

# Consolidated income statement

<i>in millions of euros</i>	<b>First-half 2010</b>	<b>First-half 2009</b>
<b>Net sales</b>	<b>2 955</b>	<b>2 514</b>
<i>Metal price effect*</i>	(855)	(430)
<b>Sales at constant metal prices*</b>	<b>2 100</b>	<b>2 085</b>
Cost of sales	(2 594)	(2 134)
<i>Cost of sales at constant metal prices*</i>	(1 739)	(1 704)
<b>Gross profit</b>	<b>361</b>	<b>380</b>
Administrative and selling expenses	(241)	(237)
R&D costs	(37)	(33)
<b>Operating margin*</b>	<b>83</b>	<b>110</b>
<i>Core exposure effect**</i>	50	(41)
Net asset impairment	(26)	(9)
Changes in fair value of non-ferrous metal derivatives	(8)	3
Net gains on asset disposals	2	2
Restructuring costs	(56)	(53)
<b>Operating income</b>	<b>45</b>	<b>12</b>
Cost of debt (gross)	(35)	(33)
Income from cash and cash equivalents	3	5
Other net financial expenses	(8)	(20)
Share in net income of associates	(0)	0
<b>Income / (loss) before taxes</b>	<b>5</b>	<b>(36)</b>
Income taxes	(20)	(19)
<b>Net income / (loss) from continuing operations</b>	<b>(15)</b>	<b>(55)</b>
Net income from discontinued operations	-	-
<b>Net income / (loss)</b>	<b>(15)</b>	<b>(55)</b>
Attributable to equity holders of the parent company	(17)	(57)
Attributable to non-controlling interests	2	2
<b>Attributable net income / (loss) from continuing operations per share (in euros)</b>		
- basic earnings / (losses) per share	(0,62)	(2,04)
- diluted earnings / (losses) per share	(0,18)	(1,60)
<b>Attributable net income from discontinued operations per share (in euros)</b>		
- basic earnings per share	-	-
- diluted earnings per share	-	-
<b>Attributable net income / (loss) per share (in euros)</b>		
- basic earnings / (losses) per share	(0,62)	(2,04)
- diluted earnings / (losses) per share	(0,18)	(1,60)

\* Performance indicators used to measure the Group's operating performance.

\*\* Effect relating to the revaluation of the end-of-period Core Exposure at its weighted average cost. In the first half 2010, this line also included a €15 million negative impact arising from a sharp reduction in the volume of Core exposure during the period, following the strong slowdown off in business level and the effect of the Group's intensified efforts to reduce working capital requirements. This effect is offset by a positive impact included in the Operating margin.

# Consolidated statement of comprehensive income

<i>in millions of euros</i>	<b>First-half 2010</b>	<b>First-half 2009</b>
<b>Net income for the year</b>	<b>(15)</b>	<b>(55)</b>
<b>Available-for-sale financial assets</b>	<b>(0)</b>	<b>(0)</b>
- Gains (losses) generated during the year (net of tax)	(0)	(0)
- Amount recycled to the income statement (net of tax)	-	-
<b>Currency translation adjustments</b>	<b>165</b>	<b>64</b>
- Gains (losses) generated during the year (net of tax)	165	64
- Amount recycled to the income statement (net of tax)	-	-
<b>Cash flow hedges</b>	<b>(27)</b>	<b>120</b>
- Gains (losses) generated during the year (net of tax)	(3)	50
- Amount recycled to the income statement (net of tax)	(24)	70
<b>Share of other comprehensive income of associates</b>	<b>-</b>	<b>-</b>
<b>Total other comprehensive income (loss)</b>	<b>138</b>	<b>184</b>
<b>Total comprehensive income (loss)</b>	<b>123</b>	<b>129</b>
Attributable to equity holders of the parent company	118	128
Attributable to non-controlling interests	5	1

# Consolidated statement of financial position

<i>in millions of euros</i>	<b>June 30, 2010</b>	<b>Dec. 31, 2009</b>
<b>ASSETS</b>		
Goodwill	368	335
Other intangible assets	188	189
Property, plant and equipment	1 170	1 117
Investments in associates	8	8
Other non-current financial assets	42	42
Deferred tax assets	69	57
Other non-current assets	7	2
<b>NON-CURRENT ASSETS</b>	<b>1 852</b>	<b>1 750</b>
Inventories and work in progress	950	803
Amounts due from customers on construction contracts	178	215
Trade receivables	1 170	955
Other current financial assets	150	162
Current income tax receivables	13	15
Other current non-financial assets	100	97
Cash and cash equivalents	793	817
Assets and groups of assets held for sale	1	1
<b>CURRENT ASSETS</b>	<b>3 355</b>	<b>3 065</b>
<b>TOTAL ASSETS</b>	<b>5 207</b>	<b>4 815</b>
<b>EQUITY AND LIABILITIES</b>		
Capital stock	28	28
Additional paid-in capital	1 264	1 258
Retained Earnings	495	538
Other components of equity	187	52
<b>Equity excluding non-controlling interests</b>	<b>1 973</b>	<b>1 876</b>
Non-controlling interests	46	42
<b>TOTAL EQUITY</b>	<b>2 019</b>	<b>1 918</b>
Pension and other retirement benefit obligations	308	309
Other long-term employee benefit obligations	13	12
Long-term provisions	74	49
Convertible bonds	469	459
Other long-term debt	373	359
Deferred tax liabilities	112	109
<b>NON-CURRENT LIABILITIES</b>	<b>1 349</b>	<b>1 297</b>
Short-term provisions	106	120
Short-term debt	228	140
Liabilities related to construction contracts	144	174
Trade payables	979	845
Other current financial liabilities	152	96
Accrued payroll costs	174	168
Current income tax payables	18	28
Other current non-financial liabilities	37	29
Liabilities related to groups of assets held for sale	1	1
<b>CURRENT LIABILITIES</b>	<b>1 839</b>	<b>1 601</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5 207</b>	<b>4 815</b>

# Consolidated statement of cash flows

<i>in millions of euros</i>	<b>First-half 2010</b>	<b>First-half 2009</b>
Net income attributable to equity holders of the parent company	(17)	(57)
Non-controlling interests	2	2
Depreciation, amortization and impairment of assets (including goodwill)*	104	72
Cost of debt (gross)	35	33
Core exposure effect**	(50)	41
Other restatements***	51	46
<b>Cash flows from operations before gross cost of debt and tax****</b>	<b>125</b>	<b>137</b>
Decrease (increase) in receivables	(113)	124
Decrease (increase) in inventories	(48)	98
Increase (decrease) in payables and accrued expenses	57	(109)
Income tax paid	(27)	(37)
Impairment of current assets and accrued contract costs	(3)	(5)
<b>Net change in current assets and liabilities</b>	<b>(134)</b>	<b>71</b>
<b>Net cash generated from (used in) operating activities</b>	<b>(9)</b>	<b>208</b>
Proceeds from disposals of property, plant and equipment and intangible assets	2	1
Capital expenditures	(54)	(85)
Decrease (increase) in loans granted	0	177
- of which margin calls on metal derivatives	-	138
Purchase of shares in consolidated companies, net of cash acquired	(1)	(0)
Proceeds from sale of shares in consolidated companies, net of cash transferred	7	-
<b>Net cash generated from (used in) investing activities</b>	<b>(46)</b>	<b>93</b>
<b>Net change in cash and cash equivalents after investing activities</b>	<b>(55)</b>	<b>301</b>
Proceeds from (repayment of) long-term borrowings	13	135
- of which proceeds from new borrowings	14	172
- of which repayments	(1)	(36)
Proceeds from (repayments of) short-term borrowings	52	(148)
Cash capital increases (reductions)	3	38
Interest paid	(38)	(39)
Transactions between shareholders without change in control	-	9
Dividends paid	(32)	(56)
<b>Net cash used in financing activities</b>	<b>(2)</b>	<b>(61)</b>
Net effect of currency translation differences	26	5
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(31)</b>	<b>245</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>810</b>	<b>388</b>
<b>Cash and cash equivalents at period-end</b>	<b>779</b>	<b>633</b>
<i>Of which cash and cash equivalents recorded under assets</i>	793	643
<i>Of which short-term bank loans and overdrafts recorded under liabilities</i>	(14)	(9)

\* Including fixed assets depreciations that are part of restructuring costs.

\*\* Effect relating to the revaluation of Core exposure at its weighted average cost without cash impact.

\*\*\* In 2010 first half this item included (i) €20 millions to offset the Group's income tax charge and (ii) €22 millions to cancel the impact of the net change in the Fair value of derivatives.

In 2009 first half this item included (i) €19 millions to offset the Group's income tax charge and (ii) €25 millions to cancel the impact of the net change in operating reserves.

\*\*\*\* The Group also uses the "Operating Cash Flow" concept which is calculated after adding back restructuring costs paid (€32 million in 2010 first half and €11 million in 2009 first half), and deducting gross cost of debt and income tax paid over the period.

## Information by reportable segment

<b>First-half 2010 (in millions of euros)</b>	<b>Electrical wires</b>	<b>Energy</b>	<b>Telecom</b>	<b>Other</b>	<b>Group total</b>
Contribution to Net Sales at current metal prices	368	2 330	242	15	<b>2 955</b>
Contribution to Net Sales at constant metal prices	137	1 743	206	13	<b>2 100</b>
Operating margin	6	76	10	(9)	<b>83</b>
Depreciation, amortization and impairment of assets (including goodwill)	(1)	(84)	(6)	(1)	<b>(92)</b>

<b>First-half 2009 (in millions of euros)</b>	<b>Electrical wires</b>	<b>Energy</b>	<b>Telecom</b>	<b>Other</b>	<b>Group total</b>
Contribution to Net Sales at current metal prices	204	2 073	225	12	<b>2 514</b>
Contribution to Net Sales at constant metal prices	112	1 752	210	11	<b>2 085</b>
Contribution to Net Sales at constant metal prices and 2010 exchange rates	123	1 865	217	11	<b>2 216</b>
Operating margin	(2)	118	6	(12)	<b>110</b>
Depreciation, amortization and impairment of assets (including goodwill)	(3)	(61)	(7)	(1)	<b>(72)</b>

## Information by major geographic area

<b>First-half 2010 (in millions of euros)</b>	<b>France**</b>	<b>Germany</b>	<b>Norway</b>	<b>Other</b>	<b>Group total</b>
Contribution to Net Sales at current metal prices*	497	300	289	1 869	<b>2 955</b>
Contribution to Net Sales at constant metal prices*	388	244	268	1 200	<b>2 100</b>
Non-current assets*	147	133	137	1 318	<b>1 735</b>

\* Based on the location of the assets.

\*\* Including 'Corporate' activities.

<b>First-half 2009 (in millions of euros)</b>	<b>France**</b>	<b>Germany</b>	<b>Norway</b>	<b>Other</b>	<b>Group total</b>
Contribution to Net Sales at current metal prices*	487	274	261	1 492	<b>2 514</b>
Contribution to Net Sales at constant metal prices*	422	237	245	1 181	<b>2 085</b>
Contribution to Net Sales at constant metal prices* and 2010 exchange rates	422	237	289	1 268	<b>2 216</b>
Non-current assets*	145	131	108	1 203	<b>1 588</b>

\* Based on the location of the assets.

\*\* Including 'Corporate' activities.

## Information by major customer

The Group does not have any customer that individually accounted for over 10% of its sales in 2010 half-year or 2009 half-year.