276	-7,306	3,146	-15,825
Other financial income (costs)	31	-1,483	1,279	-2,776			-2,949
(De)increase of issued capital							0
(De)increase of treasury shares				12			12
(De)increase of financial debts	-4,178	-3,170		-20,439	403		-27,384
Distribution of profits				-21,688			-21,688
Dividends paid to minority interests	-455		-25,417	17,401			-8,470
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-4,878	-8,086	-2,295	-27,742	-5,643	408	-48,236
<b>II. NET VARIATION IN CASH AND CASH EQUIVALENTS</b>	4,063	3,795	-809	247,318	-86,454		167,912
Impact of exchange rate changes on cash and cash equivalents							
<b>III. CASH AND CASH EQUIVALENTS, ENDING BALANCE</b>	33,068	4,668	8,431	304,922	0		351,090

(x 1,000 euro)	2006	2005
<b>DISPOSAL OF FULLY CONSOLIDATED COMPANIES</b>		
Non-current assets	42,235	585,260
Current assets	9,740	433,225
<b>Total assets</b>	<b>51,975</b>	<b>1,018,485</b>
Equity - group share	-16,788	-269,995
Minority interests	0	-1,947
Non-current liabilities	-17,796	-335,484
Current liabilities	-17,391	-411,060
<b>Total equity and liabilities</b>	<b>-51,975</b>	<b>-1,018,485</b>
Total assets	51,975	1,018,485
Total liabilities	-35,187	-746,543
Minority interests	0	-1,947
<b>Net assets</b>	<b>16,788</b>	<b>269,995</b>
Net assets - share AvH	16,788	121,094
Net goodwill	0	1,599
Profit (loss) on disposal	6,542	156,922
<b>Sales price</b>	<b>23,330</b>	<b>279,615</b>
Derecognised cash and cash equivalents	353	28,926
<b>Net divestment cash in</b>	<b>22,977</b>	<b>250,689</b>

We refer to the comments on the cash flow statement (page 78).

At the end of March 2006, the Extensa Group sold 100% of the shares of 3 subsidiaries (De Leeuwe, Logistics Finance and Warehouse Finance) to AXA Belgium. AXA Belgium subsequently contributed these shares to Leasinvest Real Estate (AvH : 29.23%) at the end of May 2006.

The disposed activities 2005 relate to the sale of Solvus, Leasing J.Van Breda & C° and Wattiez (Van Laere)

## NOTE 6 / INTANGIBLE ASSETS

(x 1,000 euro)	Patents, trademarks and other rights	Goodwill	Computer software	Other intangible assets	Total 2005
<b>MOVEMENTS IN INTANGIBLE ASSETS – 2005</b>					
<b>Intangible assets, opening balance</b>	<b>2</b>	<b>0</b>	<b>9,407</b>	<b>5,707</b>	<b>15,116</b>
Gross amount	72	2,459	16,857	11,733	31,122
Accumulated depreciation ( - )	-71	-2,459	-7,450	-6,026	-16,006
Additions			666		666
Disposals ( - )	-2		-23		-25
Disposals through business divestiture ( - )			-8,717	-5,707	-14,424
Depreciation ( - )			-313		-313
<b>Intangible assets, ending balance</b>	<b>0</b>	<b>0</b>	<b>1,021</b>	<b>0</b>	<b>1,021</b>
Gross amount		2,459	2,183		4,642
Accumulated depreciation ( - )		-2,459	-1,162		-3,621

## NOTE 6 / INTANGIBLE ASSETS

(x 1,000 euro)	Patents, trademarks and other rights	Goodwill	Computer software	Other intangible assets	Total 2006
<b>MOVEMENTS IN INTANGIBLE ASSETS – 2006</b>					
<b>Intangible assets, opening balance</b>	0	0	1,021	0	1,021
Gross amount		2,459	2,183		4,642
Accumulated depreciation ( - )		-2,459	-1,162		-3,621
Additions			686		686
Depreciation ( - )			-315		-315
<b>Intangible assets, ending balance</b>	0	0	1,391	0	1,391
Gross amount	67	2,451	2,862		5,381
Accumulated depreciation ( - )	-67	-2,451	-1,471		-3,990

## NOTE 7 / GOODWILL

(x 1,000 euro)	2006	2005
<b>MOVEMENTS IN GOODWILL</b>		
<b>Goodwill, opening balance</b>	118,549	475,634
Gross amount - fully consolidated participations	119,431	547,675
Accumulated impairment losses - fully consolidated participations ( - )	-882	-72,041
Additions through business combinations	79	
Disposals through business divestiture ( - )		-358,222
Impairment losses recognised in the income statement ( - )	-1,269	-310
Other increase (decrease)	467	1,447
<b>Goodwill, ending balance</b>	117,826	118,549
Gross amount - fully consolidated participations	119,977	119,431
Accumulated impairment losses - fully consolidated participations ( - )	-2,151	-882

This net goodwill can be allocated for 114.8 million euro to Finaxis, as a result of the modified shareholder structure at the beginning of 2004, and for 3 million euro to the subsidiaries of Van Laere (mainly Groupe Thiran) and Extensa.

(x 1,000 euro)	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Operating lease as lessor (IAS 17)	Total 2005
<b>I. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT – 2005</b>							
<b>Property, plant &amp; equipment, opening balance</b>	13,735	39,104	12,533	18,347	1,324	8,214	93,257
Gross amount	19,818	190,937	35,339	39,137	1,324	10,471	297,026
Accumulated depreciation ( - )	-6,083	-151,833	-22,806	-20,791		-2,256	-203,770
Accumulated impairment losses ( - )							0
Additions	2,032	480	835	265	4,474		8,086
Addition through business combinations			1				1
Disposals ( - )		-143	-75				-219
Disposals through business divestiture ( - )	-2,459	-7,750	-9,360	-16,989			-36,558
Depreciation ( - )	-345	-6,668	-1,378	-248		-367	-9,006
Impairment (loss) reversal recognised in the income statement	-211						-211
<b>Property, plant &amp; equipment, ending balance</b>	12,751	25,024	2,557	1,374	5,798	7,847	55,350
Gross amount	17,688	163,524	14,924	1,980	5,798	10,471	214,386
Accumulated depreciation ( - )	-4,726	-138,500	-12,368	-607	0	-2,624	-158,825
Accumulated impairment losses ( - )	-211						-211
<b>II. OTHER INFORMATION</b>							
<b>Finance leases</b>							
Net carrying amount of tangible assets under finance lease		3					3
Tangible assets acquired under finance lease		23					23

(x 1,000 euro)	Land and buildings	Plant, machinery & equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Operating lease as lessor (IAS 17)	Total 2006
<b>I. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT – 2006</b>							
<b>Property, plant &amp; equipment, opening balance</b>	12,751	25,024	2,557	1,374	5,798	7,847	55,350
Gross amount	17,688	163,524	14,924	1,980	5,798	10,471	214,386
Accumulated depreciation ( - )	-4,726	-138,500	-12,368	-607	0	-2,624	-158,825
Accumulated impairment losses ( - )	-211						-211
Additions	741	807	1,050	373	18,087		21,058
Addition through business combinations							0
Disposals ( - )	-420	-107	-136				-663
Disposals through business divestiture ( - )							0
Depreciation ( - )	-549	-3,987	-1,101	-285		-367	-6,289
Reclassifications (to) from other items	14,945	-1			-15,103		-159
Other increase (decrease)		35			106		141
<b>Property, plant &amp; equipment, ending balance</b>	27,468	21,772	2,370	1,462	8,888	7,479	69,439
Gross amount	32,924	163,407	13,767	2,353	8,888	10,471	231,810
Accumulated depreciation ( - )	-5,403	-141,636	-11,397	-892		-2,991	-162,319
Accumulated impairment losses ( - )	-52						-52
<b>II. OTHER INFORMATION</b>							
<b>Finance leases</b>							
Net carrying amount of tangible assets under finance lease		21					21
Tangible assets acquired under finance lease		25					25

The net increase of tangible fixed assets of 14.1 million euro is mainly explained, on the one hand, by the renovation of the head offices of AvH (Begijnenvest - Antwerp) and Bank J.Van Breda & C° (Goederenstation Zuid - Antwerp), and depreciation on the other hand.



(x 1,000 euro)	Leased buildings	Operating lease as lessor – IAS 40	Total 2005
<b>I. MOVEMENT IN INVESTMENT PROPERTY AT FAIR VALUE – 2005</b>			
<b>Investment property, opening balance</b>	<b>23,990</b>	<b>39,482</b>	<b>63,472</b>
Gross amount	23,990	39,482	63,472
Accumulated impairment losses ( - )	0	0	0
Additions	39	190	229
Gains (losses) from fair value adjustments	113	-770	-657
Reclassifications (to) from other items	2,113		2,113
<b>Investment property, ending balance</b>	<b>26,255</b>	<b>38,902</b>	<b>65,157</b>
Gross amount	26,255	38,902	65,157
Accumulated impairment losses ( - )	0	0	0
<b>II. OTHER INFORMATION</b>			
<b>Rental income and operating expenses</b>			
Rental income of investment property	2,487	3,268	5,755
Direct operating expenses (incl. repair & maint) of leased buildings	-343	-396	-739
Direct operating expenses (incl. repair & maint) of non leased buildings	-58		-58
<b>Acquisition commitments</b>			
Commitments to acquire investment property	914	10,076	10,991

(x 1,000 euro)	Leased buildings	Operating lease as lessor – IAS 40	Total 2006
<b>I. MOVEMENT IN INVESTMENT PROPERTY AT FAIR VALUE – 2006</b>			
<b>Investment property, opening balance</b>	<b>26,255</b>	<b>38,902</b>	<b>65,157</b>
Gross amount	26,255	38,902	65,157
Accumulated impairment losses ( - )	0	0	0
Additions	8		8
Disposals ( - )	-6,435	-37,372	0
Gains (losses) from fair value adjustments	1,032	310	1,342
Other increase (decrease)	448,605		448,605
<b>Investment property, ending balance</b>	<b>469,464</b>	<b>1,840</b>	<b>471,304</b>
Gross amount	469,464	1,840	471,304
Accumulated impairment losses ( - )	0	0	0
<b>II. OTHER INFORMATION</b>			
<b>Rental income and operating expenses</b>			
Rental income of investment property	32,342	200	32,542
Direct operating expenses (incl. repair & maint) of leased buildings	-2,466		-2,466
Direct operating expenses (incl. repair & maint) of non leased buildings	-1,032		-1,032
<b>Acquisition commitments</b>			
Commitments to acquire investment property	3,600	1,859	5,459

The full consolidation of Leasinvest Real Estate, resulting from a change to the shareholders' agreement between Axa Belgium and Extensa, led to an increase of the investment property amounting to 476.3 million euro, of which 448.6 million euro is entered on the balance sheet under item "Investment property" and 27.7 million euro under "assets held for sale". After the balance sheet date, LRE concluded an agreement in principle for the sale of three buildings.

The sale by Extensa of a portfolio of offices and logistic centres to LRE and AXA Belgium, which subsequently contributed this portfolio to LRE sicafi, does not influence the total of investment property due to the full consolidation of LRE.

**Valuation of investment property** Investment property is recorded at fair value and the changes in fair value are entered in the profit and loss account.

**Leased buildings** The fair value of leased buildings is determined annually on the basis of valuation reports.

**Operational leaseings as lessor - IAS 40** Operational leaseings whose purchase option takes into account the market value are qualified as investment property. In all other cases, these contracts are considered as operational leases in accordance with IAS 17.

**1. Participations accounted for using the equity method**

(x 1,000 euro)	2006	2005
<b>PARTICIPATIONS ACCOUNTED FOR USING THE EQUITY METHOD</b>		
Building, dredging & environmental services	176,696	162,108
Real estate and related services	26,105	72,411
Financial services	158,204	143,119
Private equity	32,654	55,154
AvH and subholdings	194,734	12,250
<b>Total</b>	<b>588,393</b>	<b>445,041</b>

(x 1,000 euro)	Equity value	Goodwill allocated to the equity value	Total 2006
<b>MOVEMENTS IN PARTICIPATIONS ACCOUNTED FOR USING THE EQUITY METHOD</b>			
<b>Equity accounted investments - opening balance</b>	<b>434,736</b>	<b>10,305</b>	<b>445,041</b>
Additions	8,604	10,173	18,777
Disposals ( - )	-175		-175
Share of profit (loss) from equity accounted investments	237,728		237,728
Foreign currency exchange increase (decrease)	-3,943		-3,943
Impact of dividends distributed by the participations (-)	-27,472		-27,472
Reclassifications (to) from other items	-8,960	-79	-9,039
Other increase (decrease)	-72,525		-72,525
<b>Equity accounted investments - ending balance</b>	<b>567,994</b>	<b>20,399</b>	<b>588,393</b>

**Directly held participations accounted for using the equity method**

IAS 31 provides the option to include jointly controlled participations in the consolidated accounts applying the method of proportional consolidation or the alternative equity method. AvH has opted for the equity method for DEME (50%), Delen Investments (75%), GIB-subgroup (50%) and BDM-Asco-BtB (50%).

**Indirectly held participations accounted for using the equity method**

The companies of 'Tour & Taxis' (50%) are the main participations, held by the fully consolidated subsidiary Extensa. Because of the acquisition of the exclusive control of Leasinvest Real Estate at the beginning of 2007 as a result of a change to the shareholders' agreement between Extensa and Axa Belgium, LRE is no longer accounted for using the equity method, but is fully consolidated at the end of 2006. Furthermore the participations of GIB in Groupe Flo and Trasys are not visible in this balance sheet item due to the fact that GIB, as a jointly controlled participation, is included using the equity method.

The increase of 143.3 million euro of participations accounted for using the equity method is the result of the 2006 investments (a.o. Cobelguard) and the exceptional share in the profit of these companies (237.7 million euro). This record profit is the result of the revenue generated by the sale of Quick Restaurants and the healthy contribution of a.o. DEME, Delen Investments, the group 'Tour & Taxis' (50% owned by Extensa) and LRE (whose results in 2006 were included using the equity method).

**2. Private equity participations**

(x 1,000 euro)	2006	2005
<b>PRIVATE EQUITY PARTICIPATIONS – FAIR VALUE</b>		
<b>Private equity participations : opening balance</b>	<b>123,869</b>	<b>146,491</b>
Additions	44,559	16,636
Disposals ( - )	-17,950	-26,293
Profit (loss) on private equity participations designated at fair value through profit and loss	11,639	-17,906
Other increase (decrease)		4,943
<b>Private equity participations : ending balance</b>	<b>162,117</b>	<b>123,869</b>

In accordance with IAS 28 associated participations held within the framework of the Venture Capitalist activity of AvH, mainly held by Sofinim, are measured at fair value. Changes in fair value are recognised in the income statement (IAS 39).

The private equity participations contribute to the profit or loss through changes in fair value on the one hand and cash income through dividend distribution on the other.

(x 1,000 euro)	Share Sofinim				Share group 2006	Share group 2005
	Share-holders %	Changes in fair value	Cash income	Total		
Alupa	100.00%	-5,000		-5,000	-3,700	-
Alurfin – Alural	50.00%	-240		-240	-178	-82
Arcomet Beheer	10.00%	266		266	197	85
Atenor	15.09%	1,702	778	2,479	1,835	1,024
Aviapartner	0.00%	-		-	-	-97
Axe Investments	48.34%	492	169	661	489	371
Blomhof	20.54%	321		321	237	986
Cindu	50.00%	1	2,002	2,003	1,482	-200
Corn Van Loocke	45.00%	-41	270	229	169	168
Egemin Int	24.64%	-97		-97	-72	-340
Engelhardt	100.00%	712		712	527	-
Hertel	36.00%	3,415	508	3,923	2,903	1,478
IDIM	37.47%	6		6	4	-199
IDOC	13.64%	0		0	0	-306
Illosppear	0.00%	-		-	-	-17,628
NMC	28.42%	2,085	794	2,879	2,130	827
Oleon Holding	37.07%	4,211		4,211	3,116	2,433
Oleon Biodiesel (1)	22.23%	-295		-295	-219	-
SCF	0.00%	-		-	-	-2,184
Synvest – VUM	48.34%	1,209	386	1,595	1,180	1,565
Turbo's Hoet	50.00%	1,585		1,585	1,173	-
UBF	41.15%	1,308		1,308	968	703
<b>Contributions participations Sofinim</b>		<b>11,639</b>	<b>4,906</b>	<b>16,545</b>	<b>12,243</b>	<b>-11,395</b>
Quick Restaurants (equity method) (2)	28.94%				7,693	7,890
Financière Flo - Groupe Flo (equity method)	33.00%				3,611	-
Financière Trasys - Trasys (equity method)	45.97%				668	-
<b>Contributions participations private equity (2)</b>					<b>24,215</b>	<b>-3,505</b>

(1) Only direct stake of Sofinim. Total shareholders % including participating interest via Oleon Holding: 40.77%.

(2) See separate enclosure "Key Figures" - consolidated group result

(3) Quick Restaurants contributed only for 9 months to the current result of AvH, as the participation was sold in the fourth quarter of 2006.

#### Comments on the private equity participations at fair value

The private equity participations of the group have had a successful year in general, in part thanks to the favourable economic climate. The negative changes in fair value therefore remain limited.

The sale of the participation Illosppear, which was finalised during 2006, was fully anticipated

in the accounts for 2005 and consequently did not have a noteworthy effect on the results of 2006.

The private equity segment on 31 December 2006 amounts to 372.9 million euro in shareholders' equity (including third-party share). This includes the share of the participations that are held via GIB (Groupe Flo and Trasys) for the amount of 32.7 million euro. The participation Quick, which was sold for

211.4 million euro (share AvH), is not included in that amount.

For the listed companies (Groupe Flo and Atenor), the market value, based on the stock prices as at 31 December 2006, is 24.6 million euro higher than the value at which they were recorded in the balance sheet on 31 December 2006.

**3. Available for sale financial assets**

(x 1,000 euro)

**AVAILABLE FOR SALE FINANCIAL ASSETS – 2005**

	Financial fixed assets	Invest- ments
<b>Available for sale financial assets at fair value - opening balance</b>	<b>38,174</b>	<b>653,575</b>
Available for sale financial assets - carrying amount	39,175	559,631
Available for sale financial assets - adjustment to fair value	-1,001	93,943
Additions	1,265	217,213
Actuarial return		-6,712
Disposals ( - )	-1,465	-238,154
Disposals through business divestiture ( - )	-250	-2,537
Increase (decrease) through changes in fair value	8,623	58,765
Impairment losses recognised in the income statement ( - )	-2	
Reclassifications (to) from other items		2
Other increase (decrease)	-3,750	7,242
<b>Available for sale financial assets at fair value - ending balance</b>	<b>42,595</b>	<b>689,393</b>
Available for sale financial assets - carrying amount	35,675	558,401
Available for sale financial assets - adjustment to fair value	6,920	130,992

(x 1,000 euro)

**AVAILABLE FOR SALE FINANCIAL ASSETS – 2006**

	Financial fixed assets	Invest- ments
<b>Available for sale financial assets at fair value - opening balance</b>	<b>42,595</b>	<b>689,393</b>
Available for sale financial assets - carrying amount	35,675	558,401
Available for sale financial assets - adjustment to fair value	6,920	130,992
Additions	8,156	1,016,922
Actuarial return		-2,304
Disposals ( - )	-21,857	-911,457
Increase (decrease) through changes in fair value	24,341	21,596
Impairment losses recognised in the income statement ( - )	-236	
Foreign currency exchange increase (decrease)		6
Reclassifications (to) from other items	-21	100
Other increase (decrease)	-285	739
<b>Available for sale financial assets at fair value - ending balance</b>	<b>52,694</b>	<b>814,994</b>
Available for sale financial assets - carrying amount	33,635	666,120
Available for sale financial assets - adjustment to fair value	19,059	148,873

The **financial fixed assets** consist of the following items:  
(x 1,000 euro)

	2006	2005
Sipef	39,190	25,388
Belfimas	5,963	9,541
Asco Leven	2,021	2,021
Henschel Engineering	1,502	
IBF	372	1,239
Other	3,646	4,406
<b>Total</b>	<b>52,694</b>	<b>42,595</b>

In 2006, additional investments were made in Sipef shares and the participations in Belfimas and IBF were partially sold.

The **investments** consist of

(x 1,000 euro)	Number of shares	Fair value
OLO-portfolio of Bank J. Van Breda & C°		572,462
KBC	1,517,527	140,978
Fortis	1,669,706	54,015
SES Global	1,200,000	16,188
Telenet	739,623	15,865
CNP	10,000	2,932
Agridec	11,550	1,831
Other		10,723
<b>Total</b>		<b>814,994</b>

The fair value of 815 million euro includes the unrealised capital gains amounting to 149 million euro (group share: 146 million euro), which in the event of realisation will still be recorded in the profit and loss account.

The break down per segment of the fair value of the investments is as follows

(x 1,000 euro)	Fair value
Financial services (Bank J. Van Breda & C°)	572,462
AvH & subholdings	203,582
Private equity	30,122
Real estate and related services	7,748
Building, dredging & environmental services	1,079
<b>Total</b>	<b>814,994</b>

## NOTE 11 / BANKS – RECEIVABLES FROM CREDIT INSTITUTIONS AND CLIENTS

(x 1,000 euro)

	2006	2005
<b>I. CLAIMS ON BANKS</b>		
Domestic banks	80,189	368,075
Foreign banks	58,941	91,303
<b>Total banks</b>	<b>139,130</b>	<b>459,378</b>
<b>II. LOANS AND ADVANCES TO CLIENTS</b>		
Bills and own acceptances	1,964	6,145
Investment credits and financing	993,565	884,956
Mortgage loans	283,305	254,168
Term loans / straight loans	320,060	325,763
Current accounts	54,830	53,082
Other	24,611	17,381
<b>Total clients</b>	<b>1,678,335</b>	<b>1,541,495</b>
<b>TOTAL RECEIVABLES FROM CREDIT INSTITUTIONS AND CLIENTS</b>	<b>1,817,465</b>	<b>2,000,873</b>

The full consolidation of Bank J. Van Breda & C° results in the inclusion of the specific banking receivables and debts in the balance sheet of AvH. These items have been centralised in order to keep the balance sheet as transparent as possible.

The decrease of [receivables from credit institutions](#) is principally explained by the end of a considerable deposit of an external bank, which the bank had mainly placed inter-bank on 31 December 2005.

The [loans and advances to clients](#) consist of the following:

\* the loans granted to private persons and self-employed business persons. The many businesses and self-employed professionals who have become clients over the past years are entrusting the bank with an ever-growing share of their banking business;

\* car financing provided by Van Breda Car Finance, which is a 100% subsidiary of Bank J. Van Breda & C°.

(x 1,000 euro)

	2006	2005
<b>I. INVENTORIES, NET AMOUNT</b>	<b>34,625</b>	<b>35,207</b>
<b>Gross carrying amounts :</b>	<b>34,625</b>	<b>35,207</b>
Raw materials and consumables	1,226	1,066
Finished goods		
Immovable property acquired or constructed for resale	33,399	34,141
<b>Depreciation and impairments ( - )</b>	<b>0</b>	<b>0</b>
<b>II. CONSTRUCTION CONTRACTS</b>		
<b>Amounts due from (to) customers under construction contracts, net</b>	<b>-3,926</b>	<b>-3,668</b>
Amount due from customers under construction contracts	2,260	1,899
Amount due to customers under construction contracts (-)	-6,185	-5,567
<b>Revenue from construction contracts</b>	<b>201,182</b>	<b>164,739</b>
<b>Construction contracts on closing date</b>		
Amount of contract costs incurred and recognised profits less losses	-149,656	-203,508
Amount of contract revenue	153,581	207,177

Construction contracts of the company Algemene Aannemingen Van Laere are recognised according to the "Percentage of Completion" method whereby the result is recognised in accordance with the progress of the works. Expected losses are immediately recognised as an expense.

The progress of the work is determined on the basis of the incurred costs in proportion to the expected cost price of the entire project. No result is recognised in the start-up phase of a project.



(x 1,000 euro)	remaining term				remaining term			
	< 1 year	1 year <> 5 year	> 5 year	Total 2006	< 1 year	1 year <> 5 year	> 5 year	Total 2005
<b>I. LESSOR – Finance lease</b>								
Total gross investment	32,851	68,223	14,040	115,114	31,290	66,983	15,223	113,495
Present value of minimum lease payment receivables	27,897	60,562	9,709	98,168	26,206	59,371	10,320	95,896
Unearned finance income				16,946				17,599
Accumulated allowance for uncollectible minimum lease payments				11,783				11,256
Lease debtors	1,303			1,303	1,333			1,333
<b>II. LESSOR – Operating lease</b>								
Future minimum lease payments under non-cancelable operating leases	949	2,190	257	3,396	540	3,366	400	4,305
<b>III. LESSEE – Finance lease</b>								
Minimum lease payments payable - gross	6	18	3	27	6		3	9
Minimum lease payments payable - interest (-)	-1	-2	0	-3				0
<b>Present value of minimum lease payments payable</b>	<b>5</b>	<b>17</b>	<b>3</b>	<b>25</b>	<b>6</b>	<b>0</b>	<b>3</b>	<b>9</b>
<b>Lease-payments payable for each class of tangible assets :</b>								
Plant, machinery and equipment				25				9
<b>IV. LESSEE – Operating lease</b>								
Future minimum lease payments under non-cancelable operating leases	122	141	9	272	221	272	14	506
Contingent rents recognized in income				1,411				1,408

The lease debts are reported in note "Financial debts" on page 110.

(x 1,000 euro)	Warranty provisions	Restructuring provisions	Legal proceeding provisions	Onerous contracts provisions	Environmental provisions	Other provisions	Total
<b>PROVISIONS - 2005</b>							
<b>Provisions, opening balance</b>	29,302	599	863	105	167	10,776	41,812
Additional provisions			40			6,125	6,165
Increase of existing provisions	112		339				451
Amounts of provisions used ( - )			-161	-105		-1,852	-2,118
Reversal of unused amounts of provisions ( - )	-2,236					-1,517	-3,752
Decrease through business divestiture ( - )		-599	-78			-2,349	-3,026
<b>Provisions, ending balance</b>	27,178	0	1,004	0	167	11,183	39,531
<b>PROVISIONS - 2006</b>							
<b>Provisions, opening balance</b>	27,178	0	1,004	0	167	11,183	39,531
Additional provisions						746	746
Increase of existing provisions	115		70			234	419
Amounts of provisions used ( - )	-1,812		-90			-5,426	-7,328
Reversal of unused amounts of provisions ( - )	-3,517		-187			-4,120	-7,824
Other increase (decrease)						27	27
<b>Provisions, ending balance</b>	21,964	0	797	0	167	2,643	25,571

The amount of 21.2 million euro in "Warranty provisions" on 31 December 2006 (31.12.2005: 26.6 million euro) is the result of the acquisition by AvH of a 50% participation in GIB in 2002. At that time, the difference between the share of AvH in the shareholders' equity of GIB and the acquisition price of the participation was explained and caused by the risks which mainly had to do with the representations and warranties granted by GIB within the context of the sale of former subsidiaries. The last of these guarantees expire during 2007. During the financial year 2006, an amount of 1.8 million euro was used. The rest of the decrease is explained by a reduction of the provision in accordance with the update of the risk assessment at the end of 2006.

(x 1,000 euro)	remaining term				remaining term			
	< 1 year	1 year <> 5 year	> 5 year	Total 2006	< 1 year	1 year <> 5 year	> 5 year	Total 2005
<b>I. FINANCIAL DEBTS</b>								
Bank borrowings	3,085	111,479	48,201	162,765	11,043	46,019	29,575	86,637
Debentures				0				0
Subordinated borrowings	233	31,938	30,659	62,830	209	15,986	42,504	58,699
Finance leases	5	17	3	24	5	3		8
Other borrowings	206,768			206,768	146,355	4,110		150,465
<b>Total</b>	<b>210,090</b>	<b>143,434</b>	<b>78,863</b>	<b>432,387</b>	<b>157,612</b>	<b>66,118</b>	<b>72,079</b>	<b>295,809</b>

The financial debts relate to the following segments:

(x 1,000 euro)

	ST	LT
Building, dredging & environmental services	2,225	19,776
Real estate and related services	145,172	140,108
Financial services	233	62,397
AvH and subholdings	62,460	17
<b>Total</b>	<b>210,090</b>	<b>222,297</b>

Debts of SNTC in order to finance the installation of the pipelines (18.9 million euro) are the main contributor to the financial debts 'Building, dredging & environmental services'.

As a result of the full consolidation of Leasinvest Real Estate, the 'Real Estate and related services' financial debts increased by 221 million euro.

The financial debts 'Financial services' only include the subordinated loans of Bank J.Van Breda & C°. The specific banking debts are included in note 16.

The financial debts 'AvH and subholdings' are practically equal to the commercial paper issued by AvH Coordination Centre.

(x 1,000 euro)

**II. AMOUNTS PAYABLE (OR THE PORTION THEREOF), WHICH GUARANTEED BY REAL GUARANTEES GIVEN OR IRREVOCABLY PROMISED ON THE ASSETS OF THE ENTERPRISES INCLUDED IN THE CONSOLIDATION**

	2006	2005
Bank borrowings	46,819	53,604
<b>Total</b>	<b>46,819</b>	<b>53,604</b>

## NOTE 16 / BANKS – DEBTS TO CREDIT INSTITUTIONS, CLIENTS AND SECURITIES

(x 1,000 euro)

	2006	2005
<b>I. DEBTS TO CREDIT INSTITUTIONS</b>		
Current accounts / overnight deposits	539	198
Deposits with agreed maturity	150,671	352,806
Other deposits	221,613	261,544
<b>Total</b>	<b>372,823</b>	<b>614,548</b>
<b>II. DEBTS TO CLIENTS</b>		
Current accounts / overnight deposits	537,902	474,706
Deposits with agreed maturity	521,764	453,315
Other deposits		
– special deposits	11,797	12,247
– regulated deposits	436,982	406,940
– other deposits	49,281	34,879
– deposit guarantee system	1,103	1,103
<b>Total</b>	<b>1,558,829</b>	<b>1,383,190</b>
<b>III. SECURITIES INCLUDING BONDS</b>		
Certificates of deposits	303,235	297,309
Customer saving certificates	18,930	25,254
Non-convertible securities	7,318	7,107
<b>Total</b>	<b>329,483</b>	<b>329,670</b>
<b>TOTAL DEBTS TO CREDIT INSTITUTIONS, CLIENTS AND SECURITIES</b>	<b>2,261,136</b>	<b>2,327,408</b>

The full consolidation of Bank J.Van Breda & C° results in the inclusion of the specific banking receivables and debts in the balance sheet of AvH. These items have been centralised in order to keep the balance sheet as transparent as possible.

The decrease of [debts to credit institutions](#) is mainly the result of the fact that a large deposit was received from a financial institution at the end of 2005. This deposit was placed inter-bank (see also the decrease of the receivables from credit institutions).

The increase of the [client deposits](#) consists of an increase of current deposits, term deposits on less than one year, and deposit accounts.

[Debts evidenced by securities](#) remained more or less at the same level in 2006.

(x 1,000 euro)

	Assets 2006	Liabilities 2006	Net 2006	Assets 2005	Liabilities 2005	Net 2005
<b>I. RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES</b>						
Intangible assets			0		-1	1
Property, plant & equipment		1,832	-1,832		1,798	-1,798
Investment property		2,390	-2,390		5,271	-5,271
Hedging instruments	-24	2,461	-2,485		329	-329
Inventory and construction contracts		4,220	-4,220		5,598	-5,598
Non-current receivables		441	-441		412	-412
Investments		-2,403	2,403		3,028	-3,028
Other assets		8,161	-8,161		7,668	-7,668
Provisions	34	3,278	-3,245	29	3,278	-3,249
Non-current debts	200		200			
Employee benefits	38	254	-215	40	262	-221
Capital grants		454	-454		454	-454
Other liabilities	100	4,551	-4,451	703	4,543	-3,840
Tax losses	5,231	-194	5,425	5,798	-816	6,614
<b>Total</b>	<b>5,579</b>	<b>25,444</b>	<b>-19,865</b>	<b>6,571</b>	<b>31,824</b>	<b>-25,253</b>
<b>II. UNRECOGNISED DEFERRED TAX ASSETS</b>						
Unrecognised deferred tax losses	4,156		4,156	2,646		2,646
Other unrecognised deferred tax assets	1,921		1,921	0		0
<b>Total</b>	<b>6,077</b>	<b>0</b>	<b>6,077</b>	<b>2,646</b>	<b>0</b>	<b>2,646</b>

(x 1,000 euro)

	2006	2005
<b>III. INCOME TAX EXPENSE (INCOME)</b>		
<b>Current income tax expense, net</b>		
Current period tax expense	-12,957	-18,103
Adjustments to current tax of prior period	170	343
<b>Total</b>	<b>-12,787</b>	<b>-17,760</b>
<b>Deferred taxes, net</b>		
Origination and reversal of temporary differences	578	1,179
Additions (use) of tax losses	-231	2,049
Other deferred taxes	-507	0
<b>Total</b>	<b>-160</b>	<b>3,228</b>
<b>Total current and deferred tax expenses (income)</b>	<b>-12,947</b>	<b>-14,532</b>
<b>IV. RECONCILIATION OF STATUTORY TAX TO EFFECTIVE TAX</b>		
Profit (loss) before taxes	342,081	320,809
Profit (loss) of participations accounted for using the equity method (-)	-237,728	-65,631
	<b>104,353</b>	<b>255,178</b>
Statutory tax rate	33.99%	33.99%
<b>Tax expense using the statutory tax rate</b>	<b>-35,470</b>	<b>-86,735</b>
Tax effect of rates in other jurisdictions	-5	-5
Tax effect of tax exempt revenues	39,442	95,916
Tax effect of non-deductible expenses	-15,259	-14,914
Tax effect of tax losses (utilised) reversed	-2,216	-282
Tax effect of change in tax rates	161	
Tax effect from under or over provisions in prior periods	122	217
Other increase (decrease)	278	-8,729
<b>Tax expense using the effective tax rate</b>	<b>-12,947</b>	<b>-14,532</b>
Profit (loss) before taxes	342,081	320,809
Profit (loss) of participations accounted for using the equity method (-)	-237,728	-65,631
	<b>104,353</b>	<b>255,178</b>
<b>Effective tax rate</b>	<b>12,41%</b>	<b>5,69%</b>

(x 1,000 euro)

	Notional amount 2006	Carrying amount 2006	Notional amount 2005	Carrying amount 2005
<b>PORTFOLIO HEDGE OF INTEREST RATE RISK</b>				
<b>Assets</b>				
Fair value hedges	0	0	0	0
Cash flow hedges	504,209	7,312	377,855	2,211
< 1 year		242		0
> 1 year		7,070		2,211
<b>Liabilities</b>				
Fair value hedges	0	0	0	0
Cash flow hedges	53,995	190	175,919	1,852
< 1 year		174		472
> 1 year		16		1,380

(x 1,000 euro)

	Gains 2006	Losses 2006	Gains 2005	Losses 2005
<b>FAIR VALUE ADJUSTMENTS IN HEDGE ACCOUNTING</b>				
PORTFOLIO HEDGE OF INTEREST RATE RISK				
<b>Cash flow hedge of interest rate risk</b>				
Fair value changes of the hedging instrument				
- ineffective portion	54	-967	30	-756

Bank J. Van Breda & C° follows a careful policy with regard to interest rate risk. In the event that the terms of the assets and the liabilities correspond insufficiently, the aforementioned hedging instruments are combined to correct this:

- interest rate swaps which convert the floating interest obligations to fixed ones;
- options that provide protection against an increase of the interest rate above certain levels.

The activities of [Extensa](#) and [Leasinvest Real Estate](#) are primarily financed on the basis of a floating interest rate in the short term. To protect oneself against possible increases in interest rates, IRS contracts are concluded and CAPs are purchased with a scope of 3 to 5 years.

The financial instruments mentioned here comply with the criteria for hedging.



(x 1,000 euro)		Carrying amount		Notional amount		Carrying amount		Notional amount	
By nature	By type	Assets 2006	Liabilities 2006	To receive (assets) 2006	To deliver (liabilities) 2006	Assets 2005	Liabilities 2005	To receive (assets) 2005	To deliver (liabilities) 2005
<b>DERIVATIVES HELD FOR TRADING</b>									
<b>Interest rate</b>	Option-								
	Cap/Floor/Collar-								
	Swaption	1,111	81	135,000		2,283	2,283	8,946	8,946
	IRS	2,648	214		10,000	9	1	90,000	
	Other	20,807	615	208,500	49,500	2,522	114	10,000	20,000
							663	228,030	27,500
<b>Equity</b>	Equity option	4,170	4,219	8,843	8,946				
<b>Currency (FX)</b>	FX forward	361	271	17,618	13,902	472	407	15,443	16,713
<b>Other</b>									
<b>Total</b>		<b>29,097</b>	<b>5,400</b>	<b>369,961</b>	<b>82,348</b>	<b>5,306</b>	<b>3,469</b>	<b>352,419</b>	<b>73,159</b>
	< 1 year	654	438			419	454		
	> 1 year	7,636	4,962			4,887	3,015		
	Bonds in Trading	20,807							

This heading lists the instruments used by Bank J. Van Breda & C° and Leasinvest Real Estate in order to cover risks but which do not qualify as hedging instruments.

AvH also makes use of financial instruments for risk control via AvH Coordination Center. In particular, these are financial instruments which should alleviate the effect of rising short-term interest rates. These instruments are part of the financing of the short-term credit needs via the commercial paper programme. The derivatives as of 31 December 2006 related to an underlying notional amount of 20 million euro with maturity dates in 2007 and 2008 respectively.

**1. Equity settled stock option plan AvH as of 31 December 2006**

Grant date	Number options granted	Number options exercised	Number options expired	Balance	Exercise price (in euro)	Exercise period
1999	10,650	-9,750	-900	0	30.00	01/01/2003 - 25/03/2010
2000	15,650	-11,850	-1,000	2,800	28.26	01/01/2004 - 12/01/2011
2001	109,500	-27,500	-10,500	71,500	32.33	01/01/2005 - 07/02/2012
2002	1,000	-1,000		0	30.65	01/01/2006 - 06/02/2013
2003	38,500		-3,500	35,000	15.98	01/01/2007 - 31/01/2011
2004	32,500			32,500	19.02	01/01/2008 - 26/01/2012
2005	44,500			44,500	27.08	01/01/2009 - 24/01/2013
2006	46,000			46,000	46.09	01/01/2010 - 03/01/2014
	298,300	-50,100	-15,900	232,300		

AvH's stock option plan, which was approved in 1999, is intended to provide long-term motivation for executive directors, members of the executive committee, executives and consultants whose activities are essential to the success of the group. The options give them the right to acquire as many shares in Ackermans & van Haaren.

The remuneration committee is responsible for monitoring this plan and selecting the beneficiaries. The options are provided free of charge and their period is 8 years.

The company has made use of the possibility provided by the programme law of 24 December 2002 to extend the period of all options outstanding before 2003 with another three years.

IFRS 2 has been applied to the stock options granted after 7 November 2002.

The fair value as of 31 December 2006 of the outstanding options of 2003-2004-2005-2006 amounts to 1.1 million euro and is calculated by an external party according to the Monte Carlo model.

In 2006, 46,000 new stock options were granted with an exercise price of 46.09 euro per share. The fair value when granted was fixed at 0.5 million euro and is recorded in the profit and loss account over the vesting period of 4 years.

To cover the outstanding option obligations, AvH has a total of 265,894 treasury shares in its portfolio, already anticipating the options granted in the beginning of 2007.

**2. Cash settled stock option and warrant plans at consolidated subsidiaries of AvH**

The beneficiaries of the option plans of Van Laere, Bank Delen, Bank J. Van Breda & C° and Extensa have a put option on the respective parent companies Anfima, Delen Investments, Finaxis and NIM (these companies have call options and a pre-emption right to prevent the shares from being transferred to third parties).

These option plans concern shares which are not listed on a stock exchange and whose value is determined in the option plan. The valuation of the option price is (depending on the option plan) based on the growth of the equity, a multiple on the growth of the consolidated profit or a market valuation of the company.

The valuation of the warrants granted to the beneficiaries of DEME is based on a multiple of the consolidated cash flow.

In conformity with IFRS 2, the impact of these option and warrant plans are included in the debts based on the best possible assessment. These debts are reviewed as a result of an exercise, a re-granting or modification of the parameters. These increases or decreases of the debts result respectively in a loss or profit in the income statement.

The total debt of the option and warrant plans of the fully consolidated subsidiaries as of 31 December 2006 amounts to 4.8 million euro and decreased to last year due to exercised options.

**3. Treasury shares**

As part of AvH's aforementioned stock option plan, 165,300 treasury shares were redeemed and 32,050 were sold in 2006 as a result of the exercises that occurred in 2006.

The total number of treasury shares as of the end of December 2006 was 265,894.

## NOTE 20 / RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

(x 1,000 euro)	2006	2005
Amount of personal guarantees, given or irrevocably promised by the enterprises included in the consolidation, as security for third parties' debts or commitments	80,843	69,895
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments of enterprises included in the consolidation	22,162	25,518
Commitments to acquire fixed assets	16,866	5,345
Commitments to dispose of fixed assets	106,308	63,984
Rights and commitments not reflected in the balance sheet of banks (Bank J. Van Breda & C°)		
– loan commitments	197,618	172,314
– financial guarantees	46,255	40,969
– repo transactions + collateral	50,490	129,690

The personal guarantees are coming from the segment 'AvH and subholdings' for the amount of 32.19 million euro and from the segment 'building, dredging & environmental services' for the amount of 48.65 million euro. De guarantees of AvH and subholdings includes 50% of commitments and guarantees granted by GIB in the context of sales of affiliates, dated from before the take-over of GIB by AvH and CNP. With reference to those risks, the accounts of AvH per 31 december 2006 include provisions for the amount of 21.2 million euro (see also comments on provisions on page 109). The guarantees of the segment 'building, dredging & environmental services' consist of guarantees given by Van Laere in regard of construction contracts.

The real guarantees are entirely coming from the segment 'building, dredging & environmental services' and consist of pledged transport agreements of SNTC and mortgages on buildings of Van Laere, and this within the framework of bank loans.

In the context of the disposal of Quick GIB has committed to attribute a financing to the acquirer (CDC Investissement) in the form of a mezzanine for an amount of maximum 30 million euro (share group: 15 million euro). Besides this financing commitment the account "Commitments to acquire fixed assets" consists of the commitments to pay up shares a.o. (Mercapital, Arcomet) and options concluded within the framework of shareholder agreements in the segment 'private equity'.

The commitments to sell fixed assets can be divided in 2 categories:

- call options related to the operating leases and investment property of Extensa Group and Leasinvest Real Estate (49.7 million euro);
- call-options on assets of the group, whether within the framework of agreements, or within the framework of stock option plans (56.6 million euro).

## NOTE 21 / EMPLOYMENT

I. AVERAGE NUMBER OF PERSONS EMPLOYED	2006	2005
Employees and management personnel	593	575
Workers	451	473

At the headquarters of Ackermans & van Haaren about 30 persons are employed

II. PERSONNEL CHARGES	2006	2005
(x 1,000 euro)		
Remuneration and social charges	-56,635	-55,864
Pension expenses (defined contribution and defined benefit plans)	-1,751	-1,181
Share based payment	-858	-3,221
<b>Total</b>	<b>-59,244</b>	<b>-60,266</b>

(x 1,000 euro)	2006	2005
Defined Benefit Pension plans	443	205
Defined Contribution Pension plans	0	0
Other pension obligations (early retirement)	1,125	1,186
<b>Total pension obligations</b>	<b>1,568</b>	<b>1,391</b>
<b>Total pension assets</b>	<b>978</b>	<b>769</b>
<b>I. DEFINED BENEFIT PENSION PLANS</b>		
<b>1. Components of defined benefit plan assets and liabilities</b>		
Net funded defined benefit plan obligation (asset)	-341	-325
<i>Present value of wholly or partially funded obligation</i>	<i>2,224</i>	<i>2,253</i>
<i>Fair value of plan assets ( - )</i>	<i>-2,566</i>	<i>-2,578</i>
Unrecognised actuarial gains (losses)	-194	-239
<b>Defined benefit plan obligation (asset), total</b>	<b>-535</b>	<b>-564</b>
Liabilities	443	205
Assets ( - )	-978	-769
<b>2. Expense recognised in the income statement</b>	<b>173</b>	<b>89</b>
Current service cost	203	153
Interest cost	94	120
Expected return on plan assets ( - )	-124	-183
Net actuarial (gain) loss	0	0
<b>3. Movements in defined benefit plan obligations (asset)</b>		
<b>Defined benefit plan obligation, opening balance</b>	<b>-564</b>	<b>518</b>
Contributions paid ( - )	-144	-159
Expense recognised	173	89
Decrease through business divestiture ( - )		-1,013
<b>Defined benefit plan obligation, closing balance</b>	<b>-535</b>	<b>-564</b>
<b>4. Principal actuarial assumptions</b>		
Discount rate used	4.00% – 4.50%	4.00%
Expected return on plan assets	4.00% – 4.75%	4.00% – 4.75%
Expected rate of salary increase	2.00% – 3.50%	2.00% – 3.50%
Medical cost trend rate	2.00%	2.00%
<b>II. DEFINED CONTRIBUTION PENSION PLANS</b>		
Total charges recognised in the income statement	-1,020	-582

The defined contribution plans concern mainly the plans of AvH and subholdings

(x 1,000 euro)

	2005 Discontinued operation Solvus
<b>DISCLOSURES RELATED TO DISCONTINUED OPERATIONS</b>	
<b>Profit (loss) after taxes from discontinued operations (100% Solvus)</b>	
Profit (loss) before taxes from ordinary activities	13,551
Income taxes (-)	-3,949
Minority interests on Solvus level (-)	-288
<b>Total</b>	<b>9,314</b>
<b>Profit (loss) from discontinued operations (share AvH - 41.77%)</b>	
Profit (loss) after taxes from discontinued operations	3,891
Profit (loss) on disposal or remeasurement at fair value less costs to sell	132,327
<b>Total</b>	<b>136,218</b>
<b>Net cash flows from discontinued operations</b>	
Cash and cash equivalents as of 1 January 2005	86,454
Net cash flow from operating activities of discontinued operations (100% Solvus)	-51,725
Net cash flow from investing activities of discontinued operations (100% Solvus)	-29,086
Net cash flow from financial activities of discontinued operations (100% Solvus)	-5,643
Sales price minus costs to sell (share AvH)	241,950

In 2006 no discontinued operations occurred.

In 2005 the fully consolidated Solvus group was sold to USG.  
We refer to the financial report of 2005.

(x 1,000 euro)	Subsidiaries	Private equity participations	Associated participations	Other related parties	Total 2006	Subsidiaries	Private equity participations	Associated participations	Other related parties	Total 2005
<b>I. ASSETS WITH RELATED PARTIES</b>										
<b>Financial fixed assets</b>	4,513	2,706	2,014		9,233	6	1,737			1,743
Receivables and warranties	4,513	2,706	2,014		9,233	6	8,671			8,677
Receivables and warranties - impairment							-6,935			-6,935
<b>Amounts receivable</b>	39,049	6,168	2,652		47,869	4,012	6,668	16,551		27,231
Trade receivables	36		25		61	1		85		87
Other receivables - gross amount	39,558	6,168	2,627		48,353	23,695	15,031	16,466		55,191
Other receivables - impairment	-545				-545	-19,684	-8,363			-28,047
<b>Banks - receivables from credit instit. &amp; clients</b>	19		4,638		4,657	332		9,088		9,420
<b>Deferred charges &amp; accrued income</b>	1,592	145	107		1,844	555	141	20		716
<b>Total</b>	45,173	9,019	9,411		63,603	4,905	8,546	25,659		39,110
<b>II. LIABILITIES WITH RELATED PARTIES</b>										
<b>Financial debts</b>	260				260	310		4,110		4,420
Other borrowings	260				260	310		4,110		4,420
<b>Other debts</b>	370		2,249		2,619	7,708		1,991		9,699
Trade debtors			143		143					0
Other amounts payable	370		2,106		2,476	7,708		1,991		9,699
<b>Banks - debts to credit institutions, clients &amp; securities</b>	138,133		895		139,028	137,696		1,221		138,917
<b>Accrued charges and deferred income</b>	425		21		446	849		63		912
<b>Total</b>	139,188		3,165		142,353	146,563		7,385		153,947
<b>III. TRANSACTIONS WITH RELATED PARTIES</b>										
<b>Revenue</b>	9,714	283	488		10,485	8,880	124	806		9,810
Rendering of services	1,804	236			2,040	2,002	124			2,126
Leasing revenue			3		3					0
Interest income banking activities of										
banking activities	5		383		388	4		782		786
Commissions receivable	7,830				7,830	6,873				6,873
Other operating revenue	75	47	102		224	1		24		25
<b>Other operating income</b>	351	5,098	303		5,752	80	5,788	90		5,958
Interest on financial fixed assets - receivables	296	142	82		520		753	15		767
Dividends	50	4,906	221		5,177		4,960	75		5,035
Other operating income	5	50			55	80	75			155
<b>Operating expenses ( - )</b>	-4,372	2,170	-2,068		-4,270	-3,240	-3,747	-584		-7,571
Interest expenses Bank J.Van Breda & C° ( - )	-3,988		-120		-4,108	-2,993		-14		-3,007
Impairment losses ( - )	-217	2,170	63		2,016	-16	-3,747			-3,763
Other operating expenses ( - )	-167		-2,011		-2,178	-231		-570		-801
<b>Finance income</b>	1,526	177	384		2,087	35	310	1,096		1,441
Interest income	1,525	177			1,702	34	310			344
Other finance income	1		384		385	1		1,096		1,097
<b>Finance costs ( - )</b>	-33		-65		-98	-341		-159		-500
Interest expenses ( - )	-33				-33	-341				-341
Other finance costs ( - )			-65		-65			-159		-159
<b>IV. REMUNERATION KEY MANAGEMENT</b>										
<b>Remuneration of the directors</b>										
Tantièmes at the expense of AvH					162					143
<b>Remuneration of the members of the executive committee</b>										
Fixed remuneration					1,637					1,604
Bonus					2,496					2,064
Group and hospitalisation insurance					98					96

The members of the executive committee, by exercising their stock options, could acquire at the end of 2006 an aggregate of 174,800 shares of Ackermans & van Haaren.

## NOTE 24 / RELATED PARTIES

### IN 2006 THE AUDITOR ERNST & YOUNG RECEIVED FOLLOWING FEES RELATED TO : (x 1,000 euro)

	AvH	Subsidiaries <sup>(1)</sup>	Total
The statutory mandate	34	914	948
Other services	81	279	360
<b>Total</b>	<b>115</b>	<b>1,193</b>	<b>1,308</b>

(1) including jointly controlled subsidiaries accounted for using the equity method.

## NOTE 25 / EARNINGS PER SHARE

	2006	2005
<b>I. CONTINUED AND DISCONTINUED OPERATIONS</b>		
Net consolidated profit, share of the group (x 1,000 euro)	307,600	278,986
Average number of shares (1)	33,231,010	33,364,260
<b>Basic earnings per share (in euro)</b>	<b>9.26</b>	<b>8.36</b>
Net consolidated profit, share of the group (x 1,000 euro)	307,600	278,986
Average number of shares (1)	33,231,010	33,364,260
Impact stock options	99,707	46,097
Adjusted average number of shares	33,330,717	33,410,357
<b>Diluted earnings per share (in euro)</b>	<b>9.23</b>	<b>8.35</b>
<b>II. CONTINUED ACTIVITIES</b>		
Net consolidated profit from continued activities, share of the group (x 1,000 euro)	307,600	275,095
Average number of shares (1)	33,231,010	33,364,260
<b>Basic earnings per share (in euro)</b>	<b>9.26</b>	<b>8.25</b>
Net consolidated profit from continued activities, share of the group (x 1,000 euro)	307,600	275,095
Average number of shares (1)	33,231,010	33,364,260
Impact stock options	99,707	46,097
Adjusted average number of shares	33,330,717	33,410,357
<b>Diluted earnings per share (in euro)</b>	<b>9.23</b>	<b>8.23</b>

(1) Based on number of shares issued, adjusted for treasury shares in portfolio

## NOTE 26 / PROPOSED AND DISTRIBUTED DIVIDENDS

(x 1,000 euro)	2006	2005
<b>I. DETERMINED AND PAID OUT DURING THE YEAR</b>		
Dividend on ordinary shares: – final dividend 2005: 0.90 euro per share (2004: 0.65 euro per share)	-29,993	-21,688
<b>II. PROPOSED FOR APPROVAL BY THE GENERAL ASSEMBLY</b>		
Dividend on ordinary shares: – final dividend 2006: 1.15 euro per share (dividends treasury shares excluded)	-38,216	



## STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF SHAREHOLDERS OF ACKERMANS & VAN HAAREN NV ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

In accordance with the legal requirements, we report to you on the performance of our mandate of statutory auditor. This report contains our opinion on the consolidated financial statements as well as the required additional comments.

### Unqualified opinion on the consolidated financial statements

We have audited the consolidated financial statements of Ackermans & van Haaren NV and its subsidiaries (collectively referred to as 'the Group') for the year ended 31 december 2006, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated balance sheet as at 31 december 2006, and the consolidated statements of income, changes in equity and cash flows 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 4,721,478 (000) euro and the consolidated statement of income shows a profit for the year, share of the Group, of 307,600 (000) euro.

#### *Responsibility of the board of directors for the preparation and fair presentation of the consolidated financial statements*

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements. This responsibility includes: 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.

#### *Responsibility of the statutory auditor*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the auditing standards applicable in Belgium, as issued by the Institute of Registered Auditors (Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the 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 evaluated the appropriateness of accounting policies used, the reasonableness of significant accounting estimates made by the Group and the presentation of the consolidated financial statements, taken as a whole. Finally, we have obtained from the board of directors and the Group's officials the explanations and information necessary for executing our audit procedures. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Opinion*

In our opinion, the consolidated financial statements for the year ended 31 december 2006 give a true and fair view of the Group's financial position as at 31 december 2006 and of the results of its operations and its cash flows in accordance with IFRS as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

#### **Additional comments**

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 comments, which do not modify the scope of our opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements deals with the information required by law and is consistent with the consolidated financial statements. We are, however, unable to comment on the description of the principal risks and uncertainties which the entities included in the consolidation are facing, and on their financial situation, their foreseeable evolution or the significant influence of certain facts on their future development. We can nevertheless confirm that the matters disclosed do not present any obvious inconsistencies with the information that we became aware of during the performance of our mandate.

Antwerpen, 18 April 2007

Ernst & Young Reviseurs d'Entreprises SCCRL  
Statutory auditor  
represented by

Jan De Landsheer  
Partner

Patrick Rottiers  
Partner

# STATUTORY ANNUAL ACCOUNTS

In accordance with article 105 of the Belgian Company Law, the statutory annual accounts of Ackermans & van Haaren NV, are presented in short form.

In accordance with article 98 of the Belgian Company Law, the annual report of the board of directors, the annual accounts of Ackermans & van Haaren NV and the report of the Statutory Auditor are filed with the National Bank of Belgium.

The Statutory Auditor has given an unqualified opinion regarding the statutory accounts.

The annual accounts, the annual report of the board of directors and the report of the Statutory Auditor are available at the registered office or at the request of the shareholder.

The statutory annual accounts are prepared in accordance with the Belgian General Accounting Principles.

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# STATUTORY ANNUAL ACCOUNTS | BALANCE SHEET

(x 1,000 euro)	Note	2006	2005	2004
<b>FIXED ASSETS</b>		<b>1,265,207</b>	<b>1,242,325</b>	<b>1,581,410</b>
<b>I Formation expenses</b>				
<b>II Intangible assets</b>		<b>0</b>	<b>0</b>	<b>1</b>
<b>III Tangible assets</b>	(1)	<b>9,869</b>	<b>3,839</b>	<b>2,048</b>
A Land and buildings		804	827	902
C Furniture and vehicles		262	286	237
D Leasing and other similar rights		21		5
F Assets under construction and advanced payments		8,782	2,726	904
<b>IV Financial assets</b>	(2)	<b>1,255,338</b>	<b>1,238,486</b>	<b>1,579,361</b>
A Affiliated enterprises		1,126,913	1,122,866	1,565,224
1 Participating interests		1,122,400	1,122,866	1,565,224
2 Amounts receivable		4,513		
B Other enterprises linked by participating interests		11,400	25	27
1 Participating interests		11,400	25	27
2 Amounts receivable				
C Other financial assets		117,025	115,595	14,110
1 Shares		117,021	115,591	14,105
2 Amounts receivable and cash guarantees		4	4	5
<b>CURRENT ASSETS</b>		<b>100,660</b>	<b>51,194</b>	<b>14,583</b>
<b>V Amounts receivable after more than one year</b>				
A Trade debtors				
B Other amounts receivable				
<b>VI Stocks and contracts in progress</b>				
A Stocks				
1 Raw materials and consumables				
2 Work in progress				
3 Finished goods				
4 Goods purchased for sale				
5 Immovable property acquired or constructed for resale				
6 Advance payments				
B Contracts in progress				
<b>VII Amounts receivable within one year</b>	(3)	<b>40,173</b>	<b>4,318</b>	<b>1,984</b>
A Trade debtors		1,812	2,950	1,674
B Other amounts receivable		38,361	1,368	310
<b>VIII Investments</b>	(4)	<b>58,007</b>	<b>45,957</b>	<b>10,010</b>
A Own shares		10,332	1,973	1,823
B Other investments and deposits		47,675	43,984	8,187
<b>IX Cash at bank and in hand</b>		<b>1,027</b>	<b>274</b>	<b>324</b>
<b>X Deferred charges and accrued income</b>		<b>1,453</b>	<b>645</b>	<b>2,265</b>
<b>TOTAL ASSETS</b>		<b>1,365,867</b>	<b>1,293,519</b>	<b>1,595,993</b>

# STATUTORY ANNUAL ACCOUNTS | BALANCE SHEET

(x 1,000 euro)	Note	2006	2005	2004
<b>CAPITAL AND RESERVES</b>	(5)	544,507	572,765	583,337
<b>I Capital</b>		2,295	2,295	2,295
A Issued capital		2,295	2,295	2,295
B Uncalled capital (-)				
<b>II Share premium account</b>		111,612	111,612	111,612
<b>III Revaluation surplus</b>				
<b>IV Reserves</b>		46,005	36,477	35,921
A Legal reserve		248	248	248
B Reserves not available for distribution		10,367	2,008	1,858
1 Own shares		10,332	1,973	1,823
2 Other		35	35	35
C Untaxed reserves				
D Reserves available for distribution		35,390	34,221	33,815
<b>V Profit carried forward</b>		384,595	422,381	433,509
Loss carried forward (-)				
<b>VI Investment grants</b>				
<b>PROVISION AND DEFERRED TAXATION</b>		0	2,938	0
<b>VII A Provisions for liabilities and charges</b>				
1 Pensions and similar obligations				
2 Taxation				
3 Major repairs and maintenance				
4 Other liabilities and charges			2,938	
<b>B Deferred taxation</b>				
<b>CREDITORS</b>		821,360	717,816	1,012,656
<b>VIII Amounts payable after more than one year</b>		17	0	68,005
A Financial debts		17		5
B Trade debts				
C Advances received on contracts in progress				
D Other amounts payable				68,000
<b>IX Amounts payable within one year</b>		819,407	716,833	943,379
A Current portion of amounts payable after more than one year	(6)	5	68,005	68,005
B Financial debts	(7)	776,194	609,885	819,040
1 Credit institutions				
2 Other loans		776,194	609,885	819,040
C Trade debts		874	671	1,039
1 Suppliers		874	671	1,039
E Taxes, remuneration and social security		3,112	252	194
1 Taxes		747	252	170
2 Remuneration and social security		2,365		24
F Other amounts payable	(8)	39,222	38,020	55,101
<b>X Accrued charges and deferred income</b>		1,936	983	1,272
<b>TOTAL LIABILITIES</b>		1,365,867	1,293,519	1,595,993

# STATUTORY ANNUAL ACCOUNTS | INCOME STATEMENT

(x 1,000 euro)	Note	2006	2005	2004
<b>CHARGES</b>				
<b>A Interests and other debt charges</b>	(9)	25,052	19,894	21,911
<b>B Other financial charges</b>		937	2,206	3,372
<b>C Services and other goods</b>		8,195	5,079	4,953
<b>D Remuneration, social security costs and pensions</b>		932	615	747
<b>E Other operating charges</b>		144	87	79
<b>F Depreciation of and other amounts written off formation expenses, intangible and tangible assets</b>		99	155	109
<b>G Amounts written off</b>		533	118	751
1 Financial assets		497	2	716
2 Current assets		36	116	35
<b>H Provisions for liabilities and charges</b>		-2,938	2,938	-220
<b>I Loss on disposal of</b>		1,143	35,625	10
1 Intangible and tangible assets				9
2 Financial assets		941	35,613	
3 Current assets		202	12	1
<b>J Extraordinary charges</b>		0	1,417	201
<b>K Income taxes</b>				
<b>L Profit for the period</b>		10,425	19,718	78,118
<b>M Transfer to the untaxed reserves</b>				
<b>N Profit for the period available for approbation</b>		10,425	19,718	78,118
<b>APPROPRIATION ACCOUNT</b>				
<b>A Profit to be appropriated</b>		432,806	453,226	455,810
1 Profit for the period available for approbation		10,425	19,718	78,118
2 Profit brought forward		422,381	433,508	377,692
<b>TOTAL</b>		432,806	453,226	455,810

# STATUTORY ANNUAL ACCOUNTS | INCOME STATEMENT

(x 1,000 euro)	Note	2006	2005	2004
<b>INCOME</b>				
<b>A Income from financial assets</b>	(10)	33,003	57,993	69,465
1 Dividends		32,205	57,389	68,855
2 Interests		296		
3 Tantièmes		502	604	610
<b>B Income from current assets</b>	(11)	4,180	2,725	437
<b>C Other financial income</b>		1	1	3
<b>D Income from services rendered</b>		4,007	4,169	2,875
<b>E Other operating income</b>		295	367	370
<b>F Write back to depreciation of and to other amounts written off intangible and tangible assets</b>				
<b>G Write back to amounts written off</b>		1,006	8,810	2,136
1 Financial assets		941	3,292	119
2 Current assets		65	5,518	2,017
<b>H Write back to provisions for liabilities and charges</b>				
<b>I Gain on disposal of</b>		2,030	13,787	34,745
1 Tangible and intangible assets		2	4	13
2 Financial assets		7	13,602	34,732
3 Current assets	(12)	2,021	181	
<b>J Extraordinary income</b>				
<b>K Regularisation of income taxes and write back to tax provisions</b>				
<b>L Loss for the period</b>				
<b>M Transfer from untaxed reserves</b>				
<b>N Loss for the period available for approbation</b>				
<b>APPROBATION ACCOUNT (CONTINUED)</b>				
<b>C Transfers to capital and reserves</b>		9,528	556	389
3 To undistributable reserves		9,528	556	389
<b>D Result to be carried forward</b>		384,595	422,381	433,509
1 Profit to be carried forward		384,595	422,381	433,509
<b>F Distribution of profit</b>		38,683	30,289	21,912
1 Dividends		38,521	30,147	21,772
2 Tantièmes		162	142	140
<b>TOTAL</b>		432,806	453,226	455,810

## BALANCE SHEET

### Assets

**1** Tangible fixed assets: these consist mainly of land and buildings located at 2000 Antwerp (Begijnenvest no. 105 and 113, and Schermersstraat no. 42-44). This is where, since the end of February 2007, after extensive renovation and extension works, the offices and registered office of Ackermans & van Haaren are again located.

**2** Financial assets: the portfolio of Ackermans & van Haaren was expanded in 2006 with a 50% participation in Rent a Port, a subordinated loan in favour of Financière Trasys, a 40% participation in the security company Cobelguard and also as a result of a slight increase in the participating interest in Sipef. The significant position in KBC remained unchanged in 2006.

**3** Amounts receivable within one year: the increase in receivables of one year at the most corresponds to the granting of a short-term advance by Ackermans & van Haaren to GIB with the intention of financing its investment in Groupe Flo during the first quarter of 2006. In the meantime, GIB has sold its participation in Quick Restaurants and has the financial resources available in 2007 to pay back this advance to the shareholders Ackermans & van Haaren and CNP.

**4** Own shares: the item 'own shares' has increased considerably as a result of the net purchases of 133,250 own shares to hedge the share option plan.

### Liabilities

**5** Capital and reserves: at the end of 2006, this amounted to 544.5 million euro which already takes into account the appropriation of profits proposed to the general meeting of shareholders of 1.15 euro gross per share.

**6** Current portion of amounts payable after more than one year: the payment in January 2006 of the last of three tranches of 68 million euro completes the purchase of a 40% stake in Finaxis carried out at the beginning of 2004. Since then, Ackermans & van Haaren no longer has any noteworthy LT debts.

**7** Short-term financial debts: these rose from 609.9 million euro to 776.2 million euro as a result of the previously mentioned investments, the payment of dividends in 2006 and the reimbursement of the last instalment of the debt related to the purchase of Finaxis. This financial debt has been contracted for the entire amount with the group company AvH Coordination Centre.

**8** Other amounts payable: these already take into account the payment of dividends amounting to 38.5 million euro as proposed to the general meeting of 29 May 2007.

## INCOME STATEMENT

### Charges

**9** Financial costs: the increase of interest rates and the increased debt position (exclusively vis-à-vis the group company AvH Coordination Centre) explain the increase in financial costs.

### Revenues

**10** Income from financial assets: as already noted in the past, not all participations of the group are held directly by the parent company Ackermans & van Haaren, but rather through subsidiaries such as Anfima, Nationale Investeringsmaatschappij and Sofinim. This means that not all dividends received by the group are visible in these non-consolidated accounts and that the dividends that are visible in the statutory accounts do not correspond with the result of the participations as reported in the consolidated accounts. The decrease in 2006 in comparison with 2005 is explained by the fact that GIB did not pay a significant dividend in 2006, contrary to 2005. In 2006, the most significant dividends came from Finaxis, Protalux, Sofinim and KBC

**11** Income from current assets: the increase is mainly due to increased dividend income from the investment portfolio.

**12** Gain on disposal of current assets: these mainly concern a capital gain realised on the sale of an item of the investment portfolio.



