

PRESS RELEASE

**2006 FIRST HALF-YEAR RESULTS
ACQUISITION OF ZUID-CHEMIE**

2006 FIRST HALF-YEAR RESULTS:

- * **Turnover: € 52.0 million (down 7%)**
- * **Operating profit: € 2.8 million (down 7.5%)**
- * **Net profit: € 2.0 million (up 2.3%)**

As previously announced at the Annual General Meeting, fertiliser consumption continued to decrease in Western Europe during the last 2005-06 agricultural campaign. Business organisations currently forecast an average 5 to 10% decline, with strong disparities between the various nutritive elements.

The difference between production capacities and demand in this region increased, resulting in enhanced competition and a negative impact on margins.

Our positions on export markets remained stable. However, operations were discontinued in two West African markets due to the financial difficulties experienced by these countries.

Sales of our speciality range expanded satisfactorily. Providing the current geopolitical context does not deteriorate, we expect further growth in the second half-year.

Volumes sold during the first half-year by all our operations declined by 10% during the 2006 first half-year. The decrease affected traded products and blended fertilisers manufactured by our Northern Shipping Bulk Blending subsidiary, while the sales of granulated products in Moustier recorded a slight increase.

2006 first half-year turnover amounted to € 52.0 million. This is 7% lower than the previous financial year, primarily due to the decrease in volumes sold.



Operating profit was € 2.8 million, after taking into account operating expenses and depreciation and amortisation charges (the latter amounting to € 0.7 million). **Operating profit for the first half-year of 2005 amounted to € 3.1 million.**

Due to a lower income tax charge (resulting from the impact of the notional interest deduction) **2006 first half-year net profit** did not follow the same trend and **amounted to € 2.0 million, a 2.3% increase over 2005.**

Comparative results are as follows:

(€ thousands)	(Unaudited figures)			Year 2005
	1 st half-year			
	2006	2005	Δ 2006 / 2005	
Turnover	51,981	55,902	(7.0%)	94,320
Operating profit	2,841	3,070	(7.5%)	3,685
Finance income/(expense)	(14)	27		61
Profit on ordinary activities	2,827	3,097	(8.7%)	3,746
Exceptionals	0	0		1
Profit before tax	2,827	3,097	(8.7%)	3,747
Taxation	(800)	(1,115)	(28.3%)	(1,350)
Net profit	2,027	1,982	2.3%	2,397
Cash flow	2,807	2,697	4.1%	3,418
(in € per share)				
Earnings per share	7.95	7.77	2.3%	9.40
Cash flow	11.01	10.58	4.1%	13.40

ACQUISITION OF ZUID-CHEMIE

The planned acquisition of Zuid-Chemie announced on 30 March last was completed in mid-July 2006.

Zuid-Chemie is a Dutch-registered company, fully held by Grande Paroisse S.A.¹. Zuid-Chemie is situated in Sas van Gent (Netherlands), on the Gent-Terneuzen wide-gauge canal, and operates in the granular fertiliser market.

¹ : Shareholding : Total Group : 100%

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The purchase in full of Zuid-Chemie is part of Rosier's² development strategy in the area of granular compound fertilisers.

The geographic proximity of the two sites, the complementary nature of production facilities and the respective global reach of both commercial networks will contribute to the success of the new group.

Given the intra-group nature of the transaction, and according to article 524 of the Belgian Company Code, the acquisition decision and its terms were taken by the Board of Directors after a positive response from the Independent Director's Committee. The Committee was helped in its decision by an independent expert.

During the 2006 1st half-year, Zuid-Chemie achieved sales of € 41.7 million and a break-even operating profit. Following the recapitalisation performed by its former shareholder at the end of June 2006, Zuid-Chemie has a very sound financial structure, with € 13.4 million in shareholders' equity (amount reprocessed according to IFRS standards) and total assets of € 23.0 million.

Rosier will publish consolidated statements in accordance with IFRS standards and incorporate Zuid-Chemie's accounts from the 2nd half of 2006. At the time of acquisition, Zuid-Chemie's consolidation represents a € 9.2 million badwill.

2006 OUTLOOK

While export sales are more consistent, 2nd half-year deliveries shipped to the European market are traditionally dedicated to PK fertilisers for immediate application as basic fertilisation and NPK fertilisers, delivered for pre-storage for the following spring.

European buyers are still facing high prices, which are nonetheless expected to remain stable, and we fear they will assume a wait-and-see attitude and postpone part of their autumn purchases until the beginning of the 2007 spring.

However, the recently announced production closures should restore balance between supply and demand in Rosier and Zuid-Chemie's natural trade area. On this basis, we expect sales to be similar to the level achieved in the same period last year.

² : Shareholding : Total Group : 57% - Public : 43%

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