

Consolidated income statement

in millions of euros

	1st Half- year 2008	1st Half-year 2007
Net sales	3 554	3 792
<i>Metal price effect*</i>	(1 135)	(1 341)
Net sales at constant metal prices*	2 419	2 451
Cost of sales	(3 065)	(3 369)
<i>Cost of sales at constant metal prices*</i>	(1 930)	(2 028)
Gross profit	489	423
Administrative and selling expenses	(237)	(207)
R&D costs	(33)	(29)
Operating margin*	220	187
<i>Core exposure effect**</i>	18	48
Net asset impairment	(10)	(11)
Changes in fair value of non-ferrous metal derivatives	10	(5)
Net gains on asset disposals	(2)	4
Restructuring costs	(17)	(12)
Operating income	219	210
Cost of debt (gross)	(33)	(26)
Income from cash and cash equivalents	13	6
Other financial expenses	(25)	(17)
Share in net income of associates	0	0
Income before taxes	174	173
Income taxes	(56)	(49)
Net income from continuing operations	118	124
Net loss from discontinued operations	0	0
Net income	118	124
Attributable to equity holders of the Company	119	119
Attributable to minority interests	(0)	5
Attributable net income from continuing operations per share (in euros)		
- basic earnings per share	4,67	4,67
- diluted earnings per share	4,18	4,16
Net income/(loss) from discontinued operations per share attributable to equity holders of the Company (in euros)		
- basic loss per share	-	-
- diluted loss per share	-	-
Net income per share attributable to equity holders of the Company (in euros)		
- basic earnings per share	4,67	4,67
- diluted earnings per share	4,18	4,16

* Performance indicators used to measure the Group's operational performance

** Effect relating to the revaluation of core exposure at weighted average cost.

Consolidated balance-sheet

in millions of euros

June 30, 2008

December 31, 2007

	June 30, 2008	December 31, 2007
ASSETS		
Goodwill	201	192
Intangible assets	103	101
Property, plant and equipment	876	858
Investments in associates	0	1
Other non-current financial assets	29	28
Deferred tax assets	45	48
Other non-current assets	-	-
NON-CURRENT ASSETS	1 254	1 227
Inventories and work in progress	1 244	1 158
Amounts due from customers on construction contracts	228	163
Trade receivables	1 268	1 092
Current income tax receivables	9	11
Other current non-financial assets	64	83
Other current financial assets	202	125
Cash and cash equivalents	437	622
Assets and groups of assets held for sale	2	150
CURRENT ASSETS	3 454	3 403
TOTAL ASSETS	4 708	4 630
EQUITY AND LIABILITIES		
Capital stock	25	26
Additional paid-in capital	1 110	1 133
Treasury stock	-	-
Reserves	516	374
Net income attributable to equity holders of the Company	119	189
Equity excluding minority interests	1 770	1 722
Minority interests	31	36
TOTAL EQUITY	1 801	1 758
Pension and other retirement benefit obligations	322	322
Other long-term employee benefit obligations	15	15
Long-term provisions	25	25
Convertible bonds	264	258
Other long-term debt	353	353
Deferred tax liabilities	105	85
Other non-current payables	-	-
NON-CURRENT LIABILITIES	1 083	1 058
Short-term provisions	86	72
Short-term debt	277	301
Customer deposits and advances	58	59
Amounts due to customers on construction contracts	122	128
Trade payables	856	817
Current income tax payables	47	32
Other current non-financial liabilities	52	47
Other current financial liabilities	326	313
Liabilities related to groups of assets held for sale	1	45
CURRENT LIABILITIES	1 824	1 814
TOTAL EQUITY AND LIABILITIES	4 708	4 630

Consolidated statement of cash flows

<i>in millions of euros</i>	1st Half-year 2008	1st Half-year 2007
Net income attributable to equity holders of the Company	119	119
Minority interests	0	5
Depreciation, amortization and impairment of assets	63	63
Cost of debt (gross)	33	26
Core exposure impact*	(18)	(48)
Other restatements**	68	69
Cash flows from operations before gross cost of debt and tax***	264	235
Decrease (increase) in receivables	(252)	(148)
Decrease (increase) in inventories	(58)	(43)
Increase (decrease) in payables and accrued expenses	46	206
Other assets and liabilities	-	-
Income tax paid	(34)	(40)
Impairment of current assets and accrued contract costs	7	(5)
Net change in current assets and liabilities	(291)	(30)
Net cash generated from (used in) operating activities	(27)	205
Proceeds from disposals of property, plant and equipment and intangible assets	6	4
Capital expenditures	(60)	(69)
Decrease (increase) in loans granted	(1)	8
Purchase of shares in consolidated companies, net of cash acquired	(6)	(29)
Proceeds from sale of shares in consolidated companies, net of cash transferred	17	48
Net cash used in investing activities	(44)	(38)
Net change in cash and cash equivalents after investing activities	(71)	166
Proceeds from (repayment of) long-term borrowings	-	350
- of which issuance of borrowings	-	350
- of which repayment of borrowings	-	(1)
Proceeds from (repayment of) short-term borrowings	(11)	(388)
Proceeds from issuance of shares paid up in cash	(23)	6
Interest paid	(39)	(26)
Dividends paid	(52)	(32)
Net cash (used in) generated from financing activities	(125)	(91)
Net effect of currency translation differences	4	(10)
Net increase (decrease) in cash and cash equivalents	(192)	66
Cash and cash equivalents at beginning of year	594	288
Cash and cash equivalents at year-end	402	354
<i>Of which cash and cash equivalents recorded as assets in the balance sheet</i>	437	354
<i>Of which short-term bank loans and overdrafts</i>	(35)	

* Impact relating to the revaluation of core exposure at weighted average cost – no cash impact

** 1st Half 2008 : of which off-setting of the income tax charge for 56 millions euros
1st Half 2007 : of which non cash impact of the change in fair value of derivatives (+22 millions euros) and off-setting of the income tax charge (+ 49 millions euros).

*** The Group also uses the "operating cash flow" concept which is calculated after adding back restructuring costs (7 million euros and 9 million euros at first half 2008 and first half 2007), and deducting gross cost of debt and current income tax charge.

Information by business line

<i>in millions of euros</i>	Electrical wires	Energy	Telecom	Other (or not allocated)	Inter-segment eliminations*	Group total
June 30, 2008						
Net sales at current metal prices	1 128	2 706	318	5	(602)	3 554
Net sales at constant metal prices	359	1 971	267	5	(183)	2 419
Operating margin	2	202	24	(8)		220
June 30, 2007						
Net sales at current metal prices	1 437	2 598	334	5	(582)	3 792
Net sales at constant metal prices	470	1 883	276	5	(182)	2 451
Net sales at constant metal prices and 2008 exchange rates	464	1 849	261	5	(182)	2 397
Operating margin	4	160	27	(4)		187

* Inter-segment eliminations mostly stem from the upstream Electrical Wires business.

Information by geographic area

<i>in millions of euros</i>	France*	Germany	Other European countries	North America	Asia-Pacific	Rest of the World	Group total
June 30, 2008							
Net sales at current metal prices (before inter-area eliminations)	1363	467	1291	581	408	318	4 428
Inter-area sales at current metal prices	(542)	(38)	(253)	(1)	(16)	(24)	(874)
Net sales at current metal prices	821	429	1 038	580	392	294	3554
Net sales at constant metal prices	560	320	797	283	259	199	2 419
Operating margin	35	26	96	24	21	18	220
June 30, 2007							
Net sales at current metal prices (before inter-area eliminations)	1 485	459	1 187	736	444	289	4 600
Inter-area sales at current metal prices	(538)	(44)	(206)		(5)	(15)	(808)
Net sales at current metal prices	947	415	981	736	439	274	3 792
Net sales at constant metal prices	559	299	757	357	295	184	2 451
Net sales at constant metal prices and 2008 exchange rates	559	299	755	330	273	181	2 397
Operating margin	32	26	52	42	24	11	187

* Including Corporate Activities

Net sales at current metal prices by geographic market

<i>in millions of euros</i>	France	Germany	Other European countries	North America	Asia-Pacific	Rest of the World	Group total
June 30, 2008	454	343	1095	597	438	627	3 554
June 30, 2007	529	371	1178	753	494	467	3 792