

Unaudited combined pro forma balance sheets_

ASSETS on December 31 <i>in millions of euros</i>	Notes	2000	1999	1998
Other intangible assets, net		5	4	2
Intangible assets, net		5	4	2
Property, plant and equipment	(7)	2,758	2,686	2,596
Depreciation	(7)	(1,932)	(1,938)	(1,867)
Property, plant and equipment, net		826	748	729
Share in net assets of equity affiliates		2	2	5
Other investments, net	(8)	61	55	72
Investments and other non-current assets, net		63	57	77
TOTAL NON CURRENT ASSETS NET VALUE		894	809	808
Inventories and work in progress, net value	(9)	704	623	623
Trade receivables and related accounts, net	(10)	1,005	817	819
Other accounts receivables, net	(11)	160	195	243
Accounts receivable, net value		1,165	1,012	1,062
Marketable securities, net value		4	6	2
Cash, net		125	492	371
Cash and cash equivalents		129	498	373
CURRENT ASSETS		1,998	2,133	2,058
TOTAL ASSETS		2,892	2,942	2,866
LIABILITIES on December 31 <i>in millions of euros</i>	Notes	2000 (before appropriation)	1999 (before appropriation)	1998 (before appropriation)
Combined pro forma net assets before cumulative translation adjustments and net income		991	895	848
Cumulated translation adjustments		45	(3)	(31)
Combined pro forma net income, Group share		75	121	72
COMBINED PRO FORMA NET ASSETS	(12)	1,111	1,013	889
MINORITY INTERESTS		49	84	76
Accrued pension and retirements obligations	(13)	259	263	277
Accrued contract costs and other reserves	(14)	181	257	365
TOTAL RESERVES FOR LIABILITIES AND CHARGES		440	520	642
Other borrowings		205	327	280
TOTAL FINANCIAL DEBT	(15)	205	327	280
Customers' deposits and advances	(16)	32	32	29
Trade payables and related accounts		635	532	461
Other payables	(17)	420	434	489
TOTAL OTHER PAYABLES		1,087	998	979
TOTAL LIABILITIES		2,892	2,942	2,866

Unaudited combined pro forma income statements_

<i>in millions of euros</i>	Notes	2000	1999	1998
Net sales	(3)	4,783	4,182	4,330
Metal effect		(422)	(33)	(87)
Net sales at constant metal price	(3)	4,361	4,149	4,243
Cost of sales		(3,714)	(3,520)	(3,575)
Gross profit		647	629	668
Administrative and selling expenses		(440)	(456)	(451)
R&D costs		(38)	(35)	(42)
Income from operation	(3)	169	138	175
Financial income (loss)	(4)	(20)	–	(2)
Restructuring costs	(14)	(30)	(60)	(104)
Other revenue (expense)	(5)	1	80	2
Income before taxes		120	158	71
Income tax	(6)	(40)	(31)	5
Share in net income of equity affiliates		–	–	–
Combined pro forma net income		80	127	76
Minority interests		5	6	4
Combined pro forma net income, Group share		75	121	72
Combined pro forma Group share net income, per share (<i>in euros</i>) ⁽¹⁾		3.00	4.84	2.88

(1) Calculated for the three periods on the basis of 25,000,000 outstanding shares.

Unaudited combined pro forma statements of cash flow_

<i>in millions of euros</i>	2000	1999	1998
Cash flow from operating activities			
Combined pro forma net income, group share	75	121	72
Minority interests	5	6	4
Adjustments to reconcile income before minority interests to net cash provided by operating activities:			
– depreciation and amortization	132	127	136
– changes in reserves for pension obligations, net	(7)	(15)	(7)
– changes in other reserves, net	(58)	(72)	(37)
– net (gain) loss on disposal of non-current assets	(1)	(37)	(2)
– share in net income of equity affiliates (net of dividends received)	–	3	–
– other	–	(8)	(1)
Working capital provided by operations	146	125	165
Net change in current assets and liabilities:			
– decrease (increase) in accounts receivables	(151)	50	79
– decrease (increase) in inventories	(71)	37	80
– increase (decrease) in accounts payable and accrued expenses	114	16	(30)
– changes in reserves on current assets (including accrued contract costs)	(7)	(26)	(8)
Net cash provided (used) by operation activities	31	202	286
Cash flow from investing activities			
Proceeds from disposal of fixed assets	21	13	46
Capital expenditures	(239)	(143)	(126)
Decrease (increase) in loans	(1)	(2)	10
Cash expenditures for acquisition of combined companies, net of cash acquired, and for acquisition of uncombined companies	(31)	(8)	(52)
Cash proceeds from sale of previously combined companies, net of cash sold, and from sale of uncombined companies	–	52	28
Net cash provided (used) by investing activities	(250)	(88)	(94)
Net cash flow after investment	(219)	114	192
Cash flow from financing activities			
Proceeds from issuance of shares	2	–	–
Dividends paid	(25)	(25)	(25)
Net cash provided (used) by financing activities	(23)	(25)	(25)
Net effect of exchange rate changes	(5)	(11)	2
Net increase (decrease) in cash and cash equivalents	(247)	78	169
(Debt net)/cash net at beginning of year	171	93	(76)
(Debt net)/cash net at end of year	(76)	171	93

Unaudited combined pro forma statements of change in net assets_

<i>in millions of euros</i>	Notes	Combined pro forma net assets before cumulative translation adjustments and net income	Cumulative translation adjustments	Net income	Combined pro forma Net assets
December 31, 1997		747	44	126	917
Appropriation of net income and dividends	(12)	101		(126)	(25)
Translation adjustments			(75)		(75)
Combined pro forma net income				72	72
December 31, 1998		848	(31)	72	889
Appropriation of net income and dividends	(12)	47		(72)	(25)
Translation adjustments			28		28
Combined pro forma net income				121	121
December 31, 1999		895	(3)	121	1,013
Appropriation of net income and dividends	(12)	96		(121)	(25)
Translation adjustments			48		48
Combined pro forma net income				75	75
December 31, 2000		991	45	75	1,111