A photograph of a massive tree trunk in a forest. The trunk is covered in moss and has several large buttresses. A person is standing next to the trunk for scale. The background is a dense forest with green foliage.

Precious Woods Holding Ltd.
Investment for growth and
triple bottom line

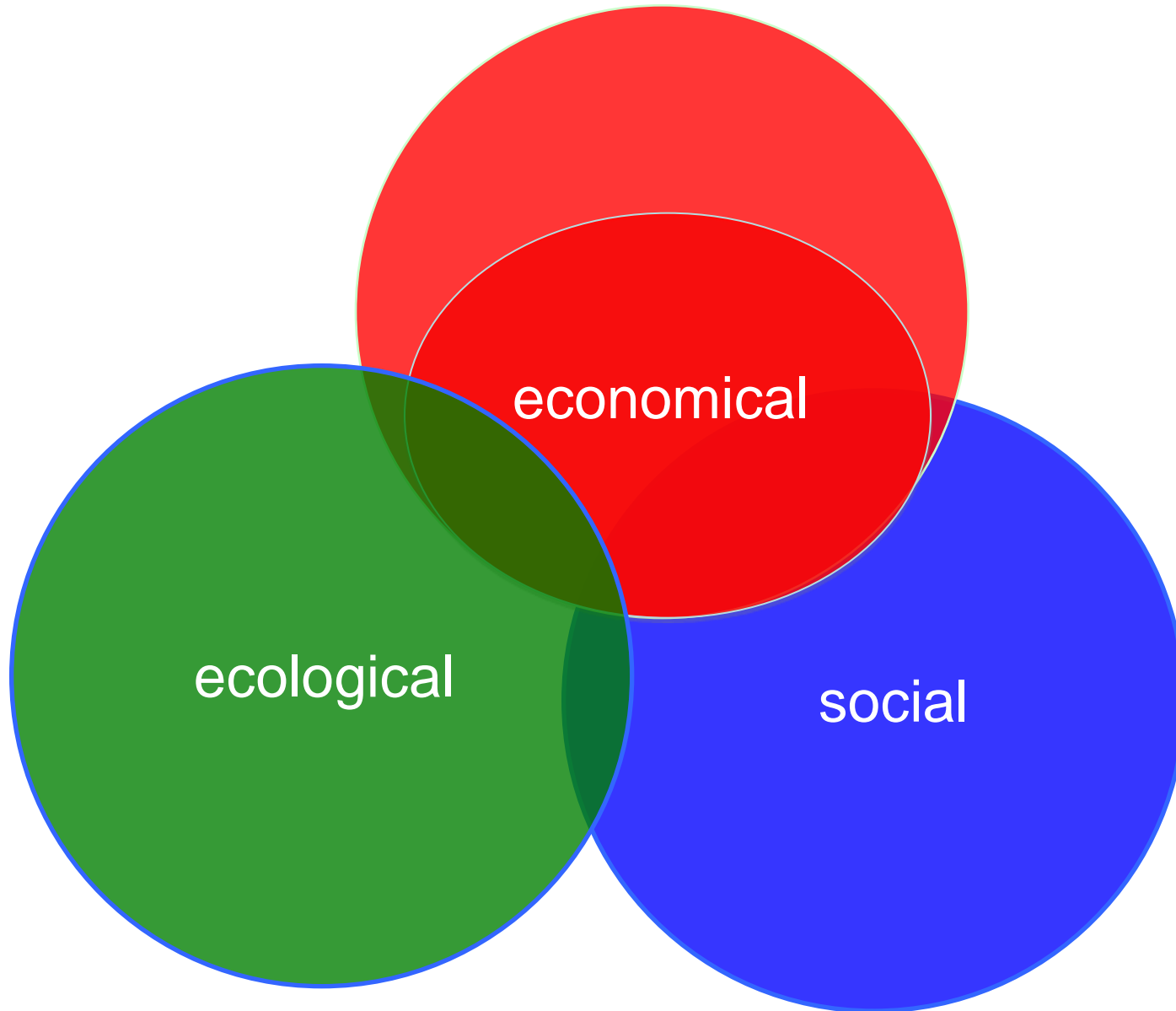
FORM International congress,
4 November 2010



PRECIOUS WOODS

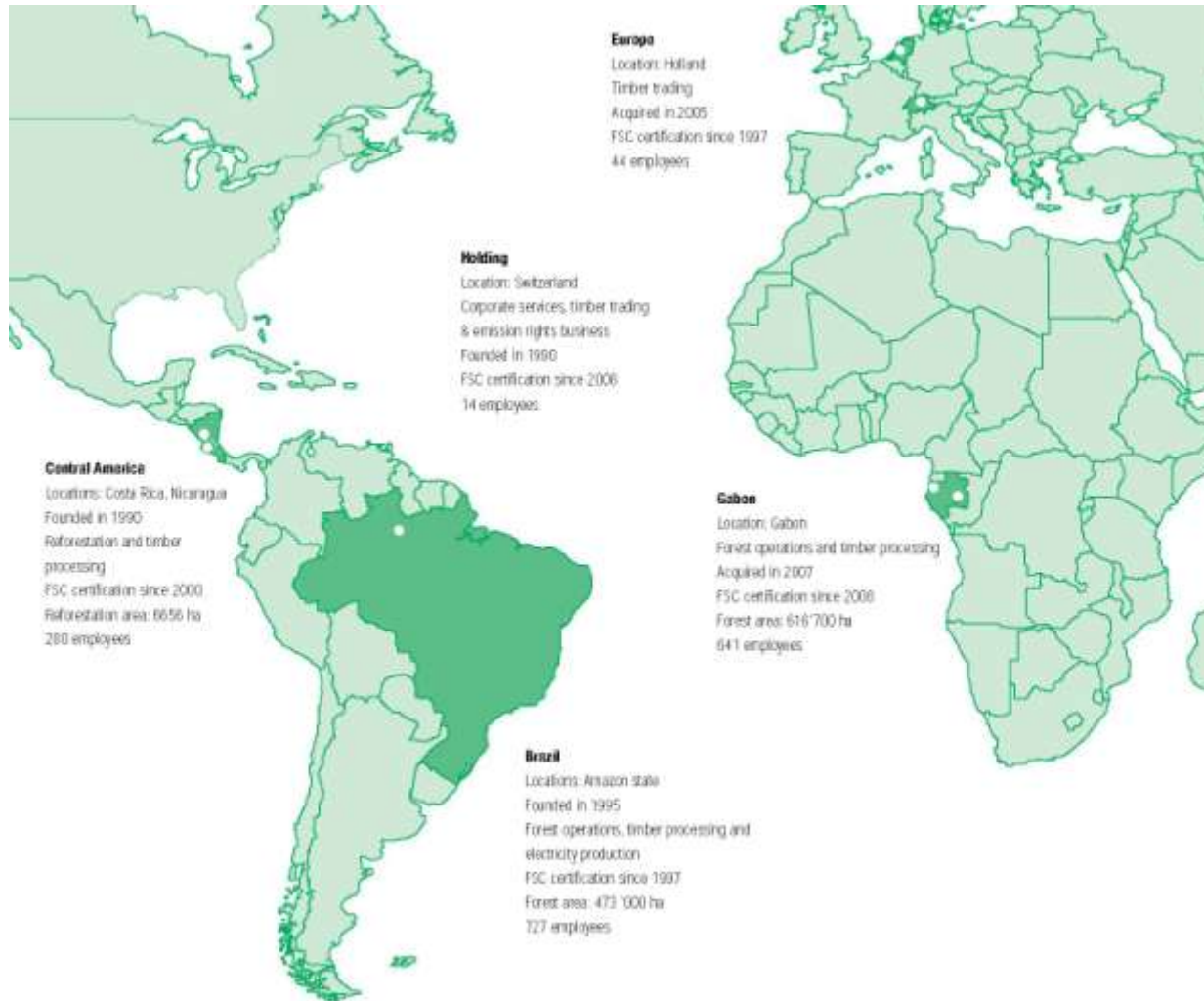


Sustainability as business model





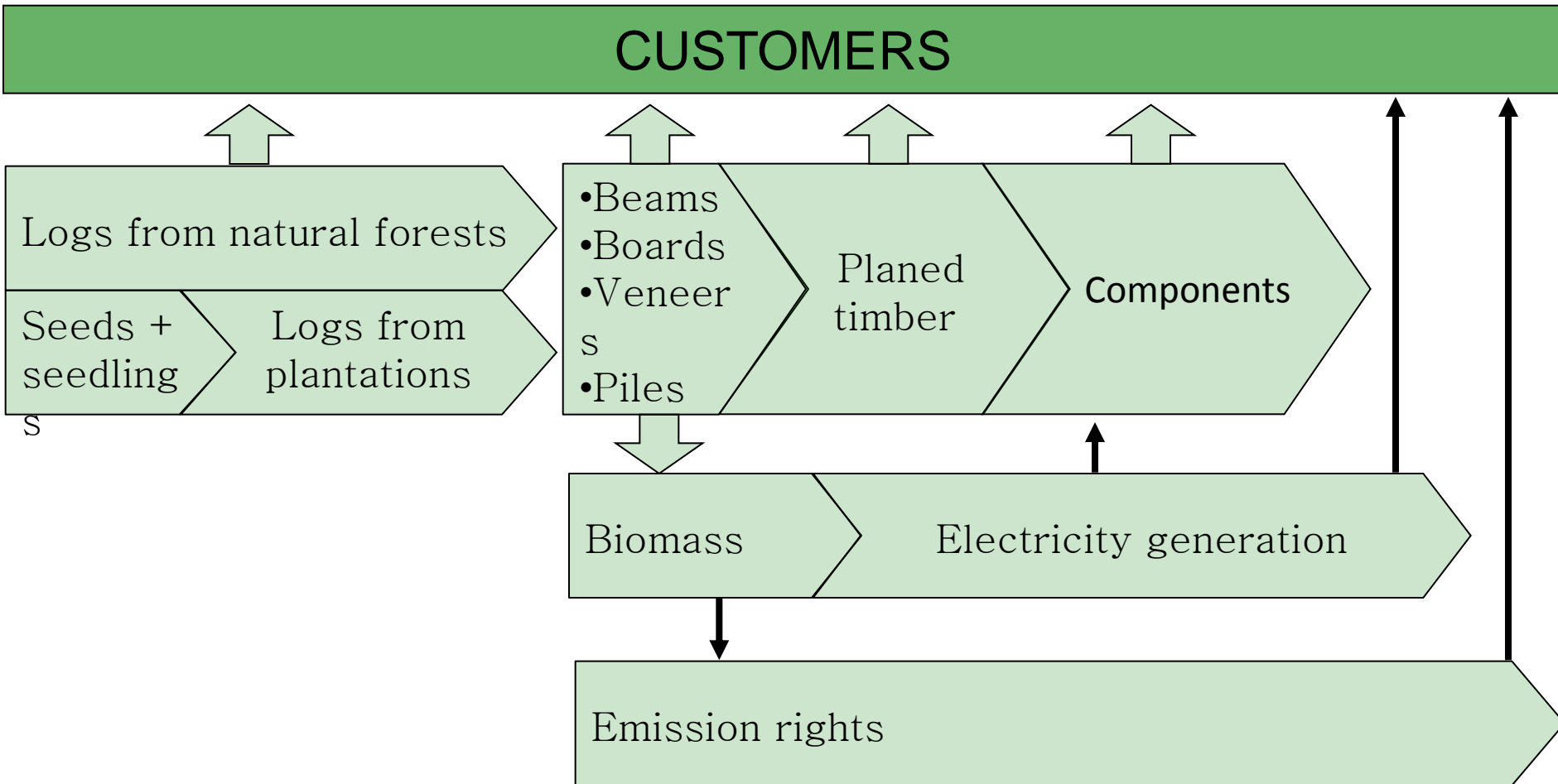
The PW Group's global presence



- Management of 1.1 million ha of natural forests in Brazil and Gabon
- Reforestation of 7,000 ha of degraded pasture in Costa Rica and Nicaragua
- Annual harvest of >350,000 m³ of FSC-certified tropical wood
- 1,700 employees predominantly in rural and forest areas



Value-added chains





Sustainability based on independent FSC Label Recognized as Leader in Sustainability in the Investors' Community



FSC as the leading organization in its field provides a truly independent, international and credible labelling and chain of custody scheme on timber and timber products.



Sustainable management in practice

prospection ⇨ inventory ⇨ selection ⇨ harvest ⇨ processing ⇨ transport ⇨ retail





Markets

3 Trends:

1. FSC markets growing over average
2. Application engineering becoming crucial (species with different characteristics)
3. Asia and logistics



Strategy Brazil 2015

- Doubling sales to ~ \$45M
- Productivity increase in PW Amazon
 - Forest: + 50%
 - Industry (sawmill): +50%
- Stable income in BK-Energia/CO2-certificates
- **Investments:**
 - Additional land purchase (31'000 ha) of excellent forest in PWA: ca. \$3M.
 - ACRE-project with concessions of approx. 300'00 ha, new sawmill and export via Peru to Asia: \$25M.
 - ROCE approx. $\geq 12\%$



Strategy Gabun 2015

- Doubling sales to ~\$70M.
- Productivity increase important
 - Forest incl. additional concessions (CEB) : + 30%
 - Industry (TGI): + 50%
- **Investments:**
 - Round-wood-export ban triggers
 - Sawmills for hard wood species
 - 3 MW powerplant
 - Investment of approx. \$12-15M, ROCE: $\geq 12\%$



Investment philosophy

- **No** philanthropy
- **No** short-term maximising return
- **But:** sustainability-investment with long-term return on level of sound real-estate funds
- **And:** MIGA/other institutions to mitigate political risk

Thank you

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