

Consolidated income statement

at December 31, in millions of euros

	2004	2003	2002
Net sales	4,900	4,046	4,302
Metal price effect	(740)	(123)	(206)
Net sales at constant metal price	4,159	3,924	4,096
Cost of sales	(3,584)	(3,383)	(3,571)
Gross profit	576	541	525
Administrative and selling expenses	(394)	(402)	(421)
R&D costs	(47)	(47)	(48)
Income from operations	135	91	56
Financial income (loss)	(30)	(31)	(31)
Restructuring costs	(36)	(41)	(90)
Other revenues (expenses)	9	(2)	23
Income before taxes	78	18	(43)
Income tax	(20)	8	10
Share in net income of equity affiliates	0	(1)	-
Consolidated net income before amortization of goodwill	58	25	(33)
Amortization and depreciation of goodwill	4	(14)	(2)
Minority interests	(5)	(10)	(5)
Net income (Group share)	57	1	(40)
Earnings per share (in euros)	2.71	0.06	(1.78)
Diluted earnings per share (in euros)	2.39	0.06	(1.74)

Consolidated balance sheet

ASSETS

<i>at December 31, in millions of euros</i>	2004	2003	2002
Goodwill, net	74	23	39
Other intangible assets, net	7	4	7
Intangible assets, net	82	27	45
Property, plant and equipment	2,843	2,843	2,870
Amortization and depreciation	(2,047)	(2,059)	(2,071)
Property, plant and equipment, net	796	784	799
Share in net assets of equity affiliates	1	3	4
Other investments and miscellaneous, net	59	65	63
Investments and other non-current assets	60	68	67
TOTAL NON-CURRENT ASSETS, NET	937	879	911
Inventories and work in progress, net	678	556	628
Trade receivables and related accounts, net	798	744	761
Other accounts receivable, net	213	170	133
Accounts receivable, net	1,011	914	894
Cash and cash equivalents	121	104	167
TOTAL CURRENT ASSETS	1,811	1,574	1,689
TOTAL ASSETS	2,748	2,453	2,600

LIABILITIES AND EQUITY

<i>at December 31, in millions of euros</i>	2 004	2 003	2 002
Capital Stock (EUR 1 nominal value; 23,189,947 shares issued at December 31, 2004)	23	23	23
Additional paid-in capital	1,014	1,014	1,014
Retained earnings	(52)	(40)	(7)
Cumulative translation adjustments	(32)	(28)	26
Net income	57	1	(40)
Treasury stock	(28)	(28)	(25)
SHAREHOLDERS' EQUITY	982	942	991
MINORITY INTERESTS	71	103	88
Accrued pension and retirement obligations	266	260	253
Accrued contract costs and other reserves	108	120	143
TOTAL RESERVES FOR LIABILITIES AND CHARGES	373	380	396
TOTAL FINANCIAL DEBT	310	126	219
Customers' deposits and advances	46	51	37
Trade payables and related accounts	549	463	485
Other payables	417	387	384
TOTAL OTHER PAYABLES	1,012	901	905
TOTAL LIABILITIES AND EQUITY	2,748	2,453	2,600

Consolidated statement of cash flows

<i>in millions of euros</i>	2004	2003	2002
Net income	57	1	(40)
Minority interests	5	10	6
Depreciation and amortization	87	113	148
Changes in reserves and deferred taxes	(25)	(33)	(4)
Net (gain) loss on disposal of non-current assets	(7)	2	(23)
Share in net income of equity affiliates (net of dividends received)	0	1	-
Other non-cash items	1	-	-
Cash flow provided by operations	118	93	87
Decrease (increase) in accounts receivable	(64)	17	112
Decrease (increase) in inventories	(117)	69	1
Increase (decrease) in accounts payable and accrued expenses	75	(15)	(60)
Changes in reserves on current assets (including accrued contract costs)	3	(24)	(14)
Net change in current assets and liabilities	(103)	47	39
Net cash provided (used) by operating activities	15	140	126
Proceeds from disposal of fixed assets	19	15	12
Capital expenditure	(97)	(67)	(96)
Decrease (increase) in loans	(0)	(3)	(1)
Cash expenditures for acquisition of consolidated companies, net of cash acquired, and for acquisition of unconsolidated companies	(113)	(35)	(64)
Cash proceeds from sale of previously consolidated companies, net of cash sold, and from sale of unconsolidated companies	16	-	41
Net cash provided (used) by investing activities	(175)	(90)	(108)
Net cash flow after investment	(160)	50	18
Proceeds from issuance of shares	1	-	1
Dividends paid	(9)	(8)	(15)
Net cash provided (used) by financing activities	(8)	(8)	(15)
Net effect of currency translation differences	2	(13)	16
Net increase (decrease) in net debt/cash	(165)	29	20
Net (debt)/cash at beginning of year	(23)	(52)	(71)
Net (debt)/cash at end of year	(188)	(23)	(52)

Information by sector

By geographical areas

	Europe	North America	Asia	Rest of the World	Total Group
2004 <i>in millions of euros</i>					
Sales at current metal prices	3,483	956	239	222	4,900
Sales at constant metal prices	3,048	697	214	200	4,159
Sales at constant metal prices and 2004 exchange rates	3,048	697	214	200	4,159
2003 <i>in millions of euros</i>					
Sales at current metal prices	3,015	715	185	131	4,046
Sales at constant metal prices	2,959	658	175	132	3,924
Sales at constant metal prices and 2004 exchange rates	2,943	624	163	129	3,859

By business

	Electrical wires	Energy	Telecom	Distribution	Other	Total Group
2004 <i>in millions of euros</i>						
Sales at current metal prices	1,429	2,585	588	286	11	4,900
Sales at constant metal prices	985	2,307	570	286	11	4,159
Sales at constant metal prices and 2004 exchange rates	985	2,307	570	286	11	4,159
2003 <i>in millions of euros</i>						
Sales at current metal prices	1,029	2,189	549	274	5	4,046
Sales at constant metal prices	956	2,143	546	274	5	3,924
Sales at constant metal prices and 2004 exchange rates	945	2,115	527	267	5	3,859