



THE BELGIAN  
ASSOCIATION  
OF FINANCIAL  
ANALYSTS

# Award for Best Financial Information 2008

Brussels, 15 October



Mobile phones off please



THE BELGIAN  
ASSOCIATION  
OF FINANCIAL  
ANALYSTS

Award for Best Financial Information 2008

*Welcome*

**Christian Jourquin, CEO**

SOLVAY, winner of the Award 2007



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*Opening remarks*

Hans Buysse

Chairman of the ABAF/BVFA

October 15, 2008



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Award for Best Financial Information 2008

*Academic session*

“Non-financial information for financial  
specialists”

Prof. Dr. Mrs Brigitte Hudlot  
Director of ICHEC Entreprises

- Key Concepts & Framework
- International and National Situation
- The reporting Gap
- Future Trends & Challenges

# Concepts

## **Corporate social responsibility (CSR)**

corporate citizenship

corporate social performance / responsiveness

sustainable / ethical business

caring / socially responsible capitalism

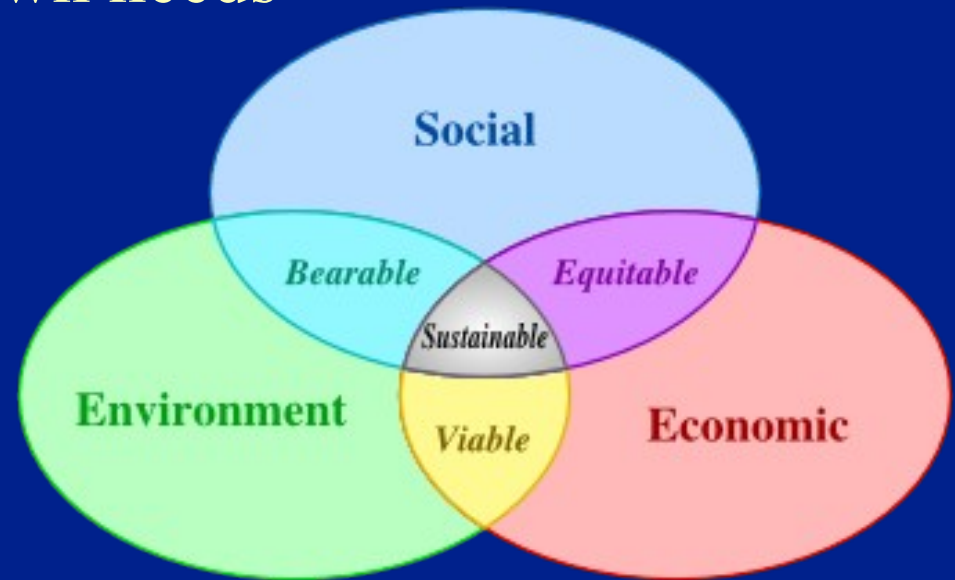
Ethical business

## **Sustainable Development**

Fair trade

# Sustainable Development

A development that "meets the needs of the present without compromising the ability of future generations to meet their own needs"



# Definitions

**2 new dimensions : long term perspective – global geographic feasibility**

**> Sustainability check**

	Economic	Social	Environmental
LT			
Globality			

**➤ Tool for public decisions > could be used by other actors**

**➤ What about the companies**



# Corporate Social Responsibility

**Corporate Social Responsibility is a process of**

- dialogue,
- awareness,
- and actions

through which companies engaged towards their **stakeholders** in order to increase the added value and decrease the negative impact of their activities on the :

- economic,
- social,
- and environmental fields.

# Non Financial Reporting

- No hard and fast definition for non-financial reports.
- The contents varies according to
  - trends over time,
  - countries of origin, sectors, and especially each specific firm,
- We have identified the following types of reports, although this list is not exhaustive:
  - environmental,
  - environmental + health + safety (EHS),
  - corporate Social Responsibility: EHS + social impacts and acts of citizenship,
  - philanthropy and citizenship,
  - sustainable development: economic, social and environmental aspects.

# Business & Society Belgium

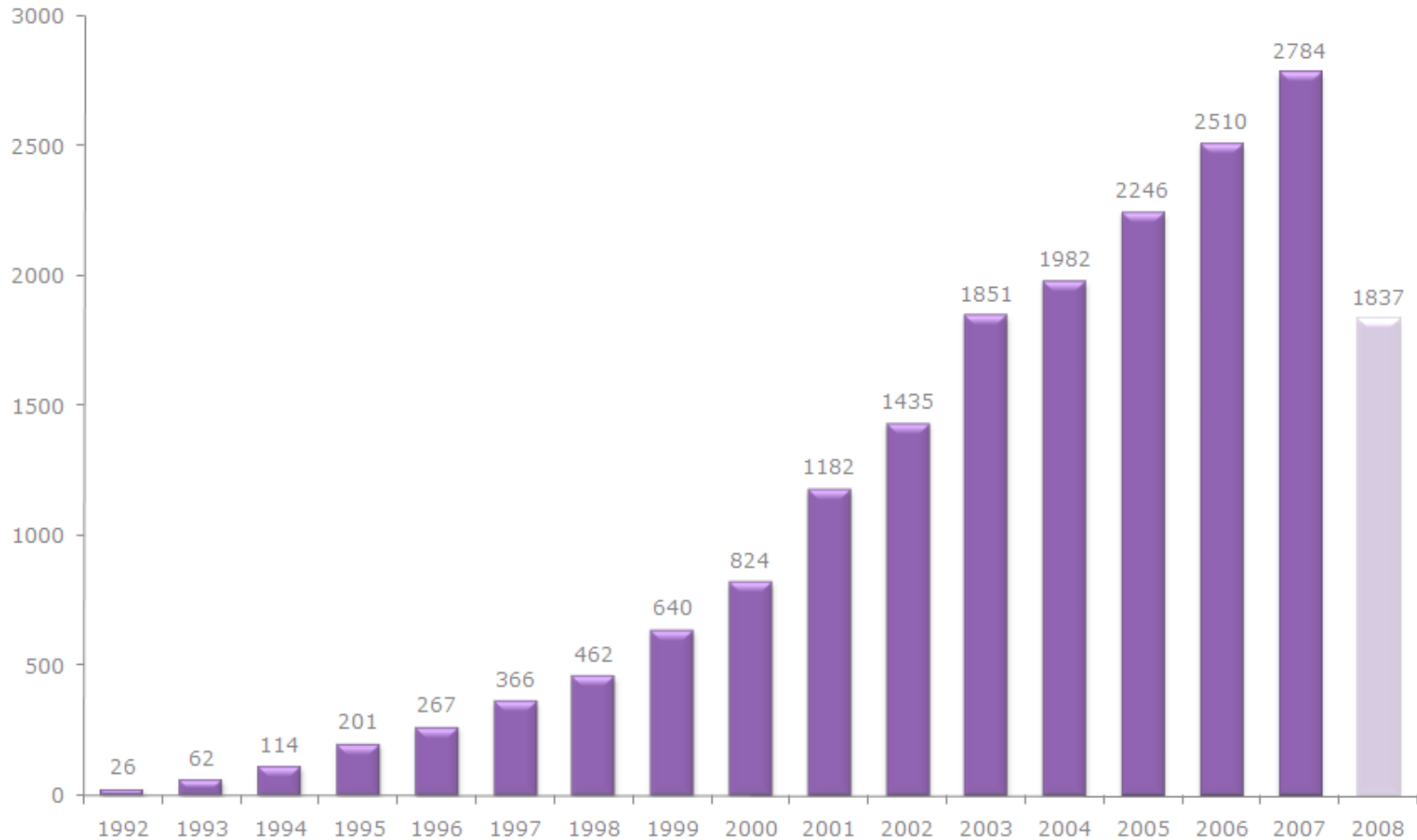
## Publication :

- **Practical Guide**
- **French, Dutch & English**
- **Based on examples**
- **Source of information**
- **Raises questions**
- **Proposes different options**

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



# International Context



# Pending Questions & Dilemmas

- Do we have to write a report ?
- What is the scope of the report ?
  - Influence & controle zone
  - Legal impact of written engagements
- What kind of information to include ?  
=> materiality concept
- What are the expectations of investors?

# Expectations of investors

## Tomorrow's Value: UNEP & Sustainability Survey on CS reports - 2006

### What investors really want

1  
Time horizons  
which extend well  
beyond 12 months

2  
Meaningful raw  
data sets, reported  
consistently over  
time and comparable  
at least within  
sectors

3  
Limited, focused  
commentary,  
explaining the  
materiality of issues  
in financial terms

4  
Information on  
processes for  
identifying and  
managing risks

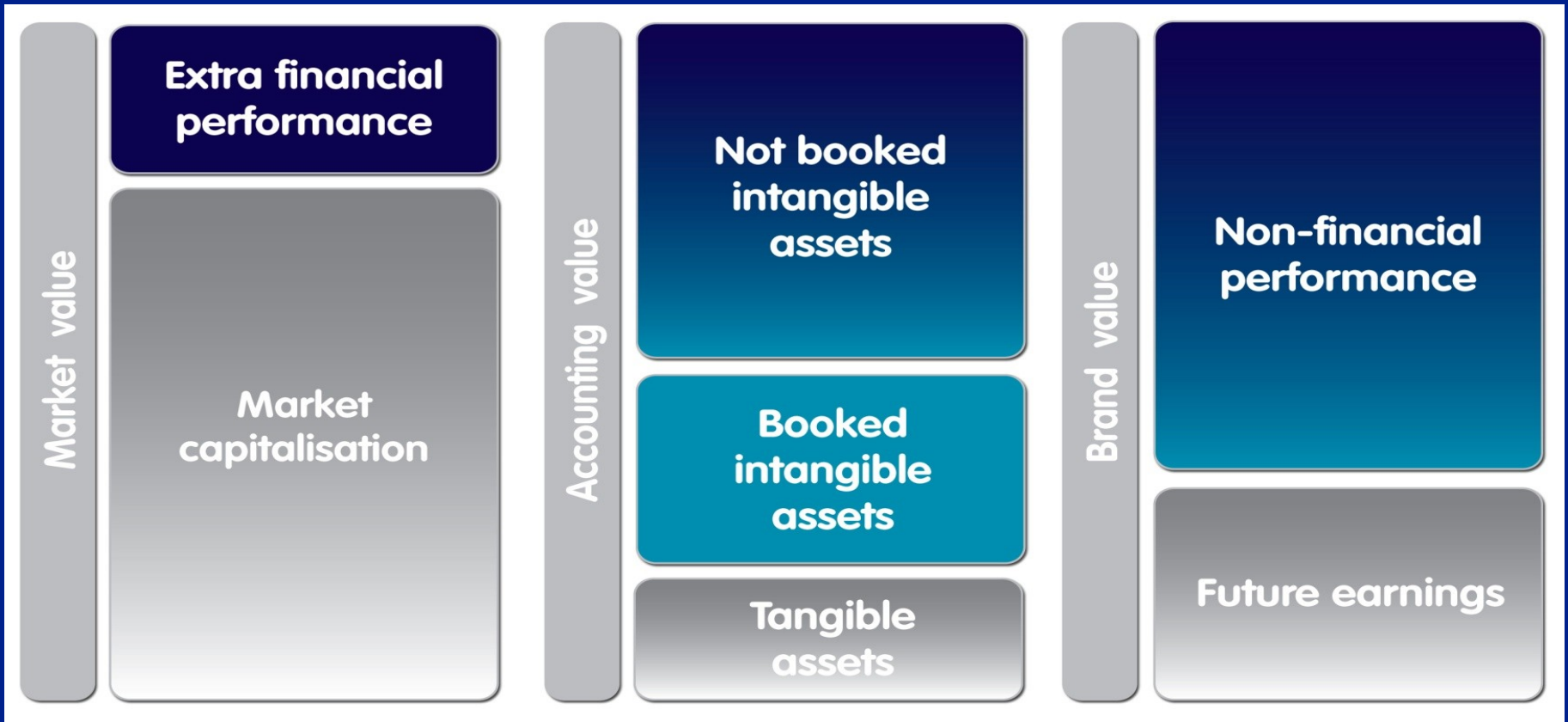
5  
Targets and  
forward-looking  
statements

6  
Focused  
commentary on  
past performance

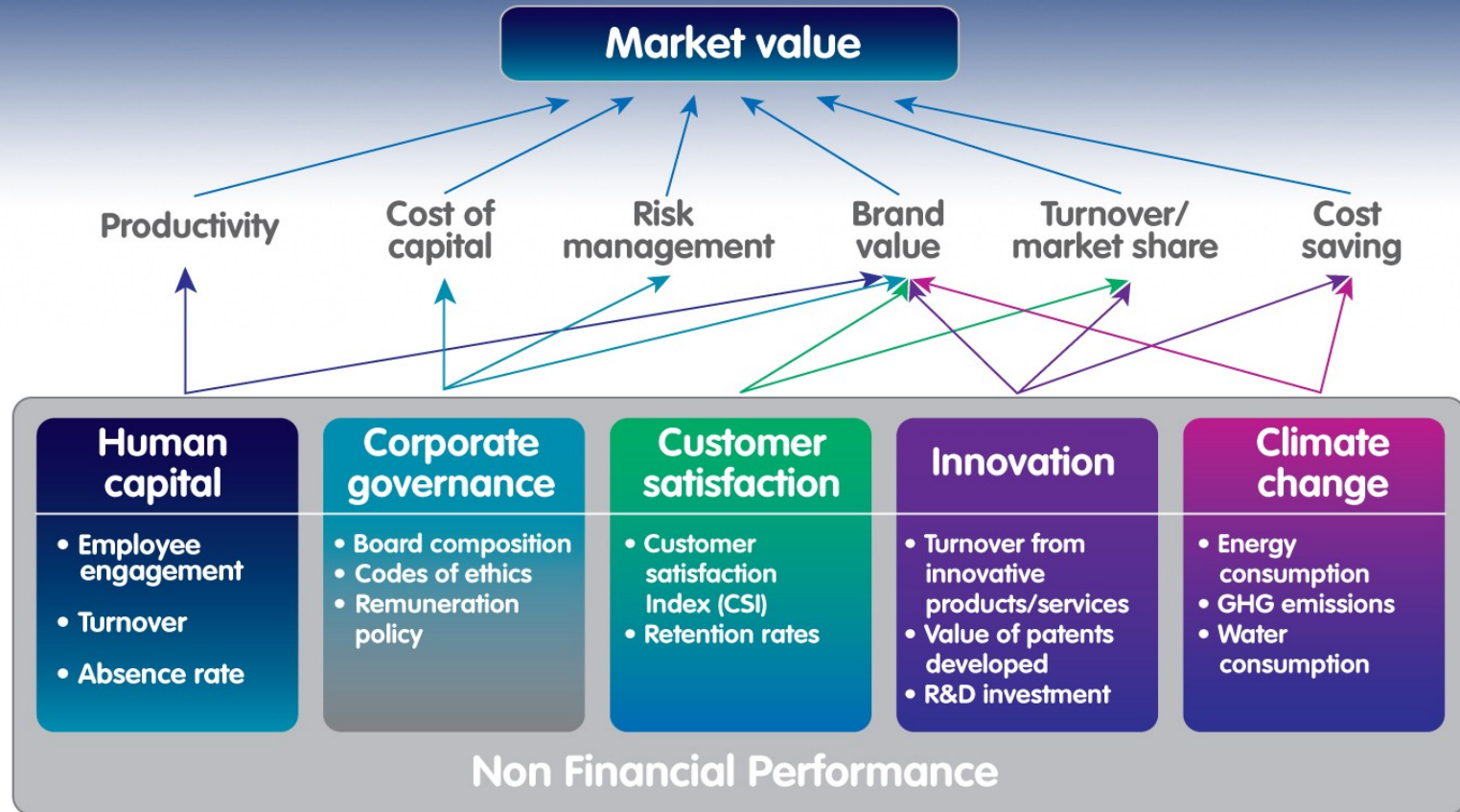
# The reporting Gap

**SHORT TERM**

**LONG TERM**



# How to reduce the Gap ?





# Future Trends

## Trends in reporting

	Today	Tomorrow
1	Annual	24/7/365
2	Reporting	Communication
3	Company	Value chain
4	Soft (CSR)	Hard (boards and investors)
5	Encyclopaedias	Prospectuses
6	Operational performance	Products and markets
7	OECD	BRICs
8	Risk	Value and opportunity

# Innovation & market opportunities





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Brussels, 15 October





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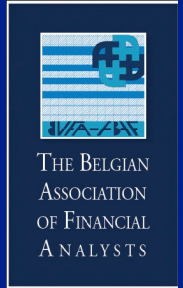
# Award for Best Financial Information 2008 *Procedure & Screening Process*

Serge Pattyn

**A.A & T Accountancy Group**

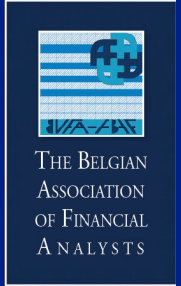
Board Member ABAF/BVFA

# 1. Procedure



- ▶ Spring 2008
  - ▶ Selection of companies based on analyst resources
  - ▶ Questionnaire (factual questions) sent to companies
- ▶ Summer 2008
  - ▶ Screening process
- ▶ Autumn 2008
  - ▶ Rankings ... Award

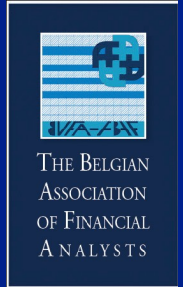
# 1. Procedure



## ▶ Questionnaire

- ▶ 58 selected companies were invited to fill in Q
  - ▶ GDF Suez was excluded
- ▶ 33 companies responded
  - ▶ 15 Bel20 members
  - ▶ 18 “Small- and midcaps”
- ▶ Input is used to underpin the screening

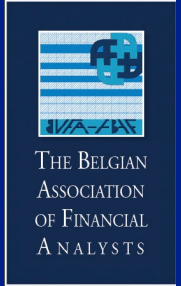
# 1. Procedure



## ► Selected companies & response to Q

Q returned		Q returned		Q returned		Q returned	
Agfa	y	Dexia	y	Jensen	y	Saptec	
Alfacam		D'leteren	y	KBC	y	Sioen	y
Arseus		Distrigaz		Kinepolis	y	Sofina	
AvH	y	Elia	y	Melexis		Solvay	y
Barco	y	EPIQ		Metris		Telenet	y
<b>Befimmo</b>		Euronav		Mobistar	y	Tessenderlo	y
Bekaert	y	EVS	y	NPM/CNP	y	Thrombog.	
Belgacom	y	Exmar		Nyrstar		Transics	
CFE	y	Fluxys		Omega Ph.	y	UCB	y
CMB	y	Fortis	y	Option		Umicore	y
<b>Cofinimmo</b>		GBL	y	Porthus	y	Van de Velde	y
Colruyt		GIMV	y	Quest	y	VPK	
Deceuninck		Hamon		Recticel	y	Zetes	y
Delhaize	y	IBA	y	Resilux			
Devgen		Inbev		Roularta			

# 1. Procedure



## ▶ Screening process

### ▶ 39 Equity Analysts screened:

- ▶ Annual report
- ▶ Press releases
- ▶ Investor Relations
- ▶ Website

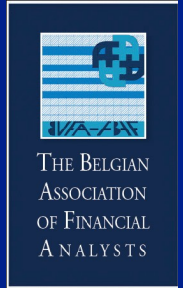
### ▶ 6 Fund Managers

- ▶ Investor Relations



# 1. Procedure

- ▶ 39 equity analysts participated



Bank Degroof (3)

ING (5)

Bank Delen (4)

KBC Securities (10)

Delta Lloyd Bank (1)

SG Private Bank (2)

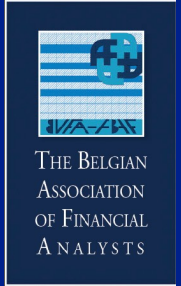
Dexia (7)

Jan Reyens (DS)

Fortis Bank (5)

Serge Pattyn (AA&T)

# 1. Procedure



- ▶ Collaboration from 6 fund managers

Patrick Casselman  
KBC AM

Rudy Vandorpe  
Fortis Private Banking

Yves Vaneerdewegh  
Quest Management

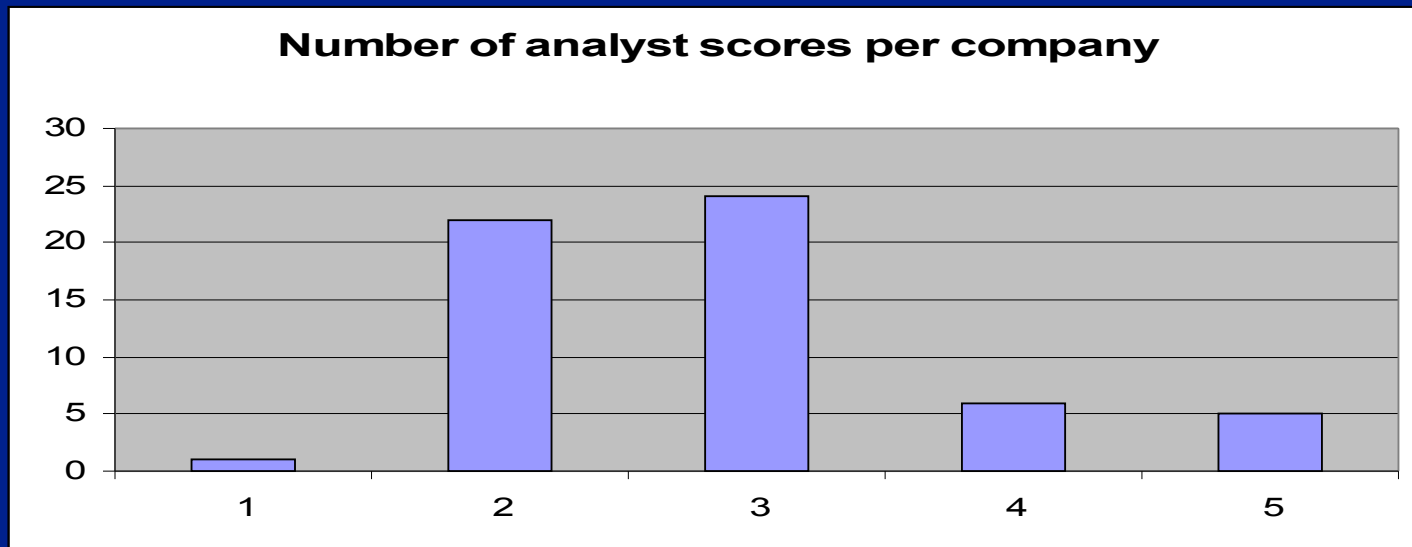
Moudy El-Khodr  
ING IM

Johan van Geeteruyen  
Petercam

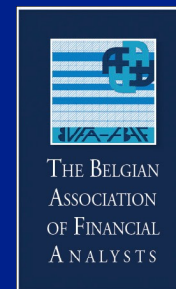
Johan Reybroeck  
Dexia AM

# 1. Procedure

- ▶ Quality objective and control
  - ▶ Objective: (at least) 3 analysts per company
  - ▶ A posteriori ad-hoc control by board members
  - ▶ A posteriori control of top-ranked companies

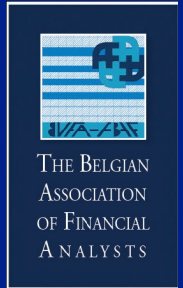


## 2. Screening Process



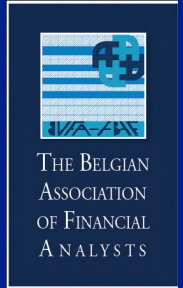
	Information screened	2008	2007
1	Annual Report (AR)	100	100
2	Press Releases (PR)	100	100
3	Investor Relations (IR)	200	100
4	Website (WEB)	100	100
5	Fund Managers (IR)	-	100
	Total Max. Score	500	500

## 2.1 Annual Report (100 points)



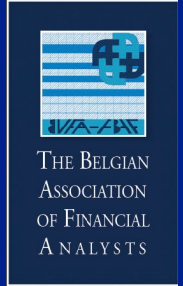
- ▶ Key Figures & Ratios (Max 20 points)
- ▶ Info on Products/Services/Markets (20)
- ▶ Strategy & LT Objectives (20)
- ▶ Financial data (20)
- ▶ Other relevant information (20)
  - ▶ Risk assessment, lexicon...

## 2.2 Press Releases (100 points)



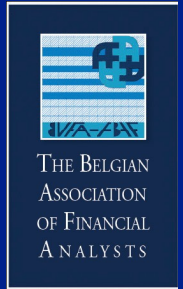
- ▶ HY/FY results (Max. 80 points)
  - ▶ Numbers (P&L, BS, CF Statement) (20)
  - ▶ Explanation of yoy change in key figures (20)
  - ▶ Quality of the segment information (20)
  - ▶ Publication date of press releases (20)
- ▶ Other relevant Press Releases (incl. Q) (20)

## 2.3 Investor Relations (2x100 points)



- ▶ Score by Analysts (Max. 100 points)
  - ▶ Guidance throughout the year (15)
  - ▶ Reactivity to questions (15)
  - ▶ IR Availability & access to senior management (15)
  - ▶ Date-alert (e-mail) Service (15)
  - ▶ Analyst Meetings & Conference Calls (15)
  - ▶ Field Trips & Investor Days (15)
  - ▶ Road shows & Client Visits (10)

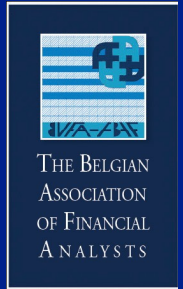
## 2.3 Investor Relations (2x100 points)



- ▶ Score by Fund Managers (Max. 100 points)
  - ▶ Access to Company Management (33)
  - ▶ Information Available (66)
    - ▶ Frequency & Speed
    - ▶ Degree of Detail
    - ▶ Consistency
    - ▶ Reliability



## 2.4 Website (100 points)



### ▶ Operational Info (Max. 20 points)

- ▶ History – Divisions/Products – Risks – Strategy – Links

### ▶ Financial Info (40)

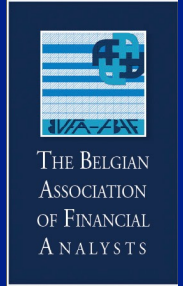
- ▶ Archive: annual reports, press releases, presentations

- ▶ Key Figures, IR contact data, e-mail service, FAQ

### ▶ Corporate Governance (10)

- ▶ Shareholders, Option Plans, AGM agenda

## 2.4 Website (100 points)



- ▶ Financial calendar (10)
  - ▶ Horizon, different nature of forward events
- ▶ Varia (20)
  - ▶ Navigation Comfort, up to date



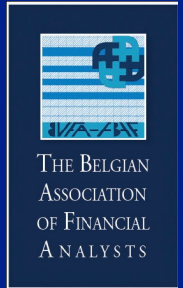
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# Award for Best Financial Information 2008

## *The Scoring*

Luc Van der Elst  
Bank Delen  
Vice President ABAF/BVFA

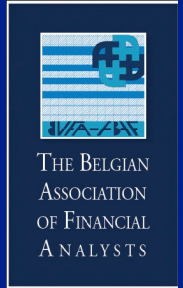
# 3. Scoring Results



## ► Some Statistics:

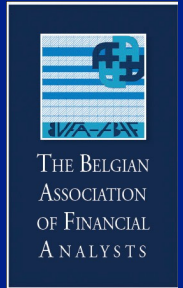
Score 2008	AR	PR	IR	WEB	Total
Maximum	100	100	200	100	500
Average #58	55,8	54,6	114,3	66,2	291
Average top 20	69,0	68,6	132,9	78,7	349
Individ. High	85,0	90,0	161,8	86,2	nr
Winner 2008	68,0	83,0	161,7	82,0	395

# 3.1 Annual Report (100 points)



- ▶ Key Figures & Ratios (Average 10.4 / Max 20)
- ▶ Info on Products/Services/Markets (11.1 / 20)
- ▶ Strategy & LT Objectives (8.5 / 20)
- ▶ Financial data (12.9 / 20)
- ▶ Other relevant information (12.8 / 20)

# 3.1 Annual Report (100 points)

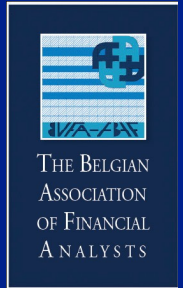


## Some Statistics:

Scores AR 2008	1	2	3	4	5	Total
Maximum	20	20	20	20	20	100
Average #58	10,4	11,1	8,5	12,9	12,8	55,8
Average top 20	14,4	13,1	10,7	15,5	15,4	69,0
Individual High	20,0	20,0	15,0	20,0	20,0	nr
Winner AR 2008	10,0	20,0	15,0	20,0	20,0	85,0

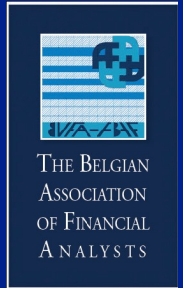
Scores AR 2007	1	2	3	4	5	Total
Average #49	11,2	12,1	9,5	13,8	13,0	59,7
Average top 20	13,3	12,8	11,5	15,6	14,7	67,9

## 3.2 Press Releases (100 points)



- ▶ HY/FY Results (Average 43.2 / Max. 80)
  - ▶ Numbers (P&L, BS, CF Statement) (11.9 / 20)
  - ▶ Explanation of yoy change in key figures (10.8 / 20)
  - ▶ Quality of Segment Information (11.1 / 20)
  - ▶ Publication date of press releases (9.6 / 20)
- ▶ Other relevant Pr. Releases (incl. Q) (11.4 / 20)

# 3.2 Press Releases (100 points)



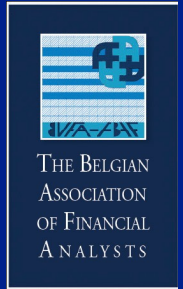
## Some Statistics:

Scores PR 2008	1	2	3	4	5	Total
Maximum	20	20	20	20	20	100
Average #58	11,9	10,8	11,1	9,6	11,4	54,6
Average top 20	15,8	14,1	14,2	12,0	17,3	73,4
Individual High	20,0	20,0	20,0	20,0	20,0	nr
Winner PR 2008	20,0	20,0	20,0	10,0	20,0	90,0

Scores PR 2007	1	2	3	4	5	Total
Average #49	12,0	11,2	10,8	9,4	nr	52,1
Average top 20	15,8	13,8	14,3	11,4	nr	67,8

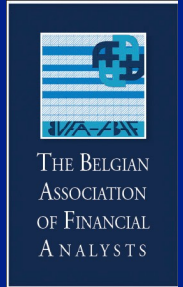


## 3.3 Investor Relations (2x100 points)



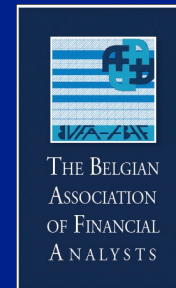
- ▶ Score by Analysts (Average 52.5 / Max. 100)
  - ▶ Guidance throughout the year (5.9 / 15)
  - ▶ Reactivity to questions (9.5 / 15)
  - ▶ IR Availability & access to senior mgmt (8.5 / 15)
  - ▶ Date-alert (e-mail) Service (8.3 / 15)
  - ▶ Analyst Meetings & Conference Calls (7.7 / 15)
  - ▶ Field Trips & Investor Days (6.9 / 15)
  - ▶ Road shows & Client Visits (5.7 / 10)

## 3.3 Investor Relations (2x100 points)



- ▶ Score by Fund Managers (Avg 61.8 / Max. 100)
  - ▶ Access to Company Management (20.2 / 33.3)
  - ▶ Information Available (41.6 / 66.7)
    - ▶ Frequency & Speed
    - ▶ Degree of Detail
    - ▶ Consistency
    - ▶ Reliability

# 3.3 Investor Relations (100 points)

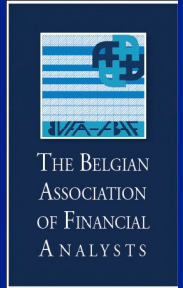


## Some Statistics:

Scores IR 2008	1	2	3	4	5	6	7	8	9	Total
Maximum	15	15	15	15	15	15	10	33	67	200
Average #58	5,9	9,5	8,5	8,3	7,7	6,9	5,7	20,2	41,6	114,3
Average top 20	8,1	10,6	9,6	10,2	10,0	9,9	7,0	22,0	45,5	132,9
Individual High	15	15	15	15	15	15	10	27,2	52,1	nr
Winner IR 2008	15,0	10,0	7,5	12,5	15,0	15,0	7,5	27,2	52,1	161,8

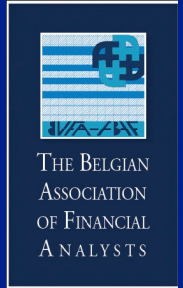
Scores IR 2007	1	2	3	4	5	6	7	8	9	Total
Average #49	7,3	9,7	8,8	8,5	8,9	5,7	6,4	20,2	45,3	120,8
Average top 20	7,6	10,9	9,5	10,2	11,6	8,8	7,7	22,5	48,2	137,0

## 3.4 Website (100 points)



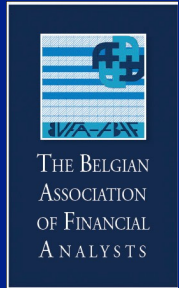
- ▶ Operational Info (Average 12.3 / Max. 20)
  - ▶ History – Divisions/Products – Risks – Strategy – Links
- ▶ Financial Info (27.2 / 40)
  - ▶ Archive: annual reports, press releases, presentations
  - ▶ Key Figures, IR contact data, e-mail service, FAQ
- ▶ Corporate Governance (6.7 / 10)
  - ▶ Shareholders, Option Plans, AGM agenda

## 3.4 Website (100 points)



- ▶ Financial calendar (6.4 / 10)
  - ▶ Horizon, different nature of forward events
- ▶ Varia (13.7 / 20)
  - ▶ Navigation Comfort, up to date

# 3.4 Website (100 points)

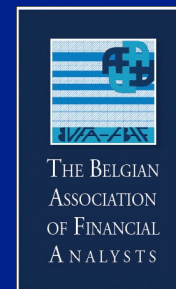


## Some Statistics:

Scores Web 2008	1	2	3	4	5	Total
Maximum	20	40	10	10	20	100
Average #58	12,3	27,2	6,7	6,4	13,7	66,2
Average top 20	13,9	34,1	7,4	7,7	15,5	78,7
Individual High	17,0	39,3	10,0	10,0	17,5	nr
Winner Web 2008	15,2	38,8	8,0	8,2	16,0	86,2

Scores Web 2007	1	2	3	4	5	Total
Average #49	12,8	26,8	7,1	6,1	14,1	67,1
Average top 20	13,9	32,8	7,6	7,3	15,0	77,1

# 3. Scoring Results



## ► Some Final Statistics:

Score 2008	AR	PR	IR	WEB	Total
Maximum	100	100	200	100	500
Average #58	55,8	54,6	114,3	66,2	291
Average top 20	69,0	68,6	132,9	78,7	349
Individ. High	85,0	90,0	161,8	86,2	nr
Winner 2008	68,0	83,0	161,7	82,0	395

Score 2007	AR	PR	IR	WEB	Total
Maximum	100	100	200	100	500
Average #49	59,7	52,1	120,8	67,1	300
Average top 20	67,9	67,8	137,0	77,1	350
Winner 2007	90,0	88,1	160,0	83,8	422



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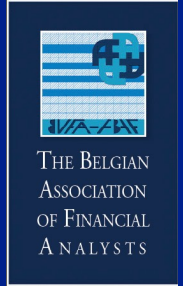
# Award for Best Financial Information 2008

## *Rankings & Nominations*

Luc Van der Elst  
Hans Buysse



## 4. Nominations per Category



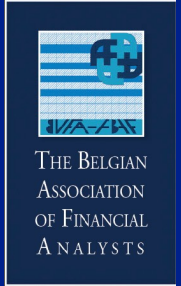
Best Annual Report: Recticel

Best Press Releases: Inbev

Best Investor Relations: Umicore

Best Website: GIMV

# 4. 2008 Award overall Ranking



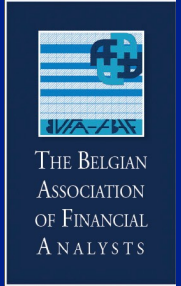
Previous years' laureates:

2007: Solvay

2006: KBC

2005: Barco

# 4. 2008 Award overall Ranking



5. KBC

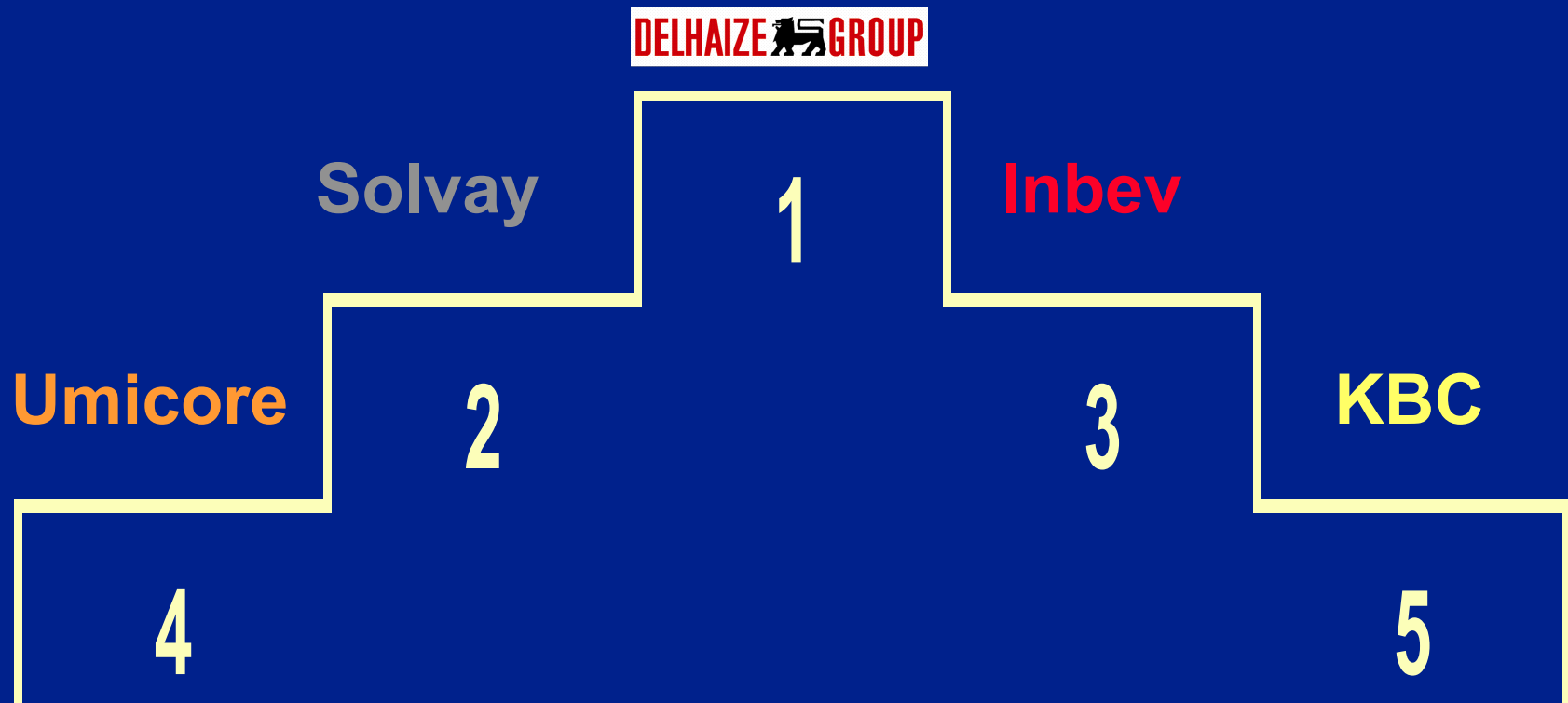
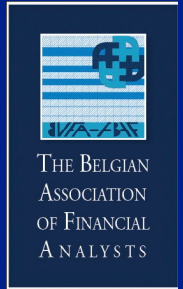
4. UMICORE

3. INBEV

2. SOLVAY

**1. DELHAIZE**

# 4. Rankings & Nominations





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## Award for Best Financial Information 2008

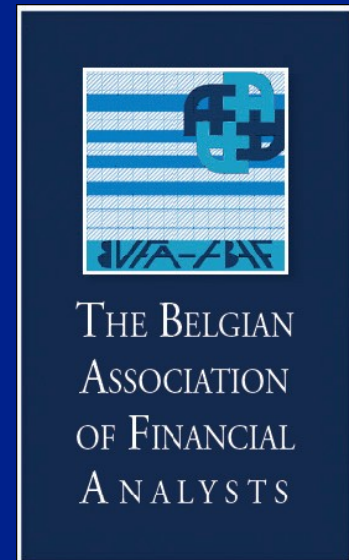
The Delhaize Group logo is located in the top right corner. It consists of the words 'DELHAIZE' and 'GROUP' in a bold, red, sans-serif font, separated by a black silhouette of a horse's head.

# 1. Delhaize

## G. Verellen (IR Director)

# Award for Best Financial Information 2008

**All screening criteria and all  
detailed scorings will be  
available on the ABAF-BVFA  
website as from tomorrow.  
[www.abaf-bvfa.be](http://www.abaf-bvfa.be)**



Prijs voor de Beste Financiële Informatie 2008  
Prix de la Meilleure Information Financière 2008

**DELHAIZE  GROUP**