



**MULTINATIONALS:
FINANCIAL AGGREGATES
(276 COMPANIES)**

2003 edition

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an R & S publication

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FOREWORD

This is the ninth edition of R&S's annual statistical survey of major multinational companies. It covers 276 large enterprises, 238 of which are industrial businesses in the manufacturing and energy sectors, 23 are telecommunications businesses and 15 are public utilities firms active on an international scale. Their aggregate turnover in 2002 was some € 6,000bn, € 5,400bn of which was generated by manufacturing industrials, € 600bn by telecoms and approx. € 280bn by utilities. Together their assets totalled € 6,900bn, and they employ 21.5 million staff.

The survey has been compiled from information in the companies' annual reports and other information they have provided to R&S. Country of origin is determined according to the location of the parent company's headquarters. The figures given for each country accordingly cover all the businesses run by companies based in that country and also include the operations of subsidiaries outside their home countries. The purpose of this survey is to pinpoint trends affecting large enterprises as such and their finances, rather than analysing industries in individual countries. The financial aggregates have been computed in the relevant local currencies. World, European and sector aggregates have been translated into Euros (ECUs up to 1997) at year-end exchange rates. Totals for North America have been stated in US dollars according to the same method. Financial aggregates for European countries have been computed in the individual countries' respective national currency. For those countries which have adopted the Euro, data covering years prior to a country's switch to the new currency have been converted into so-called "national Euros" using the irrevocable conversion ratios between the old national currency and the Euro. These "national Euros" should be treated with caution: they are not comparable to those of other EMU countries and should not normally be added across countries. It should be recalled that the Euro replaced the ECU at a rate of 1:1 on 1 January 1999.

In Section I we highlight the conclusions from our analysis of the data. Long-term trends are highlighted, as are financial data for the ten-year period from 1993 to 2002 and the companies' most recent results as given in their interim reports for the first six months of 2003. Section II contains statistical tables giving aggregate sales, earnings and financial statements, sources and applications of funds, and financial ratios, with breakdowns by country and industry. Figures for telecoms companies cover the period since 1994 and those for utilities that since 1997. These are not included in the national aggregates in order to maintain consistency. Section III describes the principles and methods used to select the companies and restate their figures. The final tables list the companies surveyed.

GLOSSARY

Total Assets	Current, fixed and intangible assets.
Capital invested	Shareholders' equity plus borrowings. Corresponds to total assets less payables.
Net working capital	Trade debtors, inventories and other current assets (apart from cash and other liquid assets) less trade creditors and other current liabilities (other than short-term borrowings).
Net worth (shareholders' equity)	Capital, reserves and profit (loss) for the period. Corresponds to difference between total assets and total liabilities. Net equity attributable to shareholders excludes minorities.
Cashflow	Annual cashflow generated by business.
Employee benefits	All provisions for amounts due to employees (pension schemes, severance pay, etc.).
Intangible assets	Non-physical assets arising from expenditure on services and goodwill.
Fixed assets	Book value of tangible assets with a useful working life of more than one year.
Financial investments	Annual outlay on acquisition of equity interests and loans net of repayments.
Capital expenditure	Annual additions to fixed assets.
Gross operating margin	Difference between value added and cost of labour.
Net operating margin	Difference between value added, cost of labour and depreciation/amortization.
Return on equity (ROE)	Ratio between net income and shareholders' equity.
Return on investment (ROE)	Ratio between net operating margin plus interest income and capital invested.
Turnover rate	Ratio between sales and capital invested.
Tax rate	Income taxes as a percentage of earnings before taxes.
Current profit	Earnings before non-recurring exceptional income (expenses) and income taxes.

I. INTRODUCTION

SYMBOLS AND ABBREVIATIONS

The followings symbols and abbrevations have been used in the tables:

- no applicable figure
- ... no available figure
- n.c. not calculated

Some column totals may not add up due to rounding off.

GENERAL TRENDS

Profile of the companies

Our survey covers the top manufacturing, utilities and telecommunications multinationals. Manufacturing companies and utilities located in Europe, the United States and Japan have been selected on the basis of criteria set out in Section III. To ensure that the data for telecoms companies are exhaustive, three companies based in Australia, China and Mexico have also been included. The survey covers a total of over 30,000 companies including consolidated subsidiaries (US-owned subsidiaries have not been included as data for them was not available). European companies generated value added equivalent to roughly 11% of the area's GDP in 2002. Table I.1 gives some key aggregates. The companies are listed in Table III.4. Table I.2 shows 2002 sales broken down by industry, and Table I.3 illustrates 2002 sales broken down by country.

TABLE I.1 – HIGHLIGHTS OF COMPANIES IN THE SAMPLE

	No. of companies	No. of employees in 2002	Total assets ⁽¹⁾ at 31/12/02	Sales in 2002
		<i>'000</i>	<i>€ bn</i>	<i>€ bn</i>
Industrials				
Europe	139	8,930	2,652	2,541
North America	71	6,533	1,830	2,016
Japan	28	2,788	910	862
Total	238	18,251	5,392	5,419
Telecoms	23	2,245	1,022	620
Utilities	15	958	486	276
Total	276	21,454	6,900	6,315

⁽¹⁾ Excludes intangibles.

The macroeconomic scenario saw much slower growth during 2001 and 2002 than it did in previous years. This was at its most marked in Japan, where the growth rate of GDP fell from 2.8% in 2000 to negative values in 2002. In the same period the growth rate of GDP in the European Union fell from 3.6% to 1%, while the area which was most dynamic was the United States, where the trend was reversed after GDP ground virtually to a halt from 3.8% in 2000 to 0.5% in 2001, with decent growth in 2002 and predicted also for 2003. Estimates also suggest Japan should bounce back in 2003 with a fairly major rally, especially given the figures it posted before, but the EU is still expected to be sluggish.

Growth in world trade dipped slightly in 2001, but it resumed its previous rates in 2002 and is expected to grow even faster in 2003, according to projections for OECD countries. The trend in OECD countries whereby world exports have grown more than GDP was borne out except for during 2001:

	Annual volume increases ⁽¹⁾				
	1993-99	2000	2001	2002	2003e ⁽²⁾
	% annual average				
<i>GDP</i>					
EU	2.2	3.6	1.7	1.1	0.8
USA	3.7	3.8	0.5	2.2	3.1
Japan	1.0	2.8	0.4	-0.3	2.5
Total OECD	2.8	3.8	0.8	1.8	1.9
<i>World exports</i>					
Total OECD	7.1	12.0	-0.5	2.7	4.6

⁽¹⁾ Source: compiled by R&S from OECD figures.

⁽²⁾ World export figures based on OECD projections.

Fig. 1

OECD countries: annual changes in real GDP vs world exports

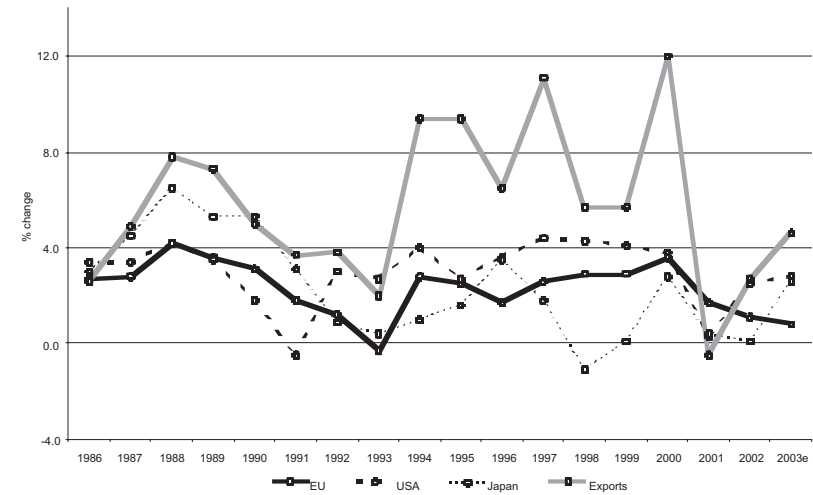


TABLE I.2 – 238 INDUSTRIAL COMPANIES: PERCENTAGE BREAKDOWN OF 2002 SALES BY INDUSTRY

	Europe										North America			Total
	Germany	U.K.	France	Ireland	Italy	Spain	Switzerland	Benelux	Scandinavia	USA	Canada	Japan		
Energy and mining	10.2	62.0	19.8	–	29.0	79.4	–	1.6	19.8	17.4	–	2.3	18.4	
Iron and steel	3.8	4.8	1.0	–	4.7	–	–	11.8	7.3	1.0	20.0	5.7	3.5	
Chemicals	14.2	16.9	17.1	1.1	2.9	3.9	39.0	25.2	4.4	16.1	–	3.7	13.7	
Rubber and cables	1.0	–	4.2	–	3.8	–	–	–	–	0.6	–	2.0	1.1	
Mechanical engineering	54.9	4.1	30.1	–	35.7	–	17.9	14.7	27.4	28.7	52.1	41.7	30.9	
<i>automotive</i>	38.6	–	17.8	–	24.8	–	1.5	–	8.5	15.7	12.0	33.8	18.8	
<i>aerospace</i>	–	2.2	1.0	–	2.7	–	0.3	14.6	0.4	4.9	11.4	0.2	2.8	
<i>domestic appliances</i>	0.1	–	–	–	1.5	–	0.3	–	4.7	0.4	–	2.0	0.8	
<i>other</i>	16.2	1.9	11.3	–	6.7	–	15.8	0.1	13.8	7.7	28.7	5.7	8.5	
Electronics	5.7	0.7	7.6	–	1.6	–	0.1	20.8	17.8	20.3	20.8	37.1	16.7	
Building and civil engineering	–	–	–	–	0.2	–	–	–	–	–	–	1.7	0.7	
Cement, glass and bdg. products	–	1.2	9.2	39.6	2.6	–	5.5	–	–	0.4	–	1.0	1.6	
Paper, printing and publishing	1.5	0.8	1.8	22.1	1.8	–	–	–	16.9	3.5	–	1.0	2.8	
Food and drink	–	4.9	3.5	27.4	10.4	–	35.2	24.1	3.9	7.9	–	–	6.2	
Textiles and clothing	–	–	0.9	–	1.3	–	–	1.2	–	0.3	–	–	0.3	
Other mfg. industries	2.4	3.3	1.5	–	3.7	16.7	2.0	0.5	0.4	2.6	3.9	1.0	2.2	
Services industries	6.3	1.3	3.3	9.8	2.3	–	0.3	0.1	2.1	1.2	1.5	3.8	2.5	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

TABLE I.3 – 276 COMPANIES: PERCENTAGE BREAKDOWN OF 2002 SALES BY COUNTRY OF LOCATION

	Europe										North America			Other countries (*)	Total
	Germany	U.K.	France	Italy	Switzerland	Benelux	Scandinavia	Total	USA	Canada	Total	Japan			
Energy and mining	6.9	33.7	8.9	4.8	–	0.3	5.1	4.2	63.9	34.0	–	34.0	2.1	–	100.0
Iron and steel	13.5	13.7	2.4	4.1	–	12.8	9.9	–	56.4	10.8	6.3	17.1	26.5	–	100.0
Chemicals	12.9	12.3	10.4	0.6	8.6	6.9	1.5	0.3	53.5	42.1	–	42.1	4.4	–	100.0
Rubber and cables	10.9	–	30.5	10.1	–	–	–	–	51.5	19.6	–	19.6	28.9	–	100.0
Mechanical engineering	22.2	1.3	8.1	3.5	1.7	1.8	4.2	–	42.8	33.4	1.8	35.2	22.0	–	100.0
<i>automotive</i>	25.6	–	7.9	4.0	0.2	–	2.1	–	39.8	30.1	0.7	30.8	29.4	–	100.0
<i>aerospace</i>	–	7.6	2.8	2.9	0.3	19.2	0.6	–	33.4	61.1	4.4	65.5	1.1	–	100.0
<i>domestic appliances</i>	2.1	–	–	5.9	1.4	–	28.7	–	38.1	18.9	–	18.9	43.0	–	100.0
<i>other</i>	23.7	2.2	11.1	2.4	5.6	0.1	7.6	–	52.7	32.7	3.7	36.4	10.9	–	100.0
Electronics	4.3	0.4	3.8	0.3	–	4.7	5.0	–	18.5	43.8	1.4	45.2	36.3	–	100.0
Building and civil engineering	–	–	–	3.6	–	–	–	–	3.6	–	13.9	13.9	82.5	–	100.0
Cement, glass and bdg. products	–	7.6	48.5	5.0	10.5	–	–	–	9.7	81.3	8.5	–	8.5	10.2	100.0
Paper, printing and publishing	6.6	2.9	5.4	2.0	–	–	28.9	3.0	48.8	45.5	–	45.5	5.7	–	100.0
Food and drink	–	7.9	4.7	5.1	17.2	14.7	3.0	1.8	54.4	45.6	–	45.6	–	–	100.0
Textiles and clothing	–	–	27.9	14.1	–	16.9	–	0.1	59.0	41.0	–	41.0	–	–	100.0
Other mfg. industries	13.2	14.9	5.4	5.0	2.6	0.8	0.7	7.4	50.0	41.0	1.9	42.9	7.1	–	100.0
Services industries	32.0	5.1	11.1	2.9	0.4	0.1	4.1	1.6	57.3	16.6	0.7	17.3	25.4	–	100.0
Total industrial companies	12.5	10.0	8.3	3.0	3.0	3.8	4.7	1.4	46.7	35.9	1.1	37.0	16.3	–	100.0
Telecommunications	7.7	11.2	7.5	4.8	1.6	1.9	1.4	4.6	40.7	33.7	1.9	35.6	17.8	5.9	100.0
Utilities	–	21.1	60.6	1.2	–	–	–	10.1	93.0	7.0	–	7.0	–	–	100.0

(*) Australia, China and Mexico.

Long term trends: size

The highest growth in capital invested over the thirteen years which separate 1989 (the year in which our survey commenced) from 2002 has been recorded by European companies. These have grown by 150% in Euro terms at current prices, equivalent to an annual increase of 7.3%. Growth by U.S. multinationals has been much smaller at 98.9% in current dollar terms, or 5.4% per year, and by Japanese groups even lower, at 43.5% in current yen terms or just 2.8% per year (Fig. 2). At the same time, there has been an increase in the average size of firms in the three areas which has exceeded the percentages referred to above, and here again European multinationals lead the way. One of the reasons they have grown so much more is presumably the fact that their average size is smaller, so they had ground to make up in order to compete in globalized markets. In 1989 European multinationals' capital was on average 22% lower than that for U.S.-based groups, and 49% lower than average-sized Japanese companies. By 2002 the gap was around 32-35%, reflecting a 13.5% revaluation of the dollar and a 37.7% revaluation of the yen. This increase in the average size of companies, which continues to be higher than that in the aggregate value of assets, derives from mergers as well as from inflows from acquisitions and fixed direct investments:

Industry	Average size measured by total assets ⁽¹⁾			
	1989	2002	% change	
	EUR m	EUR m	EUR	Original currency
Europe	8,135	21,917	+169.4	+169.4
North America	10,460	32,366	+209.4	+172.6
Japan	16,060	33,989	+111.6	+53.7
All companies ⁽²⁾	9,793	26,046	+166.0	

⁽¹⁾ Includes intangibles.

⁽²⁾ 252 in 1989, 238 in 2002.

The increase in capital invested has speeded up markedly in the last decade and in particular between 1992 and 2000, but this process has been reversed in the past two years to the extent that the figures recorded by European companies have even been negative. The highest growth has been since 1996. Over the thirteen years as a whole, German companies lead the way with their aggregate share capital more than tripling, followed by Scandinavian companies, where growth was just below 3x. The other countries were below the average and are ranked as follows: Bene-

lux and French companies (more or less in line), followed by Italian and Swiss, then in last position the British. Growth by German companies was boosted by acquisitions, the most important of which were the U.S.-based Chrysler in 1998 and the U.K.'s Powergen in 2002, and by significant organic growth, as shown by the rate of investment which was above 10% a year in the period between 1998 and 2001. The role of organic growth was even more important for the Scandinavian companies, whose annual average rate of investment in the past decade has been 12%. The companies with the lowest levels of capital expenditure have been (in order) the Swiss, British and Italian.

The increase in capital invested in the mid-1990s went hand-in-hand with the rise in stock market prices. The link between these two phenomena appears to be particularly close for European and North American firms (see Fig. 3). In sectorial terms, the increase in average size was felt most by companies operating in the paper, energy, automotive and chemical industries (Table I.4 lists figures for the past ten years). In the tertiary sector, telecoms companies have grown even more, by 165.2% between 1996 and 2002 compared with 125.3% by energy industrials and by 78.8% by industrials as a whole. Similar trends hold true also for average size measured by sales.

Fig. 2

Total assets: index number 1989=100

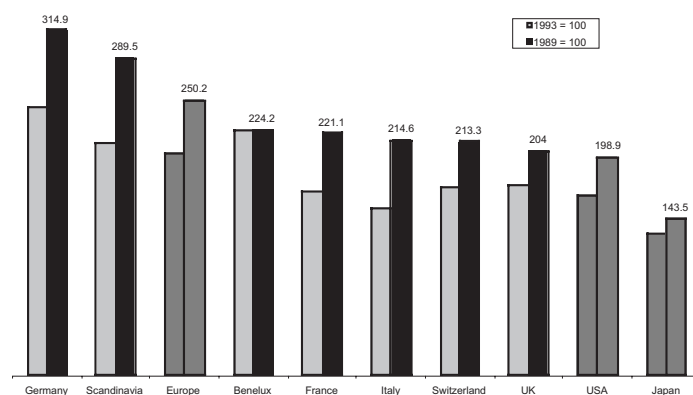


Fig. 3

Total assets: annual percentage changes 1990-2002

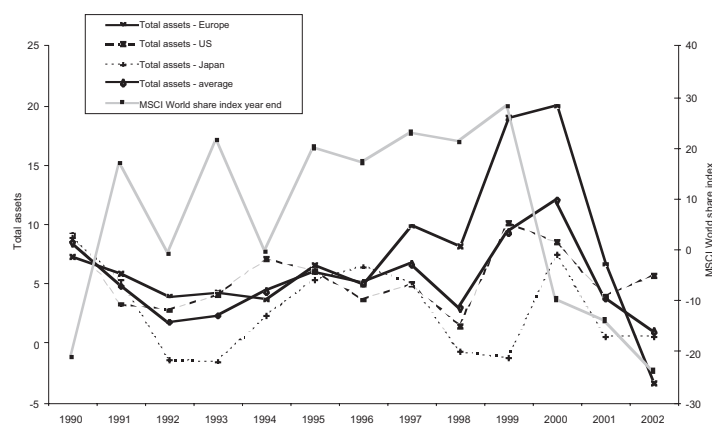


TABLE I.4 – 276 COMPANIES: AVERAGE SIZE BASED ON TOTAL ASSETS AND SALES

	Average size by total assets ⁽¹⁾				
	1993	1996	2002	% change 1996-1993	% change 2002-1996
	EUR m	EUR m	EUR m		
Industrials					
Energy	20,654	22,666	51,065	9.7	125.3
Automotive	22,668	25,994	47,924	14.7	84.4
Electronics	17,660	17,819	28,395	0.9	59.4
Chemicals	9,973	12,329	20,263	23.6	64.4
Mechanical engineering	8,457	9,222	16,433	9.0	78.2
Paper	5,482	8,237	15,136	50.3	83.8
Food and drink	9,066	9,452	16,012	4.3	69.4
Iron and steel	9,134	8,982	15,990	-1.7	78.0
Rubber and cables	8,307	8,091	12,672	-2.6	56.6
Total industrials	13,065	14,564	26,046	11.5	78.8
Telecoms	...	23,558	62,486	...	165.2
Utilities	...	...	37,948	...	...

	Average size by sales				
	1993	1996	2002	% change 1996-1993	% change 2002-1996
	EUR m	EUR m	EUR m		
Industrials					
Energy	19,746	23,478	46,724	18.9	99.0
Automotive	23,167	26,770	41,711	15.6	55.8
Electronics	15,648	17,783	24,534	13.6	38.0
Chemicals	8,907	10,829	16,108	21.6	48.7
Mechanical engineering	8,916	10,082	15,774	13.1	56.5
Paper	4,541	6,708	11,522	47.7	71.8
Food and drink	10,562	11,218	15,793	6.2	40.8
Iron and steel	7,467	8,501	13,206	13.8	55.3
Rubber and cables	8,496	9,199	12,926	8.3	40.5
Total industrials	12,419	14,564	22,770	17.3	56.3
Telecoms	...	12,250	25,824	...	110.8
Utilities	...	...	18,381	...	...

⁽¹⁾ Includes intangibles.

The largest industrial groups are listed in Table I.5 in decreasing order of total assets as at 2002.

With regard to the same table in last year's survey, the German group E.ON is a new entry, and also to be noted is the change in size of IBM. In 2002, Germany therefore had three of the world's largest companies against the US's 4, although the capital invested by the latter is some 29% higher. The largest telecoms group is Japanese with assets of € 146.4bn, whereas French companies, NTT have the two largest utilities in the shape of EdF and Suez. The same table compiled in 1989 shows just how far groups operating in the energy sector have expanded, mostly as a result of mergers but also, to a lesser extent, of the relative increase in the price of oil, which rose by 38% between 1989 and 2002 against 33.5% by deflators of gross product in OECD countries. It also shows how U.S. multinationals have lost their leadership positions, with General Motors being overtaken by Toyota and IBM falling from fourth to twelfth place. Japanese companies, meanwhile, have all but disappeared, with the exception of Toyota mentioned above ⁽¹⁾. Groups operating in the energy and transport sectors now tend to dominate, while electronics companies have lost ground ⁽²⁾. It should also be noted that the gap between the leaders and the pack has diminished. In 2002 capital invested by the top six groups was over 56% more than that by the next six, whereas in 1989 the corresponding figure had been 75%.

There was only one privatization in 2002, the Luxembourg-based company Arbed as a result of its merger with French company Usinor and Spanish-based Aceralia. As a result of this transaction, the interest owned by the Luxembourg government, which has retained its position as leading shareholder, fell to less than 6% of the company's share capital. There was also one other instance of a government's holding in a company being significantly reduced, that of French-based Thomson, but here the state's interest remained in excess of 20% so the company still qualifies as being publicly owned. The state-owned component remained virtually unchanged at around 5% in terms of total assets, whereas in telecoms and utilities the share rises to approx. 35% (see Table I.6).

⁽¹⁾ Due to lower relative growth, given the fact that Hitachi, Matsushita and Nissan continued to be ranked among the top six groups in the country (cf. Table III.4).

⁽²⁾ The survey excludes Microsoft (US), which is solely a software company. In 1992-2002 capital invested rose by 28x, but the most recent level recorded of EUR 62.9bn would not have been sufficient to place it among the top 12 companies listed in Table I.5.

The largest publicly-owned companies are in the services sector: the Japanese telecoms company NTT and French energy group EdF.

TABLE I.5 – LEADING INDUSTRIALS BASED ON TOTAL ASSETS

	Top 12 industrials by total assets ⁽¹⁾ in 2002			Top 12 industrials by total assets ⁽¹⁾ in 1989	
	1992	2002	% change	1989	
	€ bn	€ bn		€ bn	
DaimlerChrysler (DE)	43,1	182,4	323.2	Royal Dutch/Shell (GB)	76,1
Toyota (JP)	62,1	162,0	160.9	General Motors (US)	75,6
Royal Dutch/Shell (GB)	83,1	141,1	69.8	Exxon (US)	68,3
General Motors (US)	82,1	139,3	69.7	IBM (US)	62,2
ExxonMobil (US)	68,6	138,6	102.0	Toyota (JP)	49,2
BP (GB)	42,0	136,7	225.5	Hitachi (JP)	44,3
Ford (US)	53,5	111,1	107.7	Matsushita El. (JP)	44,2
Volkswagen (DE)	38,1	101,2	165.6	Ford (US)	42,9
General Electric (US)	34,6	97,5	181.8	Fiat (IT)	35,4
E.ON (DE)	25,5	94,0	268.6	Nissan Motor (JP)	32,5
Fiat (IT)	47,1	87,1	84.9	Daimler Benz (DE)	31,4
IBM (US)	68,2	86,7	27.1	Volkswagen (DE)	28,9

⁽¹⁾ Excluding intangibles.

TABLE I.6 – STATE-CONTROLLED COMPANIES ⁽¹⁾

	No. of companies	No. of employees in 2002	Total assets ⁽²⁾ at 31/12/02	Sales in 2002
			EUR m	EUR m
Industrials				
France	4	309,037	90,138	65,893
<i>% of country total</i>		17.2	20.5	14.6
Italy	2	117,004	73,225	55,697
<i>% of country total</i>		20.0	32.6	33.5
Scandinavia	7	161,617	101,873	90,666
<i>% of country total</i>		18.9	39.3	35.5
Benelux	1	43,170	10,986	6,017
<i>% of country total</i>		4.5	6.0	2.9
Total industrials	14	630,828	276,222	218,273
<i>% of total</i>	5.9	3.5	5.1	4.0
Telecoms	7	852,588	339,723	223,674
<i>% of total</i>	30.4	38.0	33.2	36.1
Utilities	3	218,143	168,954	66,185
<i>% of total</i>	20.0	22.8	34.8	24.0

⁽¹⁾ There are no State-controlled companies in the other countries covered in the survey. For the list of companies see Table III.4 in Section III.

⁽²⁾ Excluding intangibles.

Globalization

The process of globalization went on apace during 2002. The share of non-domestic turnover generated by companies in the Euro area went from 68.8% in 1998 to 72.4% in 2001 to 74.6% in 2002 (see Table I.7). The change was extremely limited for U.K. companies, less than two percentage points in rising from 79% to 80.6%. The foreign component of Japanese companies increased by just a single percentage point. So most of the growth experienced by European countries described earlier was in terms of international expansion, with this component representing now four-fifths of the total turnover. The country of origin now accounts for just 23% of total revenues, and the European component for 46%. The figure is very similar for the North American and Japanese multinationals with 44% and 48% respectively, as can be seen from Table I.8.

TABLE I.7 – 238 INDUSTRIALS: TRENDS IN TURNOVER 1998-2002

	% change in sales in 1998-2002 (local currency)		Non-domestic sales ⁽¹⁾ as % of total		
	Domestic	Non-domestic	1998	2002	Change
Benelux	-11.2	-1.1	88.3	89.4	1.1
France	0.9	45.3	70.0	77.0	7.1
Germany	-7.7	21.4	66.4	72.2	5.8
Italy	13.7	39.8	56.3	61.3	5.0
Finland	2.2	67.3	84.8	90.1	5.3
Ireland	37.3	68.5	83.4	86.1	2.6
Euro area	-2.2	30.1	68.8	74.6	5.8
United Kingdom	36.4	51.5	79.0	80.6	1.7
USA	23.9	15.9	43.3	41.7	-1.6
Japan	8.0	12.5	46.9	48.0	1.0

⁽¹⁾ Exports from home country plus sales of foreign subsidiaries outside home country.

TABLE I.8 – 238 INDUSTRIALS: SALES BREAKDOWN BY CUSTOMER LOCATION IN 2002

	% of national sample	Customer location				Other areas
		Europe		North America		
		Total	Domestic sales	Total	Domestic sales	
<i>as % of total sales</i>						
Benelux	100	52	7 (*)	25		23
France	100	62	24 (*)	23 (*)		15 (*)
Germany	100	57	28	29 (*)		14 (*)
Italy	97	73 (*)	39 (*)	15 (*)		12 (*)
Scandinavia	100	67	20 (*)	19 (*)		14 (*)
Switzerland	100	39 (*)	4 (*)	33		28 (*)
United Kingdom	100	38	19 (*)	38		24
Europe	98	54 (*)	23 (*)	28 (*)		18 (*)
USA	98	21 (*)		59	56 (*)	20 (*)
Japan	85	10 (*)		21 (*)		69 (*)

(*) Figures cover over half the sample only.

Source: based on information provided by companies.

Workforce

The industrial companies' aggregate workforce has changed in line with the growth in their assets. Between 1994 and 2000 the total headcount grew by approx. 1.6 million employees before dipping by around 600,000 in the last two years covered by our survey (Table I.24). Regarding this last period, the key changes to workforces have been made by British, French and North American companies, with the latter alone accounting for almost half the overall reduction. The main tendencies running counter to this trend were seen in Ireland, where the headcount rose by 20%, and in Switzerland, with a 6.5% increase, while Japanese multinationals have stabilized their workforce over the past three years. As for telecoms, the contrasting effects of business expansion on the one hand and restructuring of inefficient services on the other have led to employment being some 6% lower than the levels recorded nine years previously, levels which were regained in 2000. This was not the case with utilities, which have grown significantly, putting on 20% between 2000 and 2002.

Regarding globalization, the trend appears to be consolidating towards a reduction in domestic employment. For example, this is what happened in

Europe throughout the entire 1993-2002 ten-year period with the exception of 1998. The most marked reductions were in 1994, when 7.5% of the workforce was shed, in 2000, when 6% lost their jobs, and in 2002, when 4.8% were laid off. The overall rate of job loss during the period under review was 25.7%. Conversely, there was a 42.4% increase outside the country of origin. A similar trend was seen in North America, but here the fall in domestic employment was negligible and the growth in non-domestic employment much more substantial. Productive relocation is clearly important in this regard. Increasingly some of the most recent such processes have involved China, where the multinationals covered in this survey already operate via more than 700 affiliated companies, around 600 of which are manufacturing enterprises (see Table I.9). Some two-thirds of these are owned by European multinationals, around a quarter by the Japanese, and the remaining 10% by US groups. The most telling presence is Japanese, with each of the Japanese multinationals having control of an average of six Chinese associated companies.

TABLE I.9 – 238 INDUSTRIALS COMPANIES: DIRECT PRESENCE IN CHINA

	No. of affiliated companies based in China			Number of affiliated companies per multinational	
	Commercial and other		Total	Manufacturing	Total
	Manufacturing				
Multinationals based in:					
Europe	387	104	491	2.8	3.5
North America	58	4	62	0.8	0.9
Japan	153	19	172	5.5	6.1
Total	598	127	725		

Apart from these processes, between 1993 and 2002 the net value of production per member of staff (i.e. value added net of amortization and depreciation) rose by 61.7% for European countries, as against an increase of 34.1% in the unit cost of labour (see Table I.10). The corresponding variations recorded by North American groups show smaller increases on figures in local currency, both in terms of productivity and cost of labour. However, the dollar's revaluation against the Euro over the course of the decade has given readings for the cost of labour which are higher than those for the EU countries, but was not sufficient to bridge the

(¹) Changes to per capital figures have been calculated by eliminating the effects of the mergers.

major gap in growth in per capita value added (¹). Of the European companies, the greatest gains in productivity have been by firms in (in order): Scandinavia (86.7% in local currency), Italy (68.5%) and Benelux (67.8%). Companies located in Scandinavian and Benelux countries achieved these improvements in efficiency on the back of expansionist policies, in that the increases in both workforce and sales were above average, coupled with high investment rates (11.7% annual average for Scandinavian countries, 8.5% for Benelux countries), whereas Italian firms have mostly restructured their workforces by resorting to outsourcing: direct employees at Italian companies as at year-end 2002 were 17.4% lower than those at year-end 1993, and the average rate of investment was barely 7.9%. It should also be pointed out that the 2002 levels reflect the fact that British and Swiss companies had the highest productivity and Italian and Benelux firms had the lowest unit labour costs.

TABLE I.10 – 276 COMPANIES: VALUE ADDED AND LABOUR COST PER EMPLOYEE

	Value added per employee			Labour cost per employee			a / b	'a / 'b
	2002	% change 1993		2002	% change vs 1993			
	€ '000	€	Local currency (a')	€ '000	€	Local currency (b')		
Industrials								
Benelux	59,4	+65.7	+67.8	44,0	+42.9	+44.5	1.5	1.5
France	63,2	+39.3	+39.0	44,3	+19.4	+19.4	2.0	2.0
Germany	69,5	+57.7	+59.3	55,7	+27.8	+29.1	2.1	2.0
Italy	57,7	+66.1	+68.5	36,2	+22.8	+24.6	2.9	2.8
Scandinavia	71,6	+95.8	+86.7	51,4	+73.3	+65.3	1.3	1.3
Switzerland	83,3	+50.4	+32.1	50,3	+35.2	+18.7	1.4	1.7
United Kingdom	92,4	+78.6	+53.6	45,1	+45.7	+25.4	1.7	2.1
Europe	70,9	+61.7	+61.7	48,3	+34.1	+34.1	1.8	1.8
North America	74,1	+38.5	+29.6	59,4	+38.0	+29.2	1.0	1.0
TLC (¹)	85,9	+24.8	–	52,7	+16.1	–	1.5	–
Utilities (²)	76,2	+20.2	–	42,4	+11.1	–	1.8	–

(¹) Change versus 1994.

(²) Change versus 1997.

Sales

Sales by industrial companies in 2001 and 2002 were hit by a slump in global demand, growing by barely 1.7% in 2001 and falling by around 10% in 2002. This was the worst performance of the decade, the previous worst having been the 2.5% decline recorded during 1998 (see Table I.25). The 2002 result differed between the companies operating in the various geographical regions. There was something of an improvement by Japanese companies, which grew by 5.5%, while reductions in revenues were recorded primarily by North American companies, where turnover fell by 2%, and even more so by European multinationals, which declined by 5.3%. Part of this decrease was due to exchange rate fluctuations, which led to non-domestic revenues by North American and Japanese corporates being revalued, and produced the opposite effect for European firms. Trends in revenues are also to some extent correlated to trends in GDP (see Fig. 4).

A large part of the sales trend is due to companies operating in the energy sector, whose revenues account for approximately one-fifth of the total and whose sales prices also indirectly affect those of other companies, in particular chemical and iron and steel. However, in 2002 the energy and non-energy aggregates performed comparably, the former reducing by 10% and the latter by 9.8%. Oil price changes were a major factor in determining the performance of the energy sector (see Fig. 5). After a major increase in 2000, when the price of Brent crude oil rose to USD 29 per barrel, representing an increase of 59% in dollar terms and 71% in Euro terms, the price settled back down to around USD 25 per barrel during 2001-2002, a fall of 13% and 23% respectively. If the performance of non-energy companies tends to reflect changes in the price of energy, such companies also seem more prone to general world trends, which explains why margins differed between the two areas during 2002, when energy companies' profits fell but margins earned by non-energy companies rose, albeit only to 7.6% of turnover, a level that was still lower than the 9% achieved by multinationals operating in the energy sector.

There were also conflicting results in the services sector. Revenues generated by telecoms companies fell by more than 10%, whereas those recorded by utilities rose by 2%. A similar trend was reflected in earnings as a percentage of revenues, with telecoms continuing a decline which began in 1999 and in fact being overtaken by the improving utilities for the first time (see Fig. 6).

TABLE I.11 – 276 COMPANIES: ANNUAL CHANGE IN SALES (*)

	1994-96	1997-99	2000	2001	2002
	% annual change				
<i>Industrials</i>					
Benelux	7.3	5.1	22.4	2.7	-5.4
France	4.2	5.3	24.6	-0.6	-2.5
Germany	5.9	9.3	13.8	3.3	-8.2
Italy	7.4	3.1	26.3	2.4	-3.5
Scandinavia	10.9	7.9	22.4	4.4	0.5
Switzerland	2.8	4.9	7.3	4.6	-5.4
United Kingdom	6.7	-2.6	37.8	4.4	-0.6
Europe	6.6	6.1	23.6	3.6	-5.3
North America	7.6	4.8	14.0	-2.1	-2.0
Japan	7.1	-	5.1	-0.5	5.5
238 companies	4.8	9.5	19.1	1.7	-9.9⁽¹⁾
Telecoms	...	15.0	17.8	4.9	-10.2
Utilities	...	...	14.7	20.8	2.0
<i>GDP in OECD countries</i> ⁽²⁾ <i>at current prices</i>	2.9	3.1	3.8	0.8	1.8

(*) Like-for-like.

⁽¹⁾ Average of the following reductions calculated on the basis of figures in Euros: Europe 5.3%, North America 17.7%, Japan 2.2%.

⁽²⁾ Excluding high inflation countries.

GDP = Gross Domestic Product.

TABLE I.12 – OIL AND ENERGY SALES AND THE PRICE OF CRUDE OIL

	1993	1999	2000	2001	2002
Index no. of oil and energy sales of 238 industrials:					
Index no. 1993 = 100	100.0	129.8	199.7	205.4	184.8
% of total sales by 238 companies:					
European companies	19.4	18.8	24.3	25.2	25.2
North American companies	19.5	15.0	18.2	17.0	16.9
Average Brent crude price ⁽¹⁾ Index no. 1993 = 100:					
EUR per barrel	100.0	119.2	204.3	184.6	157.3
USD per barrel	100.0	106.9	169.8	145.1	147.6

⁽¹⁾ Source: based on IMF figures.

Fig. 4

OECD countries' nominal GDP vs 238 industrial companies' sales: percentage changes compared with previous year

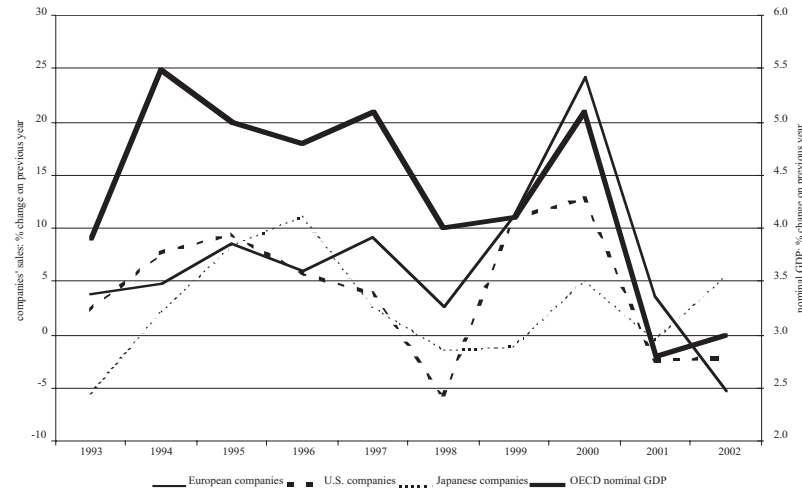
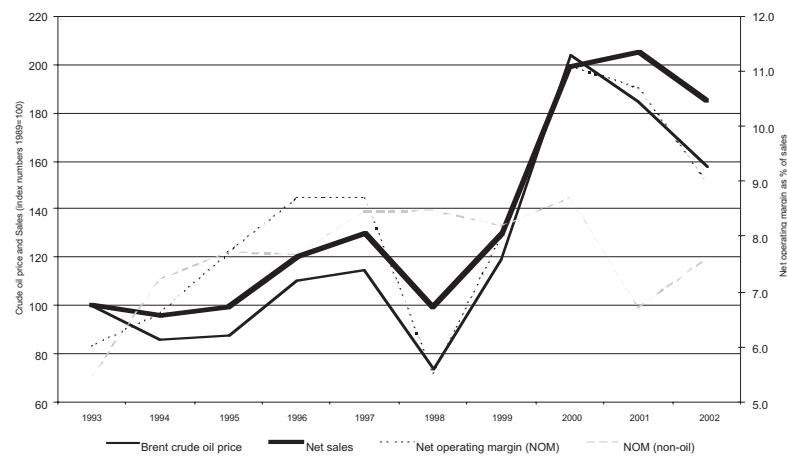


Fig. 5

Energy companies: sales, net operating margin and oil price



Another feature worthy of note is the major reduction in the rate of capital expenditure. The ratio between annual spending and stock outstanding as at the year-end fell from 9.2% in 2001 to 8% in 2002, the lowest recorded since 1995. The decline was general, affecting all countries except Italy, where the ratio rose slightly from 8.2% to 8.6%. This fall in the rate of spending went hand-in-hand with the trend in capacity utilization, as reflected in the sales/fixed assets ratio shown in Fig. 7. The spending rate by Japanese companies also fell, but they still recorded their highest sales/fixed assets reading of the decade:

	Sales as % of fixed assets		
	2002	High between 1993 and 2002	(a) as % of (b)
	(a)	(b)	
Europe	261.6	281.7	92.9 ⁽¹⁾
North America	314.4	347.7	90.4
Japan	323.4	323.4	100.0
238 companies	288.4	308.4	93.5

⁽¹⁾ Benelux 100%, France 100%, Germany 69.6%, Italy 96.1%, Scandinavia 91.0%, Switzerland 100%, United Kingdom 90.7%.

Spending on research and development during 2002 fell by 11% (see Fig. 8), which is remarkable in the sense that to find another reduction we have to go as far back as 1994, when there was a 2% fall. Exceptions in 2002 were Germany, where multinationals' commitment to innovation rose by approx. 3%, and Italy, where the admittedly modest level of the previous year was at least maintained. The largest reductions were in Scandinavia, where R&D spending fell by 16%, and in terms of sector, in automotive engineering (10%), mechanical engineering (12%) and electronics (17%).

Fig. 6

Net operating margin

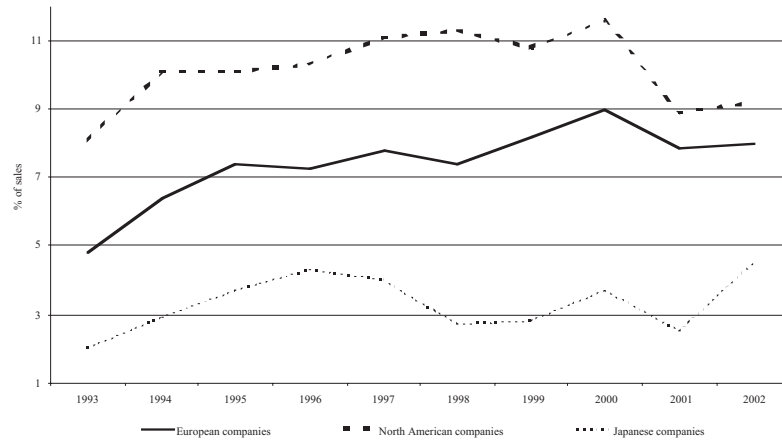


Fig. 7

**238 industrial companies
Sales/fixed assets vs capital expenditure**

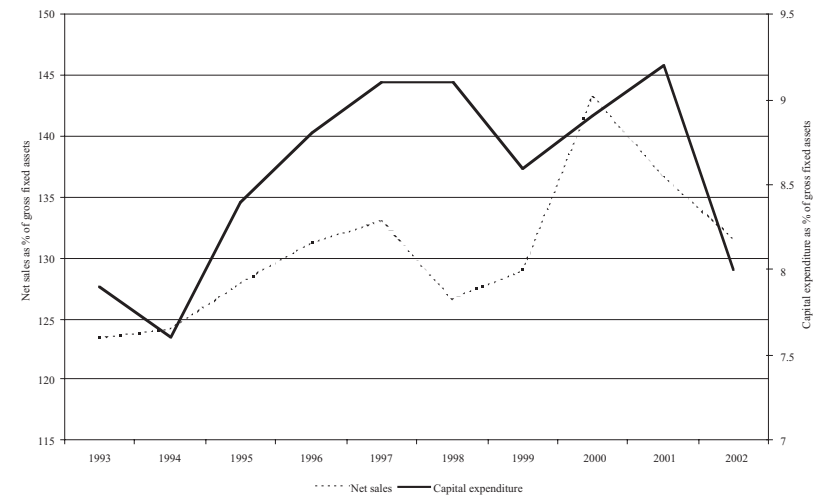
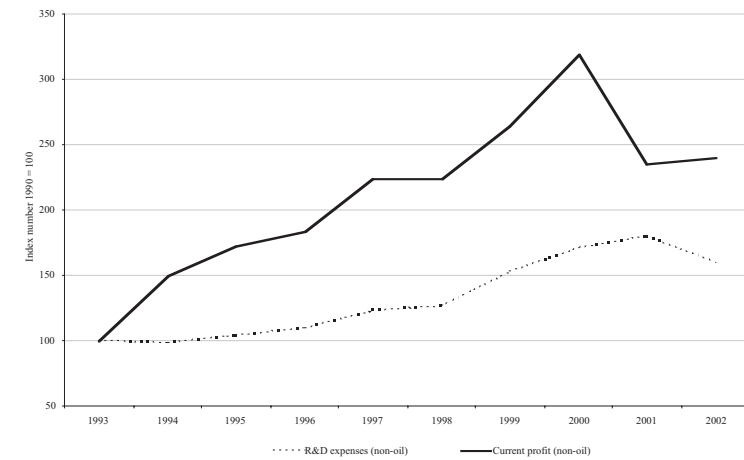
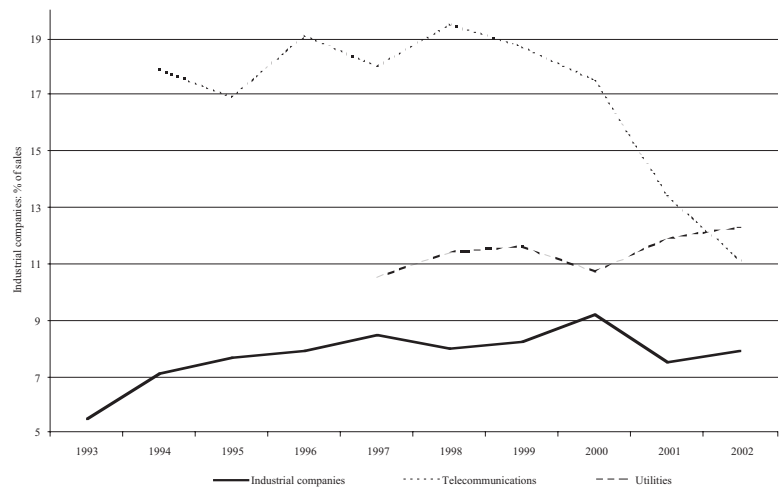


Fig. 8

238 industrial companies: R&D spending vs current pre-tax profit



Operating results by sector

Net profits earned by the 238 industrial multinationals rose from EUR 65bn in 1993 to EUR 180bn in 2002. This growth was interrupted on two occasions: in 1998 the aggregate fell by 9%, which was entirely recovered the following year; and in 2001, when the downward trend began to as though it might be longer-lived. Indeed, profits had halved from their historical high of EUR 360bn in 2000. Something similar occurred during 1989-1992, when profits were cut by as much as 83%. Then, as now, a large part of the performance was due to costs and non-recurring items. In 1992 it was changes in the accounting policies adopted by North American companies, which resulted in employee pension and national insurance liabilities being booked to the accounts for the first time, and led to a EUR 56bn charge plus a further EUR 25bn in 1993. In 2001 and 2002 it was the turn of charges due to writedowns of fixed assets, in part following adoption of a new accounting standard in respect of goodwill impairment ⁽¹⁾ and various extraordinary charges totalling EUR 172bn, chiefly as a result of the hangover from acquisitions-fuelled expansion during the years of the speculative bubble. North American companies were again the source of a good deal of these charges, but this time their contribution was limited to around 50%, with European multinationals chipping in with some four-tenths of the total. It should be remembered that the accounting policies adopted, respectively during an upturn and a downturn in the economic cycles, allied to company models sometimes adopted by management which were not entirely appropriate to their individual situations, led to difficulties in the companies' organization leading in several cases to default (such instances are not covered by our survey). The most significant of these were US-based Enron and Worldcom, both of which ended up bankrupt (in December 2001 and July 2002 respectively), and which occupy the top two places in the league table of corporate failures in their country, plus of course Parmalat of Italy, whose collapse became evident in December 2003 and the fallout from which is still being assessed ⁽²⁾.

⁽¹⁾ This is a new international accounting standard which requires that goodwill no longer be amortized but rather subject to an annual impairment test. More than half the multinationals covered here have already adopted the new standard in their consolidated reporting.

⁽²⁾ Enron and Worldcom do not figure among the companies covered in this survey, and their results therefore do not affect the financial or earnings aggregates presented here. However, Parmalat is included, on the basis that it published accounts until 3Q 2003, although these were subsequently contested by Italian stock market regulator Consob and are currently being revised. Parmalat accounts for the following percentages of the 2002 aggregates (the first figure refers to aggregate turnover, the second to total assets): total industrial companies 0.1% and 0.2%; total European companies 0.3% and 0.3%; total Italian companies 4.6% and 3.6%; total food companies 1.8% and 2.8%.

The profit trends appear more normal if extraordinary costs and income are ignored and attention is focused more on current profit and operating margins. In this light the decline reduces to 26% in 2001 and 22% in 2002. Moreover, Japanese companies are already beginning to buck this trend, having almost doubled their current profit in 2002 and reaching their highest levels of the decade. As we shall see later, figures for the first half of 2003 bear out a general reversal in the trend in current profits.

The following sector trends emerge from the 2002 figures:

1. For industrials, the rankings for current profit as a percentage of sales is the same as the previous year, with the highest margins being in chemicals, food and drink, and energy (in that order), incidentally also the sectors which recorded the highest profitability to capital ratios, whereas the lowest were in electronics, rubber and cables, iron and steel, and automotive engineering, in that order (see Tables I.13 and I.14). Two sectors actually recorded an overall loss: electronics, and rubber and cables, the latter being principally due to extraordinary items.
2. Again in 2002, telecoms and utilities delivered performances which were midway between the best and the worst of the industrials. Both sectors ended the year with aggregate figures showing a loss, for the second year in succession.
3. Of the three most profitable industrial sectors, energy recorded a fall in absolute values for the second year running, down 42% vis-à-vis 2000, due to the price of oil trends referred to earlier. The chemical industry meanwhile bore out the higher profit values in absolute terms and as a percentage of revenues, but these two were 9% below 2000 figures. The food and drink sector more or less confirmed the levels recorded one year previously, up 20% over 2000. In terms of profit distribution by country Swiss companies ranked first in terms of profit distribution by country, followed by British and US firms (see Fig. 9).

TABLE I.13 – 276 COMPANIES: PERFORMANCE INDICATORS BY INDUSTRY IN 2002

Sector ⁽¹⁾	No. of companies	Pre-tax profit	R&S spending	Working capital	Equity / Debt ratio %	Capex as % of fixed assets
		<i>as % of sales</i>				
Industrials						
Chemicals	39	16.3	8.7	12.3	185.9	8.0
Food and drink	26	13.3	1.3	4.0	102.7	8.2
Energy	24	9.3	0.3	4.2	197.4	7.0
Mechanical engineering	30	7.6	4.2	3.9	204.4	8.3
Paper	11	5.6	0.8	9.8	85.2	4.0
Automotive engineering	30	4.3	4.4	9.1	69.8	11.9
Rubber and cables	5	4.0	3.8	17.0	111.4	5.7
Iron and steel	16	3.0	1.2	15.9	87.1	4.2
Electronics	39	2.3	7.2	6.2	149.5	8.9
238 companies	238	7.5	4.3	7.5	130.2	8.0
Telecoms	23	5.1	1.2	-3.0	105.1	6.8
Utilities	15	8.1	0.1	-1.9	55.0	6.2

Working capital = trade receivables plus inventories plus other current assets, less trade payables less other current liabilities. Capex = Capital expenditure.

⁽¹⁾ Industries in which the number of companies covered is not significant have been excluded.

TABLE I.14 – 276 COMPANIES: SALES MARGIN, ROI, ROE, TAX RATE AND TURNOVER RATIO BY INDUSTRY IN 2002

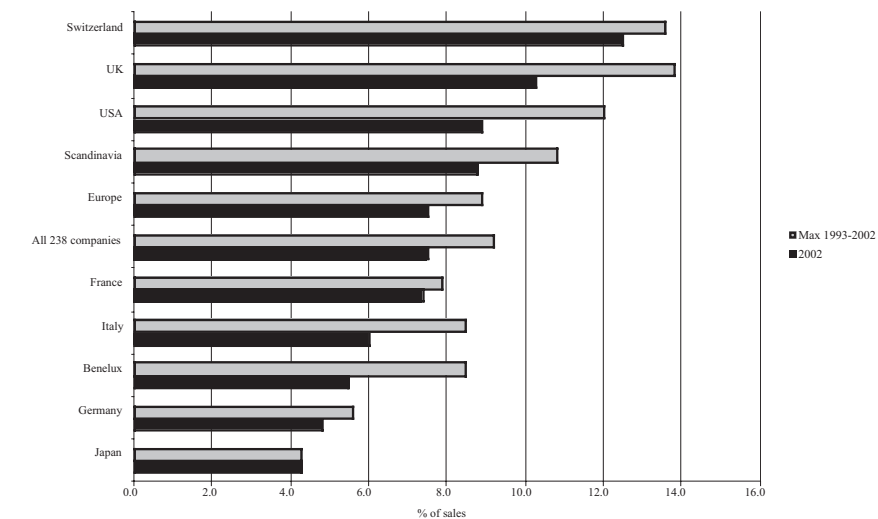
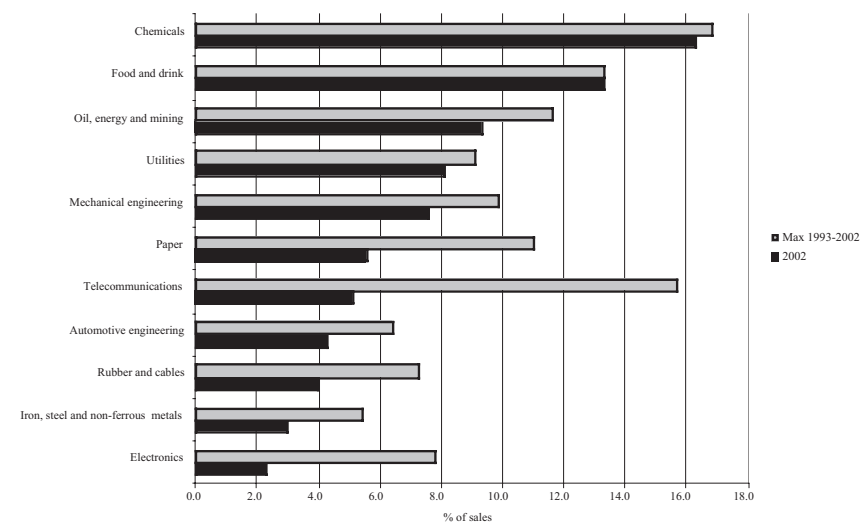
Sector ⁽¹⁾	Net operating margin	Tax rate	Turnover ratio	ROI	ROE
	<i>as % of sales</i>				
		<i>% of pre-tax profit</i>	<i>sales as % of capital</i>	<i>%</i>	<i>%</i>
Industrials					
Food and drink	14.4	31.8	146.1	22.6	35.8
Chemicals	16.6	29.1	123.3	22.6	24.7
Energy	9.0	41.5	158.5	17.2	13.4
Mechanical engineering	7.3	28.5	184.0	16.2	11.9
Automotive engineering	4.5	37.1	169.2	9.5	9.4
Paper	7.9	33.5	107.9	9.7	3.8
Iron and steel	4.0	58.0	123.5	6.3	2.3
Rubber and cables	5.7	n.c. ⁽²⁾	183.4	11.9	n.c. ⁽²⁾
Electronics	3.4	n.c. ⁽²⁾	148.7	5.0	n.c. ⁽²⁾
238 companies	7.9	40.3	149.1	13.5	10.2
Telecoms	11.1	n.c. ⁽²⁾	58.3	7.3	n.c. ⁽²⁾
Utilities	12.3	n.c. ⁽²⁾	88.3	12.2	n.c. ⁽²⁾

Capital = shareholders' equity plus borrowings; ROI = return on investment (net operating margin plus interest income as a percentage of capital); ROE = return on equity (net profit as a percentage of shareholders' equity less net profit).

⁽¹⁾ Industries in which the number of companies covered is not significant have been excluded.

⁽²⁾ Loss-making.

Fig. 9 – Current pre-tax profit as % of sales; by industry and by country



Results by geographic area

Results of the industrial companies by geographic area are shown in Table I.15, which as usual includes net operating margin, ROI and ROE and their constituents. As is well known, returns on investment and equity should be viewed with considerable caution, for these are affected by differing accounting practices and policies according to the individual companies involved (see Section III).

TABLE I.15 – 238 INDUSTRIAL COMPANIES: INDICATORS BY AREA

	1993			2002		
	Europe	North America	Japan	Europe	North America	Japan
	%	%	%	%	%	%
Net operating margin *	4.8	8.1	2.0	8.0	9.2	4.5
Interest and dividend income *	2.4	1.2	1.2	1.7	0.9	0.3
Sales as % of capital	157.7	187.3	122.1	140.0	163.5	146.8
ROI	11.4	17.4	4.0	13.6	16.4	7.2
Debt as % of equity	43.6	40.2	53.0	44.3	38.8	50.5
Cost of borrowing	11.3	8.0	4.1	6.9	5.4	1.6
Extraordinary items as % of pre-tax profit	-7.2	-41.8	21.7	-18.0	-26.1	-22.7
Tax rate #	43.3	34.6	76.9	38.7	41.7	42.5
ROE ^	6.6	9.9	1.1	10.5	11.4	6.3

* As % of sales.

As % of pre-tax profit.

^ Calculated on net worth excluding minority interests.

North American companies were still the most profitable, although the gap between them and European companies closed further. The gap in terms of ROI fell from six points in 1993 to under three points in 2002, and in terms of ROE, from three points in 1993 (due to charges booked as a result of changes to accounting policies as mentioned earlier) to almost one point in 2002, having reached over ten points in 1997.

	1993	1995	1997	2000	2001	2002
ROI						
Europe	11.4	16.2	15.9	16.2	13.4	13.6
North America	17.4	21.8	24.5	23.6	17.2	16.4
Japan	4.0	6.1	6.3	6.0	4.1	7.2
ROE						
Europe	6.6	13.1	16.5	21.3	12.0	10.5
North America	9.9	23.0	27.2	26.5	14.1	11.4
Japan	1.1	4.3	4.3	6.2	-1.5	6.3

The ground gained by European multinationals has been primarily due to improvements in operating margins, against reductions in the capital turnover rate which were proportionately lower than those recorded by North American companies, the latter having been hit by heavier capital invested following the expensive acquisitions made during the 1990s. Another aspect which helped the European firms was lower taxation, which was cut by 4.6 points following a general reduction in corporate income tax rates (see Table II.3), against an increase in the same indicator for US firms, and a reduced difference in the cost of borrowing to 1.5 points, instead of more than three points as in 1993 ⁽¹⁾. As in 2001, ROE ⁽²⁾ in all areas was hit by extraordinary items. North American companies maintained their position in 2002, with higher margins in virtually all sectors apart from rubber and cables and automotive engineering, where Japanese multinationals performed best (see Table I.16).

TABLE I.16 – 276 COMPANIES: NET OPERATING MARGIN AS % OF SALES IN 2002

	Europe	North America	Japan	Total
Industrials				
Energy	9.8	7.9	3.4	9.0
Iron and steel	3.4	6.5	3.3	4.0
Chemicals	14.1	20.2	5.5	16.6
Rubber and cables	6.5	1.7	7.4	5.7
Automotive engineering	4.2	2.3	8.0	4.5
Mechanical engineering	3.9	12.3	2.0	7.3
Electronics	2.6	5.0	1.9	3.4
Paper	7.9	7.9	–	7.9
Food and drink	11.8	17.2	–	14.4
Other industries	11.2	14.6	4.5	10.5
Total industrials	8.0	9.2	4.5	7.9
Telecoms	9.6	7.3	5.0	11.1
Utilities	11.1	28.3	–	12.3

⁽¹⁾ ROI is the ratio between net operating margin (NOM) and capital invested (K). It can be broken down as the product of NOM as a percentage of sales (NOM/S) and the capital turnover rate (S/K). In our figures, ROI is computed by adding interest income to NOM in order to take account of capital invested in financial assets. This indicator is often referred to as ROA (return on assets).

⁽²⁾ ROE is the ratio between net profit and shareholders' equity (SE). It can be broken down into an equation linking it to ROI, the cost of borrowing (i), the debt/equity ratio (D/E) and the tax rate (t): $ROE = [ROI + (ROI - i) \times D/E] \times (1 - t)$.

Turning to the tax burden, the tax rate excluding loss-making companies again tends to differ from area to area. For European and North American companies in 2002 the tax rate fell, whereas it rose for Japanese firms, and rose too for telecoms, where Japanese-based NTT is a major player, but fell for utilities, where French-based companies have an important role ⁽¹⁾.

	1993	1999	2000	2001	2002
	<i>Income taxes as % of pre-tax profit ⁽¹⁾</i>				
Industrials					
Europe	34.2	32.9	31.8	33.7	32.6
North America	31.7	31.1	33.3	31.2	30.9
Japan	62.1	46.3	41.3	31.8	39.1
Total	35.3	32.9	33.2	32.4	32.4
Telecoms	...	35.8	33.2	30.3	34.6
Utilities	...	27.0	25.9	32.3	24.8

⁽¹⁾ Excluding loss-making companies.

Fig. 10 – OECD real GDP and 238 industrial companies' profits



⁽¹⁾ The tax rates shown above reflect average charges resulting from different tax systems operating in the countries where the various companies which go to make up the group are based. The trends reflected here should therefore be interpreted in the light of increasing globalization, which means that income is more subject to diversified tax regimes.

Financial position

The main feature of the multinationals' financial position in the ten years between 1993 and 2002 was the major growth in capital invested. Aggregate industrial assets grew from approx. EUR 3,500bn in 1993 to EUR 6,199bn in 2002. Such growth was sustained during the first five years to 1997 by expansion in profits, with cash flow accounting for more than nine-tenths of resources. Thereafter, and especially since 1999, hand-in-hand with acquisitions has gone an increasing use of debt. Only in the past year have there been net returns, but these have not been sufficient to prevent further weakening in the financial structure. The ratio between tangible net worth and borrowings for industrials reached a high of 122.9% in 1996, before falling back to 100.7% in 2000, 90.2% in 2001 and 79.1% in 2002. The same ratio for telecoms companies in 2002 was 25%, against 126.3% in 1999, and for utilities just 13.7%. Another key element to consider is the fact that the proportion of short-term debt has remained relatively high, despite falling in the past three years, with industrials reducing this item from 40.3% in 1999 to 32.6% in 2002 and telecoms from 26.2% to 19%, the exception being utilities, which rose from 28.3% to 30.7%. The level of debt compared with annual cash flow is also worth noting. The ratio between the two indicators is highest for utilities at 455.5% and in the iron and steel industry at 489.6%, whereas for the two most profitable sectors, i.e. energy and chemicals, it has been kept down to between 131% and 140%, meaning that cash flow alone would repay outstanding debt within a term of one year and five months (see Table I.17).

TABLE I.17 – 276 COMPANIES: DEBT AND EQUITY

	Borrowings as at year-end 2002		Net worth as % of borrowings	Net worth less intangibles as % of borrowings
	% short term	as % of cash flow	31/12/02	31/12/02
Industrials				
Energy	32.8	140.4	197.4	155.5
Iron and steel	30.8	489.6	87.1	69.9
Chemicals	33.5	131.3	185.9	114.6
Rubber and cables	30.4	278.2	111.4	94.0
Automotive	38.7	389.3	69.8	48.4
Mechanical engineering	31.3	199.1	204.4	105.2
Electronics	29.2	336.0	149.5	86.2
Paper	9.5	407.5	85.2	41.0
Food and drink	34.5	202.8	102.7	11.4
Total industrials	32.6	232.0	130.2	79.1
<i>of which:</i>				
Europe	36.6	243.4	125.8	76.7
North America	19.8	179.1	157.8	80.2
Japan	42.3	356.9	97.9	83.9
Telecoms	19.0	309.2	105.1	25.0
Utilities	30.7	455.5	55.0	13.7

Tables I.18 and I.19 summarize the applications and sources of funds over the past three years. North American companies' rate of financial investment remained higher than their capital spending in 2002, while they continued to borrow at a rate of USD 36-39bn per year, the funds concerned being used *inter alia* to finance major share buybacks. Conversely, European companies have scaled back their financial investment by 31%, using part of their cash pile to pay off some of their debt. They reduced financial investment by 64% between 2000 and 2002, whereas capital spending, although it too has decreased, is now clearly higher than financial investment. Japanese companies confirmed their traditional acquisitions-averse nature, and reduced their financial exposure during 2002 in part by drawing on liquid assets. Telecoms and utilities recorded outflows in terms of financial items alongside debt repayments, including as a result of ceasing operations. In terms of sources of funds, the amount provided by rights issues remained limited, not least because of the different stock market conditions, while dividend payouts have continued. The level of aggregate dividends paid out seems to have stabilized over the past four years, but only due to conflicting trends involving a reduction by European companies being offset by an increase in North America. Profits distributed by telecoms and utilities have tended to fall:

Industry	Avg 1993-98	1999	2000	2001	2002
	Dividends declared as % of sales ⁽¹⁾				
Europe	1.9	2.4	2.6	2.3	2.2
North America	2.8	2.8	2.6	2.8	2.9
Japan	0.5	0.4	0.4	0.4	0.4
Total	2.0	2.2	2.2	2.2	2.2
Telecoms	...	5.6	4.1	3.5	3.3
Utilities	...	2.6	2.5	2.3	2.0

⁽¹⁾ Dividends declared during the year concerned but usually paid the following year.

Dividends represent a major proportion of multinationals' outgoings. Considered in cash terms, they rose from 13.8% of the total in 1994-96 to 14.3% in 1997-99 and again to 14.9% in 2000-02. This rises to approx. 19% for North American companies, which in 2002 continued their policy of returning funds to shareholders described in previous editions of this survey, albeit with less momentum. Sums paid by way of dividends were USD 1.5bn or 3% higher in 2002, and share buybacks rose by USD 1bn or 2%. This resulted in an additional net USD 37bn being returned to investors to reach a ten-year high of USD 93bn, due to rights issues more than halving (see Table I.20). This trend in 2002 does not appear to be linked to cash flow, as it usually is over the medium-to-long term, as the latter had slightly declined.

TABLE I.18 – 276 COMPANIES: APPLICATIONS OF FUNDS BETWEEN 2000 AND 2002

	Capital expenditure	Financial investment (*)	Dividends paid	Other flows	Total
	€ bn				
Industrials:					
Europe	569	469	172	30	1,240
%	45.9	37.8	13.9	2.4	100.0
North America	358	522	197	-1.2	1,065
%	33.6	49.0	18.5	-1.1	100.0
Japan	174	63	11	3	251
%	69.3	25.1	4.4	1.2	100.0
Total	1,101	1,054	380	21	2,556
%	43.1	41.2	14.9	0.8	100.0
Telecoms	423	396	108	5	932
%	45.4	42.4	11.6	0.6	100.0
Utilities	103	91	16	-17	193
%	53.4	47.1	8.3	-8.8	100.0

(*) Including changes in other residual items.

TABLE I.19 – 276 COMPANIES: SOURCES OF FUNDS BETWEEN 2000 AND 2002

		Cash flow	Rights issues (*)	Change in borrowings	Total
€ bn					
Industrials:					
Europe		1,024	6	210	1,240
	%	82.6	0.5	16.9	100.0
USA		971	-24	118	1,065
	%	91.2	-2.3	11.1	100.0
Japan		242	2	7	251
	%	96.4	0.8	2.8	100.0
Total		2,237	-16	335	2,556
	%	87.5	-0.6	13.1	100.0
Telecoms		573	235	124	932
	%	61.4	25.2	13.4	100.0
Utilities		122	50	21	193
	%	63.2	25.9	10.9	100.0

(*) Net of share buybacks.

The largest share buybacks in the ten-year period were by IBM, which spent USD 50bn, General Motors with USD 26bn, General Electric with USD 23.5bn, and Altria Group, Intel and Merck, each of which spent around USD 23bn. Conversely, the amount of funds returned to investors in Europe still appears to be linked to the cash flow generated, having decreased disproportionately in 2002 on the back of a EUR 5.6bn reduction in share buybacks and a EUR 7.7bn cut in dividends paid out.

In the past three years telecoms have made net buybacks of EUR 18.5bn, far outweighed by rights issues totalling EUR 253.5bn, whereas utilities have sold shares they previously held themselves for a net EUR 1.6bn. In telecoms, some 54% of the total is attributable to France Télécom, whose EUR 10bn buybacks have been made to comply with the regulation stipulating that the French government's stake in the company must remain above 50%. Sales by utilities chiefly involved Vivendi Universal.

The principal reasons generally brought forward for implementing share buybacks have been: (i) a desire to reduce the equity component and hence also the weighted average cost of capital, having noted that the implied cost attributed by the market to net equity was higher than that for debt; (ii) to increase earnings per share, implicitly assuming a low return for purely financial uses of funds; and (iii) having high free cash flows, i.e. operating cash generation after outflows for capital expenditure. To evaluate these rationales, we have restated the ten European and North

American groups which made the largest share buybacks in the 2000-2002 period along with certain other profitability and financial structure indicators. The figures shown in Table I.21 demonstrate that these twenty groups tend to record return on capital indicators that are above the average, but also that in 30-40% of the cases the share buybacks go alongside very fragile financial structures (indeed, two of the US multinationals and one European company actually had negative tangible shareholders' equity). They also showed a low propensity to engage in capital spending (60% of the companies posting below average capex levels), and, in Europe at least, in research and development. Since the turnover indicator also tends to be low, one cannot help but conclude that this group of companies tends to derive their profitability from margins on sales guaranteed more by the stability of their market positions than by the success of their expansion programmes and industrial innovation.

Fig. 11

US companies: cash flow, dividends and share buybacks

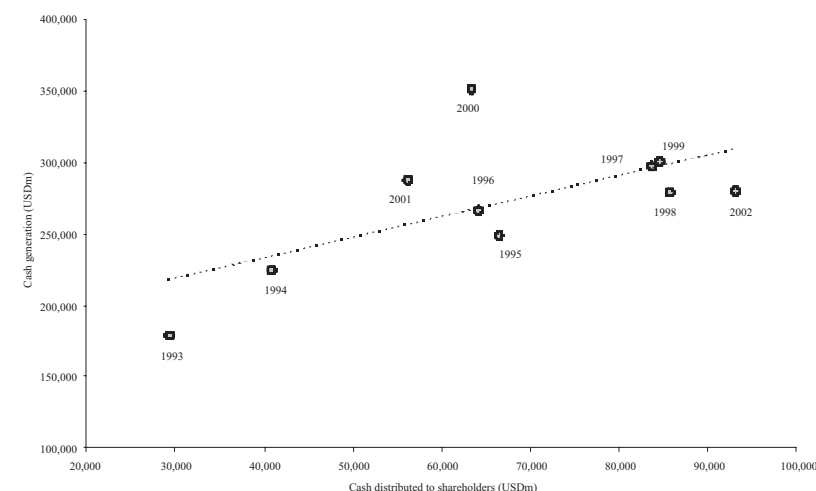


Fig. 12

European and US companies: share buybacks (EUR m)

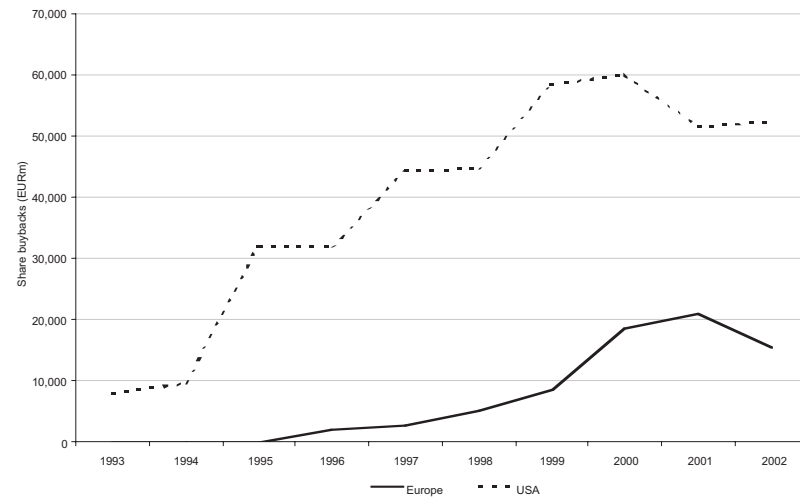


TABLE I.20 – INDUSTRIAL COMPANIES: RIGHTS ISSUES, SHARE BUYBACKS AND DIVIDENDS

	Rights issues	Share buy-backs ⁽¹⁾	Dividends paid	Balance	Cash flow	
	EUR m	EUR m	EUR m	EUR m	EUR m	% d / e
	(a)	(b)	(c)	(d = b+c-a)	(e)	
European industrials						
1993	17,512	-419	20,355	2,424	132,601	1.8
1994	19,666	-584	19,310	-940	170,369	-0.6
1995	13,620	37	24,376	10,793	196,948	5.5
1996	9,048	2,093	29,659	22,704	203,108	11.2
1997	11,637	2,680	33,294	24,337	233,127	10.4
1998	20,028	5,097	46,341	31,410	235,350	13.3
1999	69,874	8,419	52,390	-9,065	273,824	-3.3
2000	23,499	18,351	52,246	47,098	358,681	13.1
2001	22,464	21,016	63,821	62,373	334,961	18.6
2002	14,617	15,382	56,159	56,924	330,338	17.2
Total	221,965	72,072	397,951	248,058	2,469,307	10.0
North American industrials						
	USD m	USD m	USD m	USD m	USD m	% d / e
	(a)	(b)	(c)	(d = b+c-a)	(e)	
1993	17,908	7,665	39,536	29,293	179,076	16.4
1994	9,949	9,520	41,262	40,833	224,586	18.2
1995	9,422	31,964	43,929	66,471	249,018	26.7
1996	13,721	31,789	46,078	64,146	266,413	24.1
1997	10,236	44,195	49,749	83,708	297,781	28.1
1998	20,830	44,585	62,011	85,766	279,257	30.7
1999	27,854	58,300	54,147	84,593	300,639	28.1
2000	61,237	59,936	64,656	63,355	351,541	18.0
2001	55,581	51,437	60,317	56,173	287,847	19.5
2002	21,064	52,380	61,874	93,190	280,035	33.3
Total	247,802	391,771	523,559	667,528	2,715,793	24.6

⁽¹⁾ Net of treasury stock sold.

TABLE I.21 – 10 EUROPEAN AND 10 NORTH AMERICAN INDUSTRIALS: SHARE BUYBACKS BETWEEN 2000 AND 2002, AND VARIOUS BALANCE SHEET INDICATORS AS AT YEAR-END 2002

	Share buybacks	ROI	as % of capital invested			
			Tangible net worth/borrowings	Capital expenditure	R&D spending	Turnover
European industrials						
	EUR m	%	%	%	%	%
TotalFinaElf	10,498	22.7	200.6	14.3	1.4	211.0
GlaxoSmithKline	7,671	54.0	87.2	9.8	27.6	202.1
BP	4,187	11.7	253.2	12.8	0.4	191.6
RWE	3,101	19.5	Neg.	9.6	0.1	120.2
Diageo	2,886	17.1	18.3	4.2	0.2	64.4
ENI	2,838	21.6	160.3	15.4	0.4	108.8
AstraZeneca	2,741	35.2	1,094.5	10.4	23.8	138.5
Volkswagen	2,282	8.9	37.2	9.6	4.1	123.7
Volvo	2,233	3.4	84.9	6.8	3.9	123.3
Roche	1,746	15.9	57.9	4.2	8.8	61.8
Average Europe		13.6	76.7	9.9	5.3	140.0
North American industrials						
	USD m	%	%	%	%	%
IBM	17,697	11.3	66.4	9.7	8.7	166.4
Altria	13,026	37.4	Neg.	4.3	1.5	133.2
General Motors	12,021	10.3	Neg.	27.1	22.5	604.2
ExxonMobil	11,925	21.5	651.9	13.0	0.7	203.0
Intel	10,215	15.2	2,219.4	12.8	11.0	72.7
Pfizer	9,668	39.3	158.8	5.4	15.8	99.0
Merck	9,527	33.3	195.3	7.3	8.2	159.4
Johnson & Johnson	9,081	35.2	325.0	7.8	14.7	135.3
Dell	7,990	62.8	962.1	5.7	5.9	658.1
Hewlett Packard	7,481	4.5	208.3	3.9	7.5	127.3
Average N. America		16.4	80.2	8.1	7.5	163.5

The methods of financing capital have changed since 1997 (see Table I.22). The most notable changes involved European companies, whose share of net worth and borrowings from banks reduced in favour of bonds, which rose by 10.8 points. A similar trend was reflected by North American firms, albeit on a lesser scale, with a 5.4 point increase in the bond component which here reached its high of 35.2% of the total. Japanese companies bucked this trend, with an increase in net worth, which nonetheless remains at a relatively low level, and a reduction in bonds, the level of which is midway between those recorded by European and North American firms. The structure adopted by utilities in particular stands out, these having reduced net worth to very low levels in favour of bonds

which rose by over 8 percentage points, and bank borrowings, which saw a 4.2 point increase. With regard to industrials, in each individual European country the following observations may be made (see Table I.23):

1. There has been a general reduction in the net worth component, primarily by companies based in the Benelux countries and in Germany, with an almost 15 point reduction in net worth at the latter, followed by Italian and British firms, whose equity was cut by more than three points. The general reduction was due to financing strategies adopted to fund expansion of capital invested, which in Germany reached 115% and in the Benelux countries 54.6%.
2. There was also a general increase in the bond component, with the principal variations involving companies in (in order): Benelux, which increased by 17.4 points, Germany with 16 points, Italy with 8.6 points, and Scandinavia with 8.1 points. In other words, growth has led to a risk exchange between equities and bonds.
3. This increase in debt securities also led to a general reduction in borrowings from banks, which were highest in the countries with the highest exposure, namely Germany and Italy, with the share of capital covered by banks in the latter falling by around 7 percentage points.

TABLE I.22 – 276 COMPANIES: CAPITAL STRUCTURE AS AT 31/12/2002

	Capital invested				Total
	Net worth	Bonds	Bank borrowings	Other debt	
<i>as % of total capital</i>					
Industrials					
Europe	55.0	24.8	13.3	6.9	45.0
<i>change vs 1997</i>	-8.0	10.8	-5.7	2.9	8.0
North America	60.3	35.2	3.0	1.5	39.7
<i>change vs 1997</i>	-3.7	5.4	-0.6	-1.1	3.7
Japan	49.5	27.7	20.9	1.9	50.5
<i>change vs 1997</i>	2.2	-2.9	-0.1	0.8	-2.2
238 companies	56.2	28.7	10.9	4.2	43.8
Telecoms	55.3	34.0	7.5	3.2	44.7
<i>change vs 1997</i>	3.6	-1.2	-1.7	-0.7	-3.6
Utilities	33.2	37.3	18.2	11.3	66.8
<i>change vs 1997</i>	-14.9	8.3	4.2	2.4	14.9

N.B.: The table covers a sub-grouping of companies, whose sales range from 69% to 100% of the 2002 country totals.

TABLE I.23 – EUROPEAN INDUSTRIALS: CAPITAL STRUCTURE

		Capital invested				Total
		Net worth	Debt			
			Bonds	Bank borrowings	Other debt	
<i>as % of total capital</i>						
Industrials						
Benelux	2002	55.3	30.1	8.3	6.3	44.7
	2000	54.2	27.4	11.2	7.2	45.8
	1997	70.0	12.7	14.3	3.0	30.0
France	2002	55.4	21.6	13.6	9.4	44.6
	2000	60.1	14.6	19.2	6.1	39.9
	1997	55.5	20.6	17.2	6.7	45.5
Germany	2002	46.8	28.7	15.5	9.0	53.2
	2000	51.1	26.2	18.3	4.4	48.9
	1997	61.3	12.7	22.9	3.1	38.7
Italy	2002	46.1	16.8	30.0	7.1	53.9
	2000	47.9	13.4	29.1	9.6	52.1
	1997	49.4	8.2	37.0	5.4	50.6
Scandinavia	2002	62.4	20.0	13.1	4.5	37.6
	2000	61.9	17.5	16.7	3.9	38.1
	1997	65.1	11.9	19.5	3.5	34.9
Switzerland	2002	60.9	23.2	10.9	5.0	39.1
	2000	66.8	17.1	12.3	3.8	33.2
	1997	63.2	16.1	16.9	3.8	36.8
United Kingdom	2002	66.0	24.6	7.8	1.6	34.0
	2000	69.0	18.1	10.3	2.6	31.0
	1997	69.2	17.0	10.2	3.6	30.8
Europe	2002	55.0	24.8	13.3	6.9	45.0
	2000	58.4	19.7	16.5	5.4	41.6
	1997	63.0	14.0	19.0	4.0	37.0

N.B.: The table covers a sub-grouping of companies, whose sales range from 69% to 100% of the 2002 country totals.

2003: FIRST HALF RESULTS

Tables I.26 to I.31 summarize figures for the first six months of 2002 and 2003. These cover 97% of the turnover of European industrials, 100% of that of North American industrials, 67% of Japanese industrials, 96% of telecoms companies and 70% of utilities. The period considered here runs from 1 January to 30 June, except in the case of Japanese firms, whose financial year ends in March and for whom the figures accordingly cover the period from April to September.

Industrials

The first six months of 2003 saw a definite recovery by industry as a whole in terms of operations, with operating profits up 15.5% and current profit up 19.4%. This improvement was felt by companies in all sectors, with Japanese firms having the upper hand in terms of the increase in operating margins, which were up 20% vs approx. 15% by European and North American firms. European companies suffered from a rise in net interest charges, their 12.8% improvement in current profit being below the 27.8% recorded by North American firms and 19.3% by Japanese multinationals. European operators were also hit by a deterioration in the balance between extraordinary income and charges, leading to a reduction, albeit slight, of 3.8% in net profit. Conversely, companies in the other two regions were helped by major changes in extraordinary items, and accordingly saw significant increases in net profit, which virtually doubled in North America and rose by 67.5% in Japan.

Capital invested by the aggregate of industrials rose by 2.5%, and the change in equity was more than proportionate to that in debt. The leverage index, i.e. the ratio between net worth and borrowings, improved by three points to 141.5%, and at the same time liquidity rose by 3.9% and now accounts for roughly 35% of borrowings, reaching 46.5% in the case of North American groups. A similar trend was reflected at North American and Japanese companies, whereas European firms showed a 1.3 point decline in the leverage index.

Telecoms companies and utilities

These two categories delivered the worst 2002 earnings results of the classes of company covered, with major losses clearly emerging from

the interim figures. However, this trend was reversed in the first six months of 2003, and telecoms earned decent profits leading to a 10.5% ROE on an annualized basis, while the utilities aggregate came out more or less even. This notable improvement by telecoms is due to several factors:

- a 4.3% reduction in operating costs against a 1.8% increase in revenues, which led to a more than 50% improvement in operating margins;
- a 50% reduction in the item interest charges less interest income, after a substantial reduction in borrowings;
- extraordinary charges being virtually wiped out, after EUR 74bn in charges were taken during 1H 02.

In terms of financial structure, the equity/debt ratio improved from 100.9% in June 2002 to 113.7% in June 2003, due to higher equity volumes of approx. EUR 26bn and debt repayments of almost EUR 34bn. Liquid assets also rose by some EUR 26bn. The companies which stood out in this regard were France Télécom and Vodafone. FT implemented a EUR 14.9bn rights issue during 1H 2003, which enabled it to strengthen its balance sheet following the EUR 20.7bn loss incurred during 2002, some EUR 12.2bn of which came during the first six months of the year, and to pay off over EUR 10bn in debt. FT earned a profit of EUR 2.5bn during the first half of 2003, largely as a result of booking EUR 3.2bn in advance tax receivable to earnings. Vodafone's performance meanwhile enjoyed the distinction of showing the greatest divergence from that of the aggregate, with assets falling by EUR 5.5bn and borrowings increasing by EUR 1.4bn (figures refer to the six months from April to September 2003 due to the fact that Vodafone ends its financial year on 31 March). The downturn in net worth is due to the loss made during the six months under review, which came in at over EUR 7bn. Another major variation impacting on the aggregate trend was that involving debt levels at Telecom Italia, which rose by EUR 5.9bn, EUR 5.3bn of which was contracted to fund the public tender offer for TI shares ahead of the merger with Olivetti and to cover the eventuality of shareholders exercising their right of withdrawal. With regard to the leverage index, it should be borne in mind that the aggregate figure is inflated by Vodafone, whose capital invested as at the period-end accounted for 21% of the total, and whose equity/debt ratio was a massive 822%. Nonetheless, the main item on the asset side was intangibles, which stood at EUR 150bn, or 81% of total assets. The tangible net worth/borrowings ratio was 154.2%, an indicator which nonetheless marks it out as one of the best-capitalized companies.

The factors which brought about this improvement by telecoms also account for the trend in utilities, albeit less dramatically. The 2.6% improvement in operating margins was quite low, and was accompanied by a reduction in costs. Here too the reduction in net interest charges helped, which was reflected in a 27% increase in current profit, as did the change in extraordinary charges, a change which were nonetheless lower than those incurred by telecoms. Between December 2002 and June 2003, capital invested fell by 3.8%, and the absolute value of the fall in equity exceeded that of the reduction in debt. The ratio between the two also worsened accordingly, from 56.6% to 54.9%. The major disparity in this indicator is remarkable, from lows of 4.5% for AES and 8.3% for National Grid to highs of 292.4% for BG Group and 201.3% for Gaz de France. The companies which recorded the largest declines in equity were Suez with EUR 3.4bn and Vivendi Universal with EUR 2.7bn. In the case of the former this was due to the EUR 1.2bn loss incurred during the period and the EUR 1.5bn dividend payout. In the case of the latter a loss for the six months was also made, of EUR 0.6bn, which falls to EUR 0.1bn before minorities, and a dividend payout as well, but also to a EUR 1bn negative exchange impact.

TABLE I.26 – INDUSTRIAL COMPANIES: HALF YEAR RESULTS

	6 months		6 months		change
	2002	2003	% change	2003	
	EUR m	EUR m	%	%	
Net sales	2,379,882	2,508,392	5.4	100.0	0.8
Operating expenses	-2,186,681	-2,285,185	4.5	-91.1	0.8
Net operating margin	193,201	223,207	15.5	8.9	0.3
Interest and financing charges (revenues)	-6,887	-723	-89.5	0	1.1
Current pre-tax profit	186,314	222,484	19.4	8.9	0.5
Non current gains (losses)	-26,403	-14,495	-45.1	-0.6	-0.5
Taxation	-58,623	-72,113	23.0	-2.9	-0.5
Net profit attributable to parent company	101,288	135,876	34.1	5.4	1.1
	<i>as at 31/12/02 as at 30/06/03 % change</i>				
Equity	1,600,807	1,668,896	4.3	56.1	1.0
Minority interests in net worth	84,275	75,808	-10.0	2.5	-0.4
Borrowings	1,219,077	1,232,613	1.1	42.0	-0.6
Total capital	2,904,159	2,977,317	2.5	100.0	
<i>Net worth as % of total borrowings</i>	<i>138.2</i>	<i>141.5</i>			
Cash and marketable securities	410,825	426,895	3.9		

TABLE I.27 – EUROPEAN INDUSTRIAL COMPANIES: HALF YEAR RESULTS

	6 months		6 months		change
	2002	2003	% change	2003	
	EUR m	EUR m	%	%	
Net sales	1,218,465	1,271,807	4.4	100.0	0.8
Operating expenses	-1,118,818	-1,156,874	3.4	-91.0	0.8
Net operating margin	99,647	114,933	15.3	9.0	-0.2
Interest and financing charges (revenues)	-2,177	-5,020	130.6	-0.4	0.6
Current pre-tax profit	97,470	109,913	12.8	8.6	-0.8
Non current gains (losses)	-1,791	-12,380	n.c.	-1.0	-0.2
Taxation	-33,313	-37,526	12.6	-2.7	-0.2
Net profit attributable to parent company	62,366	60,007	-3.8	4.7	-0.4
	<i>as at 31/12/02 as at 30/06/03 % change</i>				
Equity	909,443	922,065	1.4	52.2	0.1
Minority interests in net worth	57,569	51,405	-10.7	2.9	-0.4
Borrowings	780,148	793,112	1.7	44.6	0.3
Total capital	1,747,160	1,766,582	1.1	100.0	
<i>Net worth as % of total borrowings</i>	<i>124.0</i>	<i>122.7</i>			
Cash and marketable securities	224,623	222,668	-0.9		

TABLE I.28 – NORTH AMERICA INDUSTRIAL COMPANIES: HALF YEAR RESULTS

	6 months		6 months		change
	2002	2003	2002	2003	
	EUR m	EUR m	%	%	
Net sales	909,961	975,210	100.0	100.0	0.7
Operating expenses	-827,673	-880,496	-91.0	-90.3	0.7
Net operating margin	82,288	94,714	9.0	9.7	0.7
Interest and financing charges (revenues)	-5,140	3,904	-0.5	0.4	0.9
Current pre-tax profit	77,148	98,618	8.5	10.1	1.6
Non recurring gains (losses)	-21,626	-1,991	-2.4	-0.2	2.2
Taxation	-21,465	-28,907	-2.4	-3.0	-0.6
Net profit attributable to parent company	34,057	67,720	3.7	6.9	3.2
	<i>as at 31/12/02</i>		<i>as at 30/06/03</i>		<i>% change</i>
Equity	691,364	746,831	59.8	61.7	1.9
Minority interests in net worth	26,706	24,403	2.3	2.0	-0.3
Borrowings	438,929	439,501	37.9	36.3	-1.6
Total capital	1,156,999	1,210,735	100.0	100.0	
<i>Net worth as % of total borrowings</i>	<i>163.6</i>	<i>175.5</i>			
Cash and marketable securities	186,202	204,227			9.7

TABLE I.29 – JAPANESE INDUSTRIAL COMPANIES: HALF YEAR RESULTS

	6 months		6 months		change
	2002	2003	2002	2003	
	EUR m	EUR m	%	%	
Net sales	251,456	261,375	100.0	100.0	0.7
Operating expenses	-240,190	-247,815	-95.5	-94.8	0.7
Net operating margin	11,266	13,560	4.5	5.2	0.7
Interest and financing charges (revenues)	430	393	0.2	0.1	-0.1
Current pre-tax profit	11,696	13,953	4.7	5.3	0.6
Non current gains (losses)	-2,986	-124	-1.2	0	-1.2
Taxation	-3,845	-5,680	-1.6	-2.2	-0.6
Net profit attributable to parent company	4,865	8,149	1.9	3.1	1.2
	<i>as at 31/03/03</i>		<i>as at 30/09/03</i>		<i>% change</i>
Equity	179,406	187,118	47.6	49.1	1.5
Minority interests in net worth	12,336	14,091	3.3	3.7	0.4
Borrowings	184,860	179,916	49.1	47.2	-1.9
Total capital	376,602	381,125	100.0	100.0	
<i>Net worth as % of total borrowings</i>	<i>103.7</i>	<i>111.8</i>			
Cash and marketable securities	62,926	62,802			-0.2

TABLE I.30 – TELECOMMUNICATIONS: HALF YEAR RESULTS

	2002		2003		6 months		6 months	
	EUR m	% change	EUR m	% change	2002	2003	2002	2003
Net sales	290,472	1.8	295,612	1.8	100.0	100.0	100.0	100.0
Operating expenses	-259,368	-4.3	-248,120	-4.3	-89.3	-83.9	-89.3	-83.9
Net operating margin	31,104	52.7	47,492	52.7	10.7	16.1	10.7	16.1
Interest and financing charges (revenues)	-27,241	-53.4	-12,695	-53.4	-9.4	-4.3	-9.4	-4.3
Current pre-tax profit	3,863	n.c.	34,797	n.c.	1.3	11.8	1.3	11.8
Non current gains (losses)	-74,328	-98.6	-1,052	-98.6	-25.6	-0.4	-25.6	-0.4
Taxation	-13,481	-24.0	-10,244	-24.0	-4.6	-3.5	-4.6	-3.5
Net profit attributable to parent company	-83,946	n.c.	23,501	n.c.	-28.9	7.9	-28.9	7.9
			<i>as at 31/12/02</i>	<i>as at 30/06/03</i>				
Equity	441,436	6.9	471,903	6.9	43.5	46.8	43.5	46.8
Minority interests in net worth	68,250	-6.3	63,965	-6.3	6.7	6.4	6.7	6.4
Borrowings	504,933	-6.7	471,310	-6.7	49.8	46.8	49.8	46.8
Total capital	1,014,619	-0.7	1,007,178	-0.7	100.0	100.0	100.0	100.0
			<i>100.9</i>	<i>113.7</i>				
Cash and marketable securities	65,775	39.4	91,692	39.4				

TABLE I.31 – UTILITIES: HALF YEAR RESULTS

	2002		2003		6 months		6 months	
	EUR m	% change	EUR m	% change	2002	2003	2002	2003
Net sales	73,945	6.9	79,051	6.9	100.0	100.0	100.0	100.0
Operating expenses	-62,993	7.7	-67,812	7.7	-85.2	-85.8	-85.2	-85.8
Net operating margin	10,952	2.6	11,239	2.6	14.8	14.2	14.8	14.2
Interest and financing charges (revenues)	-4,444	-33.6	-2,952	-33.6	-6.0	-3.7	-6.0	-3.7
Current pre-tax profit	6,508	27.3	8,287	27.3	8.8	10.5	8.8	10.5
Non current gains (losses)	-13,715	-64.0	-4,934	-64.0	-18.5	-6.2	-18.5	-6.2
Taxation	-2,435	3.3	-2,516	3.3	-3.3	-3.2	-3.3	-3.2
Net profit attributable to parent company	-9,642	n.c.	837	n.c.	-13.0	1.1	-13.0	1.1
			<i>as at 31/12/02</i>	<i>as at 30/06/03</i>				
Equity	57,826	-4.3	55,319	-4.3	29.6	29.4	29.6	29.4
Minority interests in net worth	12,848	-111.1	11,421	-111.1	6.6	6.1	6.6	6.1
Borrowings	124,968	-2.7	121,553	-2.7	63.9	64.6	63.9	64.6
Total capital	195,642	-3.8	188,293	-3.8	100.0	100.0	100.0	100.0
			<i>56.6</i>	<i>54.9</i>				
Cash and marketable securities	23,065	0.1	23,097	0.1				

II. STATISTICAL TABLES

[N.B.: the companies have been grouped by country based on the parent's headquarters location and by industry based on their core business in terms of sales]

TABLE II.3 – FINANCIAL STATEMENTS

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	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	214,751	6.2	233,285	6.6	234,692	6.5	244,782	6.5	257,543	6.1	247,618	5.7	312,375	5.7	349,061	5.5	397,792	6.0	362,560	5.9
Marketable securities.....	184,721	5.3	196,422	5.6	182,467	5.0	183,367	4.9	202,603	4.8	201,690	4.6	229,174	4.2	222,492	3.5	210,917	3.2	222,719	3.6
Trade debtors.....	496,742	14.4	525,064	14.9	557,072	15.3	568,354	15.0	610,993	14.4	610,019	14.0	769,201	14.2	892,938	14.2	821,948	12.4	739,287	11.9
Inventories.....	424,883	12.3	428,626	12.1	453,146	12.5	459,513	12.1	495,231	11.7	494,061	11.3	578,241	10.6	661,109	10.5	640,111	9.6	564,748	9.1
Other current assets.....	215,047	6.2	227,794	6.4	238,546	6.6	238,625	6.3	285,157	6.7	325,421	7.4	405,653	7.5	485,711	7.7	527,668	7.9	507,301	8.2
Total current assets..... (a)	1,536,146	44.4	1,611,193	45.6	1,665,926	45.9	1,694,643	44.8	1,851,529	43.7	1,878,812	43.0	2,294,645	42.2	2,611,313	41.4	2,598,437	39.1	2,396,616	38.7
Short-term borrowings.....	366,666	10.6	358,467	10.1	369,081	10.2	367,904	9.7	413,607	9.8	435,231	10.0	538,398	9.9	598,914	9.5	612,058	9.2	514,939	8.3
Trade creditors.....	333,567	9.6	363,264	10.3	377,479	10.4	392,341	10.4	427,465	10.1	427,909	9.8	555,937	10.2	652,746	10.4	616,415	9.3	571,495	9.2
Other current liabilities.....	440,606	12.7	455,802	12.9	476,910	13.1	499,754	13.2	571,566	13.5	572,944	13.1	708,749	13.0	852,486	13.5	919,531	13.8	829,586	13.4
Total current liabilities..... (b)	1,140,840	33.0	1,177,534	33.3	1,223,471	33.7	1,259,999	33.3	1,412,639	33.3	1,436,085	32.9	1,803,086	33.2	2,104,148	33.4	2,148,004	32.3	1,916,020	30.9
Net current assets..... (a-b)=(c)	395,306	11.4	433,658	12.3	442,454	12.2	434,643	11.5	438,890	10.4	442,726	10.1	491,559	9.0	507,164	8.0	450,433	6.8	480,595	7.8
Gross tangible fixed assets.....	2,666,149	77.0	2,718,835	76.9	2,777,963	76.5	2,885,399	76.2	3,160,852	74.5	3,235,915	74.1	3,855,243	70.9	4,131,034	65.5	4,398,272	66.2	4,121,811	66.5
Accumulated depreciation.....	(1,411,633)	-40.8	(1,474,587)	-41.7	(1,521,394)	-41.9	(1,573,021)	-41.5	(1,722,457)	-40.6	(1,777,159)	-40.7	(2,108,647)	-38.8	(2,213,329)	-35.1	(2,359,294)	-35.5	(2,242,479)	-36.2
Net tangible fixed assets.....	1,254,515	36.2	1,244,247	35.2	1,256,569	34.6	1,312,377	34.7	1,438,394	33.9	1,458,756	33.4	1,746,595	32.1	1,917,705	30.4	2,038,977	30.7	1,879,332	30.3
Investments.....	215,825	6.2	212,779	6.0	219,070	6.0	236,818	6.2	277,021	6.5	299,992	6.9	389,324	7.2	434,432	6.9	457,618	6.9	398,838	6.4
Loans and other assets.....	237,012	6.9	240,883	6.8	249,181	6.9	279,625	7.4	345,711	8.2	372,381	8.5	503,656	9.3	644,791	10.3	747,992	11.2	717,248	11.6
Net fixed assets and investments..... (d)	1,707,353	49.3	1,697,910	48.0	1,724,821	47.5	1,828,821	48.3	2,061,128	48.6	2,131,130	48.8	2,639,576	48.6	2,996,928	47.6	3,244,588	48.8	2,995,420	48.3
Medium- and long-term borrowings.....	565,129	16.3	537,954	15.2	516,708	14.2	512,264	13.5	579,002	13.7	637,914	14.6	796,296	14.7	940,546	14.9	1,084,120	16.3	1,064,261	17.2
Other creditors.....	55,367	1.6	57,251	1.6	57,103	1.6	65,872	1.7	74,706	1.8	76,633	1.8	100,004	1.8	133,109	2.1	149,141	2.2	164,126	2.6
Employee benefits.....	274,195	7.9	262,977	7.4	263,407	7.3	275,515	7.3	296,067	7.0	305,577	7.0	348,230	6.4	388,744	6.2	424,809	6.4	493,454	8.0
Deferred taxation.....	85,180	2.5	86,249	2.4	91,125	2.5	94,922	2.5	106,802	2.5	109,015	2.5	148,485	2.7	171,239	2.7	184,921	2.8	177,544	2.9
Other provisions.....	196,670	5.7	209,880	5.9	226,544	6.2	233,052	6.2	256,502	6.1	270,673	6.2	311,409	5.7	320,201	5.1	322,791	4.9	327,110	5.3
Medium- and long-term liabilities..... (e)	1,176,543	34.0	1,154,313	32.7	1,154,889	31.8	1,181,627	31.2	1,313,080	31.0	1,399,813	32.0	1,704,425	31.4	1,953,841	31.0	2,165,785	32.6	2,226,497	35.9
Goodwill.....	126,135	3.6	129,496	3.7	135,139	3.7	158,424	4.2	210,840	5.0	236,261	5.4	346,431	6.4	522,555	8.3	587,158	8.8	576,101	9.3
Deferred expenses and other intangibles.....	92,624	2.7	96,458	2.7	102,773	2.9	104,821	2.7	114,210	2.7	124,514	2.8	152,105	2.8	172,960	2.7	221,556	3.3	230,873	3.7
Total intangibles..... (f)	218,759	6.3	225,955	6.4	237,912	6.6	263,246	6.9	325,051	7.7	360,776	8.2	498,536	9.2	695,515	11.0	808,715	12.1	806,975	13.0
Net worth..... (c+d-e+f)	1,144,876	33.1	1,203,210	34.0	1,250,299	34.5	1,345,083	35.5	1,511,988	35.7	1,534,820	35.1	1,925,246	35.4	2,245,768	35.6	2,337,952	35.1	2,056,493	33.2
<i>Represented by:</i>																				
Issued share capital.....	163,076	4.7	167,587	4.7	166,245	4.6	194,380	5.1	186,250	4.4	203,057	4.6	248,523	4.6	274,192	4.3	292,497	4.4	268,379	4.3
Reserves.....	958,069	27.7	1,011,579	28.6	1,068,585	29.4	1,141,710	30.2	1,334,960	31.5	1,354,441	31.0	1,745,862	32.1	2,077,615	33.0	2,181,027	32.8	1,946,949	31.4
Own shares.....	(61,488)	-1.8	(61,886)	-1.8	(76,525)	-2.1	(88,121)	-2.3	(112,884)	-2.7	(127,776)	-2.9	(184,896)	-3.4	(242,225)	-3.8	(287,751)	-4.3	(280,382)	-4.5
Total.....	1,059,657	30.6	1,117,281	31.6	1,158,305	31.9	1,247,969	33.0	1,408,326	33.2	1,429,723	32.7	1,809,490	33.3	2,109,583	33.5	2,185,774	32.9	1,934,947	31.2
Minority interests.....	81,581	2.4	84,864	2.4	90,683	2.5	94,361	2.5	99,692	2.4	104,086	2.4	121,692	2.2	134,270	2.1	146,661	2.2	117,096	1.9
Other items.....	3,637	0.1	1,064	...	1,310	...	2,753	0.1	3,969	0.1	1,010	...	(5,935)	-0.1	1,914	...	5,516	0.1	4,449	0.1
Total assets..... (a+d+f)	3,462,260	100.0	3,535,059	100.0	3,628,660	100.0	3,786,710	100.0	4,237,709	100.0	4,370,719	100.0	5,432,758	100.0	6,303,757	100.0	6,651,741	100.0	6,199,012	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

238 COMPANIES

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	407,149	99.4	449,415	95.6	481,320	99.8	1,337,884	98.2	567,476	90.3	534,244	87.6	653,092	79.9	1,754,812	85.4	823,338	80.7	732,634	81.9	680,567	106.1	2,236,539	87.5
New equity issues.....	22,942	5.6	(3,057)	-0.7	(6,033)	-1.3	13,852	1.0	(20,222)	-3.2	(4,964)	-0.8	43,112	5.3	17,926	0.9	8,688	0.9	6,081	0.7	(30,458)	-4.7	(15,689)	-0.6
Increase (decrease) in borrowings	(20,508)	-5.0	23,700	5.1	7,186	1.5	10,378	0.8	81,201	12.9	80,339	13.2	121,076	14.8	282,617	13.7	187,659	18.4	155,708	17.4	(8,368)	-1.4	334,999	13.1
Total sources	409,584	100.0	470,058	100.0	482,472	100.0	1,362,114	100.0	628,456	100.0	609,619	100.0	817,280	100.0	2,055,355	100.0	1,019,685	100.0	894,423	100.0	641,740	100.0	2,555,849	100.0
Capital expenditure	206,057	50.3	232,163	49.4	252,937	52.4	691,158	50.7	288,221	45.9	295,374	48.5	330,190	40.4	913,784	44.5	368,174	36.1	402,465	45.0	330,068	51.4	1,100,707	43.1
Dividends paid	56,206	13.7	61,898	13.2	69,892	14.5	187,996	13.8	81,819	13.0	102,386	16.8	109,823	13.4	294,028	14.3	125,528	12.3	135,999	15.2	118,408	18.5	379,935	14.9
Increase (decrease) in cash and marketable securities.....	33,280	8.1	1,451	0.3	17,610	3.6	52,341	3.8	18,722	3.0	(10,319)	-1.7	40,662	5.0	49,065	2.4	23,691	2.3	36,294	4.1	15,818	2.5	75,803	3.0
Increase (decrease) in net current assets.....	2,659	0.6	43,014	9.2	(14,736)	-3.1	30,938	2.3	10,232	1.6	32,730	5.4	13,136	1.6	56,098	2.7	46,217	4.5	(73,935)	-8.3	(27,451)	-4.3	(55,169)	-2.2
Other items (net).....	111,382	27.3	131,531	27.9	156,769	32.6	399,682	29.4	229,463	36.5	189,448	31.0	323,470	39.6	742,380	36.1	456,074	44.8	393,600	44.0	204,898	31.9	1,054,572	41.2
Total applications	409,584	100.0	470,058	100.0	482,472	100.0	1,362,114	100.0	628,456	100.0	609,619	100.0	817,280	100.0	2,055,355	100.0	1,019,685	100.0	894,423	100.0	641,740	100.0	2,555,849	100.0

TABLE II.5 – FINANCIAL RATIOS

238 COMPANIES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	123.4	124.1	127.9	131.2	133.0	126.6	128.9	143.2	136.7	131.5
Net sales as % of net fixed assets.....	262.3	271.1	282.8	288.5	292.3	280.9	284.4	308.4	294.9	288.4
Capital expenditure as % of gross fixed assets	7.9	7.6	8.4	8.8	9.1	9.1	8.6	8.9	9.2	8.0
Depreciation charges as % of gross fixed assets.....	6.5	6.5	6.5	6.3	6.6	6.7	6.5	6.7	6.7	6.7
Accumulated depreciation as % of gross fixed assets	52.9	54.2	54.8	54.5	54.5	54.9	54.7	53.6	53.6	54.4
Interest charges as % of borrowings.....	8.2	7.4	7.3	6.8	6.5	6.3	5.7	6.1	5.8	5.5
Dividends declared as % of net profit.....	88.8	46.9	44.8	40.0	40.7	53.7	41.5	36.9	62.8	65.9
Trade debtors as % of sales.....	15.1	15.6	15.7	15.0	14.5	14.9	15.5	15.1	13.7	13.6
Inventories as % of sales	12.9	12.7	12.8	12.1	11.8	12.1	11.6	11.2	10.6	10.4
Balance of other current assets and liabilities (1) as % of sales.....	-17.0	-17.5	-17.3	-17.3	-17.0	-16.5	-17.3	-17.2	-16.8	-16.5
Total net working capital.....	11.0	10.8	11.2	9.8	9.3	10.5	9.8	9.1	7.5	7.5
Current assets as % of current liabilities.....	134.7	136.8	136.2	134.5	131.1	130.8	127.3	124.1	121.0	125.1
Net worth as % of total indebtedness	65.0	67.9	69.6	73.2	73.2	71.4	71.3	70.7	69.1	65.4
Net worth as % of total borrowings	122.9	134.2	141.2	152.8	152.3	143.0	144.2	145.9	137.8	130.2
Net worth less intangibles as % of total borrowings	99.4	109.0	114.3	122.9	119.6	109.4	106.9	100.7	90.2	79.1

(1) Excluding cash, marketable securities and borrowings.

TABLE II.3 – FINANCIAL STATEMENTS

EUROPE

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	82,488	5.5	91,766	5.9	98,305	5.9	97,565	5.6	101,464	5.3	105,091	5.1	113,564	4.6	140,455	4.7	159,827	5.1	139,210	4.6
Marketable securities.....	115,031	7.7	127,983	8.2	120,376	7.3	119,554	6.9	125,440	6.6	132,766	6.4	139,663	5.7	149,799	5.1	147,892	4.7	152,199	5.0
Trade debtors.....	220,698	14.7	233,325	15.0	250,562	15.1	257,748	14.8	276,787	14.5	278,441	13.5	338,355	13.7	391,113	13.2	368,127	11.7	341,536	11.2
Inventories.....	193,758	12.9	194,630	12.5	214,075	12.9	216,568	12.4	225,954	11.8	236,137	11.4	265,195	10.8	306,984	10.4	304,605	9.7	287,797	9.4
Other current assets.....	99,744	6.6	106,047	6.8	117,401	7.1	123,578	7.1	144,347	7.5	170,064	8.2	207,524	8.4	259,671	8.8	278,571	8.8	279,415	9.2
Total current assets..... (a)	711,722	47.4	753,754	48.4	800,721	48.3	815,015	46.8	873,993	45.7	922,501	44.6	1,064,304	43.2	1,248,024	42.2	1,259,024	40.0	1,200,158	39.4
Short-term borrowings.....	167,359	11.2	158,327	10.2	163,549	9.9	172,845	9.9	190,251	9.9	213,414	10.3	268,603	10.9	317,778	10.8	342,232	10.9	294,237	9.7
Trade creditors.....	137,331	9.2	151,331	9.7	159,740	9.6	168,977	9.7	181,005	9.5	190,165	9.2	240,079	9.8	284,985	9.6	277,731	8.8	268,365	8.8
Other current liabilities.....	179,026	11.9	188,397	12.1	203,802	12.3	211,172	12.1	238,014	12.4	247,794	12.0	291,303	11.8	367,296	12.4	403,261	12.8	368,753	12.1
Total current liabilities..... (b)	483,718	32.2	498,056	32.0	527,091	31.8	552,995	31.8	609,271	31.8	651,375	31.5	799,985	32.5	970,060	32.8	1,023,225	32.5	931,357	30.6
Net current assets..... (a-b)=(c)	228,004	15.2	255,697	16.4	273,629	16.5	262,020	15.0	264,722	13.8	271,126	13.1	264,319	10.7	277,963	9.4	235,799	7.5	268,801	8.8
Gross tangible fixed assets.....	1,176,732	78.4	1,224,984	78.7	1,301,566	78.6	1,365,335	78.4	1,458,380	76.2	1,577,963	76.2	1,784,727	72.5	1,953,867	66.1	2,125,774	67.5	2,090,710	68.6
Accumulated depreciation.....	(624,936)	-41.6	(674,263)	-43.3	(723,595)	-43.7	(756,141)	-43.4	(810,203)	-42.3	(872,161)	-42.1	(970,113)	-39.4	(1,032,310)	-34.9	(1,120,557)	-35.6	(1,119,160)	-36.7
Net tangible fixed assets.....	551,795	36.8	550,721	35.4	577,971	34.9	609,194	35.0	648,176	33.9	705,802	34.1	814,614	33.1	921,556	31.2	1,005,217	31.9	971,550	31.9
Investments.....	84,645	5.6	88,220	5.7	96,486	5.8	100,894	5.8	118,032	6.2	129,749	6.3	157,078	6.4	194,937	6.6	199,740	6.3	178,155	5.8
Loans and other assets.....	82,009	5.5	84,185	5.4	90,155	5.4	109,144	6.3	134,766	7.0	149,146	7.2	193,422	7.8	249,512	8.4	293,172	9.3	301,920	9.9
Net fixed assets and investments..... (d)	718,451	47.9	723,127	46.5	764,612	46.1	819,233	47.1	900,975	47.1	984,698	47.6	1,165,115	47.3	1,366,007	46.2	1,498,130	47.5	1,451,625	47.6
Medium- and long-term borrowings.....	215,753	14.4	202,177	13.0	210,804	12.7	209,349	12.0	236,667	12.4	265,419	12.8	325,453	13.2	421,417	14.3	492,302	15.6	509,652	16.7
Other creditors.....	31,434	2.1	33,401	2.1	33,365	2.0	36,362	2.1	37,031	1.9	39,758	1.9	45,343	1.8	65,930	2.2	72,202	2.3	84,067	2.8
Employee benefits.....	104,070	6.9	110,377	7.1	117,508	7.1	120,699	6.9	123,339	6.4	137,464	6.6	150,197	6.1	160,204	5.4	161,131	5.1	171,781	5.6
Deferred taxation.....	35,253	2.3	33,989	2.2	38,871	2.3	41,380	2.4	45,308	2.4	52,155	2.5	66,635	2.7	78,388	2.7	86,285	2.7	103,091	3.4
Other provisions.....	135,169	9.0	147,414	9.5	164,391	9.9	160,245	9.2	173,612	9.1	192,022	9.3	211,509	8.6	234,992	8.0	236,911	7.5	235,434	7.7
Medium- and long-term liabilities..... (e)	521,681	34.8	527,358	33.9	564,941	34.1	568,037	32.6	615,959	32.2	686,819	33.2	799,139	32.5	960,932	32.5	1,048,834	33.3	1,104,026	36.2
Goodwill.....	41,634	2.8	46,397	3.0	53,645	3.3	62,508	3.6	85,075	4.4	98,519	4.7	153,320	6.3	249,409	8.5	275,360	8.7	270,319	8.9
Deferred expenses and other intangibles.....	28,737	1.9	32,341	2.1	38,601	2.3	44,312	2.5	53,330	2.8	63,719	3.1	79,429	3.2	91,726	3.1	119,494	3.8	124,410	4.1
Total intangibles..... (f)	70,372	4.7	78,739	5.1	92,246	5.6	106,820	6.1	138,406	7.2	162,239	7.8	232,750	9.5	341,136	11.6	394,854	12.5	394,730	13.0
Net worth..... (c+d-e+f)	495,146	33.0	530,205	34.1	565,547	34.1	620,036	35.6	688,145	36.0	731,244	35.3	863,045	35.1	1,024,174	34.7	1,079,950	34.3	1,011,130	33.2
<i>Represented by:</i>																				
Issued share capital.....	73,782	4.9	77,714	5.0	80,237	4.8	82,177	4.7	86,501	4.5	96,268	4.7	106,432	4.3	110,267	3.7	115,135	3.7	114,975	3.8
Reserves.....	366,648	24.4	396,656	25.5	423,337	25.5	473,820	27.2	535,460	28.0	573,511	27.7	697,541	28.3	864,136	29.2	916,245	29.1	864,783	28.4
Own shares.....	(2,068)	-0.1	(1,250)	-0.1	(1,430)	-0.1	(1,979)	-0.1	(3,328)	-0.2	(6,859)	-0.3	(13,461)	-0.5	(25,713)	-0.9	(31,544)	-1.0	(31,379)	-1.0
Total.....	438,362	29.2	473,121	30.4	502,143	30.3	554,019	31.8	618,634	32.3	662,920	32.0	790,513	32.1	948,691	32.1	999,836	31.7	948,380	31.1
Minority interests.....	50,478	3.4	51,711	3.3	57,784	3.5	60,542	3.5	64,310	3.4	63,575	3.1	69,622	2.8	73,986	2.5	78,871	2.5	61,551	2.0
Other items.....	6,304	0.4	5,372	0.3	5,620	0.3	5,474	0.3	5,200	0.3	4,748	0.2	2,909	0.1	1,496	0.1	1,242	...	1,199	...
Total assets..... (a+d+f)	1,500,545	100.0	1,555,620	100.0	1,657,580	100.0	1,741,069	100.0	1,913,375	100.0	2,069,439	100.0	2,462,170	100.0	2,955,167	100.0	3,152,009	100.0	3,046,514	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Cash flow	170,369	101.4	196,948	87.8	203,108	93.2	570,425	93.5	233,127	81.3	235,350	77.9	273,824	60.8	742,301	71.4	358,681	70.5	334,961	77.6	330,338	110.6	1,023,980	82.6
New equity issues.....	20,250	12.1	13,583	6.0	6,955	3.2	40,788	6.7	8,957	3.1	14,931	4.9	61,455	13.6	85,343	8.2	5,148	1.0	1,448	0.3	(765)	-0.3	5,831	0.5
Increase (decrease) in borrowings	(22,608)	-13.5	13,849	6.2	7,841	3.6	(918)	-0.2	44,724	15.6	51,915	17.2	115,223	25.6	211,862	20.4	145,139	28.5	95,339	22.1	(30,645)	-10.3	209,833	16.9
Total sources	168,011	100.0	224,380	100.0	217,904	100.0	610,295	100.0	286,808	100.0	302,196	100.0	450,502	100.0	1,039,506	100.0	508,968	100.0	431,748	100.0	298,928	100.0	1,239,644	100.0
Capital expenditure	90,002	53.6	102,007	45.5	115,032	52.8	307,041	50.3	124,045	43.3	146,072	48.3	159,517	35.4	429,634	41.3	180,170	35.4	208,539	48.3	179,899	60.2	568,608	45.9
Dividends paid	19,310	11.5	24,376	10.9	29,659	13.6	73,345	12.0	33,294	11.6	46,341	15.3	52,390	11.7	132,025	12.7	52,246	10.2	63,821	14.8	56,159	18.8	172,226	13.9
Increase (decrease) in cash and marketable securities.....	22,230	13.2	(1,068)	-0.5	(1,562)	-0.7	19,600	3.2	9,785	3.4	10,953	3.6	15,370	3.4	36,108	3.5	37,027	7.3	17,465	4.0	(16,310)	-5.5	38,182	3.1
Increase (decrease) in net current assets.....	(3,569)	-2.1	24,222	10.8	(751)	-0.3	19,902	3.3	10,324	3.6	18,614	6.2	33,009	7.3	61,947	6.0	25,795	5.1	(35,176)	-8.1	1,319	0.4	(8,062)	-0.7
Other items (net).....	40,038	23.8	74,843	33.3	75,526	34.6	190,407	31.2	109,360	38.1	80,216	26.6	190,216	42.2	379,792	36.5	213,730	42.0	177,099	41.0	77,861	26.1	468,690	37.8
Total applications	168,011	100.0	224,380	100.0	217,904	100.0	610,295	100.0	286,808	100.0	302,196	100.0	450,502	100.0	1,039,506	100.0	508,968	100.0	431,748	100.0	298,928	100.0	1,239,644	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	Net sales as % of gross fixed assets	117.7	118.5	121.1	122.4	125.2	118.8	116.8	132.6	126.2	121.6
Net sales as % of net fixed assets.....	250.9	263.5	272.8	274.3	281.7	265.6	255.8	281.1	266.9	261.6
Capital expenditure as % of gross fixed assets	7.9	7.3	7.8	8.4	8.5	9.3	8.9	9.2	9.8	8.6
Depreciation charges as % of gross fixed assets.....	6.4	6.5	6.3	6.1	6.3	6.4	6.0	6.6	6.5	6.6
Accumulated depreciation as % of gross fixed assets	53.1	55.0	55.6	55.4	55.6	55.3	54.4	52.8	52.7	53.5
Interest charges as % of borrowings.....	11.3	10.2	10.1	9.0	8.5	8.2	7.0	7.4	7.1	6.9
Dividends declared as % of net profit.....	70.5	46.9	48.6	45.2	43.8	58.5	47.6	39.7	56.7	62.0
Trade debtors as % of sales.....	15.9	16.1	15.9	15.4	15.2	14.9	16.2	15.1	13.7	13.4
Inventories as % of sales	14.0	13.4	13.6	13.0	12.4	12.6	12.7	11.9	11.4	11.3
Balance of other current assets and liabilities (1) as % of sales.....	-15.6	-16.1	-15.6	-15.4	-15.0	-14.3	-15.5	-15.2	-15.0	-14.1
Total net working capital.....	14.3	13.4	13.9	13.0	12.6	13.2	13.4	11.8	10.1	10.6
Current assets as % of current liabilities.....	147.1	151.3	151.9	147.4	143.4	141.6	133.0	128.7	123.0	128.9
Net worth as % of total indebtedness	67.7	72.3	73.3	77.6	77.9	76.4	73.7	70.3	68.0	66.3
Net worth as % of total borrowings	129.2	147.1	151.1	162.2	161.2	152.7	145.3	138.6	129.4	125.8
Net worth less intangibles as % of total borrowings	110.9	125.2	126.4	134.3	128.8	118.8	106.1	92.4	82.1	76.7

(1) Excluding cash, marketable securities and borrowings.

TABLE II.3 – FINANCIAL STATEMENTS

BENELUX

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	4,572	4.5	5,912	5.4	7,357	6.2	6,788	5.6	11,525	8.4	16,504	11.4	14,006	10.5	15,410	6.9	15,311	6.6	14,443	6.4
Marketable securities.....	4,319	4.2	3,115	2.9	2,465	2.1	2,584	2.1	6,218	4.6	7,314	5.1	3,528	2.6	7,616	3.4	6,771	2.9	8,860	3.9
Trade debtors.....	17,398	17.0	19,495	17.9	20,126	17.1	21,058	17.2	22,801	16.7	21,405	14.8	22,599	16.9	28,687	12.8	29,336	12.6	27,455	12.2
Inventories.....	17,516	17.2	19,398	17.8	22,456	19.0	21,736	17.8	22,887	16.7	22,619	15.7	21,254	15.9	26,175	11.7	25,472	11.0	26,475	11.7
Other current assets.....	7,333	7.2	7,421	6.8	7,808	6.6	9,120	7.5	8,502	6.2	8,443	5.8	6,374	4.8	9,081	4.0	9,689	4.2	10,971	4.9
Total current assets..... (a)	51,141	50.1	55,344	50.8	60,215	51.0	61,288	50.2	71,935	52.6	76,285	52.8	67,761	50.7	86,969	38.8	86,579	37.3	88,204	39.1
Short-term borrowings.....	7,920	7.8	7,579	7.0	9,432	8.0	10,352	8.5	8,306	6.1	11,169	7.7	11,601	8.7	27,295	12.2	22,204	9.6	19,521	8.7
Trade creditors.....	11,473	11.2	13,427	12.3	14,047	11.9	14,172	11.6	15,968	11.7	15,484	10.7	15,841	11.9	23,580	10.5	22,548	9.7	23,677	10.5
Other current liabilities.....	12,975	12.7	13,754	12.6	14,292	12.1	15,113	12.4	16,558	12.1	15,382	10.7	16,034	12.0	24,863	11.1	30,754	13.2	24,195	10.7
Total current liabilities..... (b)	32,369	31.7	34,761	31.9	37,773	32.0	39,638	32.5	40,833	29.9	42,035	29.1	43,476	32.5	75,738	33.8	75,506	32.5	67,393	29.9
Net current assets..... (a-b)=(c)	18,772	18.4	20,582	18.9	22,442	19.0	21,650	17.7	31,101	22.7	34,250	23.7	24,285	18.2	11,231	5.0	11,073	4.8	20,811	9.2
Gross tangible fixed assets.....	94,562	92.6	101,111	92.7	109,057	92.3	113,456	92.9	120,961	88.4	125,436	86.9	105,379	78.9	128,729	57.4	133,106	57.3	128,020	56.8
Accumulated depreciation.....	(51,966)	-50.9	(55,864)	-51.2	(60,347)	-51.1	(62,137)	-50.9	(67,426)	-49.3	(70,687)	-49.0	(58,523)	-43.8	(67,720)	-30.2	(70,454)	-30.3	(68,534)	-30.4
Net tangible fixed assets.....	42,595	41.7	45,246	41.5	48,709	41.2	51,319	42.0	53,535	39.1	54,749	37.9	46,856	35.1	61,009	27.2	62,652	27.0	59,486	26.4
Investments.....	4,407	4.3	4,307	3.9	4,532	3.8	4,440	3.7	4,913	3.6	6,589	4.6	5,252	3.9	12,567	5.6	11,539	5.0	13,461	6.0
Loans and other assets.....	1,908	1.9	2,148	2.0	2,346	2.0	2,553	2.1	3,444	2.5	4,377	3.0	7,063	5.3	20,323	9.1	22,294	9.6	22,870	10.1
Net fixed assets and investments..... (d)	48,912	47.9	51,702	47.4	55,587	47.0	58,312	47.8	61,893	45.2	65,715	45.5	59,171	44.3	93,899	41.9	96,485	41.6	95,817	42.5
Medium- and long-term borrowings.....	15,689	15.4	16,160	14.8	16,243	13.7	17,023	13.9	17,483	12.8	19,628	13.6	16,454	12.3	35,353	15.8	40,980	17.7	39,200	17.4
Other creditors.....	668	0.7	752	0.7	715	0.6	864	0.7	1,015	0.7	999	0.7	1,254	0.9	5,495	2.5	6,246	2.7	10,594	4.7
Employee benefits.....	6,785	6.6	7,421	6.8	8,038	6.8	8,240	6.7	8,304	6.1	8,409	5.8	8,893	6.7	13,346	6.0	14,344	6.2	16,606	7.4
Deferred taxation.....	1,783	1.7	1,962	1.8	2,370	2.0	2,554	2.1	2,809	2.1	2,591	1.8	2,794	2.1	4,446	2.0	4,513	1.9	4,835	2.1
Other provisions.....	7,321	7.2	7,365	6.8	7,572	6.4	7,483	6.1	7,828	5.7	7,668	5.3	5,470	4.1	12,426	5.5	14,738	6.3	10,791	4.8
Medium- and long-term liabilities..... (e)	32,248	31.6	33,662	30.9	34,940	29.6	36,166	29.6	37,441	27.4	39,295	27.2	34,865	26.1	71,066	31.7	80,821	34.8	82,026	36.4
Goodwill.....	840	0.8	741	0.7	987	0.8	1,102	0.9	1,357	1.0	1,687	1.2	3,689	2.8	38,048	17.0	37,710	16.2	31,388	14.0
Deferred expenses and other intangibles.....	1,257	1.2	1,222	1.1	1,356	1.2	1,395	1.1	1,602	1.2	698	0.5	2,973	2.2	5,288	2.3	11,404	4.9	9,975	4.4
Total intangibles..... (f)	2,097	2.0	1,963	1.8	2,343	2.0	2,498	2.0	2,959	2.2	2,385	1.7	6,662	5.0	43,336	19.3	49,114	21.1	41,363	18.4
Net worth..... (c+d-e+f)	37,534	36.7	40,586	37.2	45,433	38.5	46,295	37.9	58,514	42.8	63,055	43.7	55,253	41.4	77,400	34.5	75,851	32.7	75,965	33.7
<i>Represented by:</i>																				
Issued share capital.....	8,300	8.1	8,874	8.1	9,333	7.9	9,049	7.4	9,592	7.0	9,492	6.6	6,136	4.6	7,338	3.3	7,545	3.2	9,506	4.2
Reserves.....	26,225	25.7	28,854	26.5	32,561	27.6	33,520	27.5	42,750	31.3	48,584	33.6	43,739	32.7	64,638	28.8	62,051	26.7	62,750	27.8
Own shares.....	(20)	...	(13)	...	(16)	...	(19)	...	(123)	-0.1	(205)	-0.1	(196)	-0.1	(277)	-0.1	(535)	-0.2	(848)	-0.4
Total.....	34,506	33.8	37,716	34.6	41,879	35.4	42,551	34.8	52,219	38.2	57,871	40.1	49,679	37.2	71,699	32.0	69,061	29.7	71,408	31.7
Minority interests.....	3,028	3.0	2,869	2.6	3,553	3.0	3,743	3.1	6,294	4.6	5,184	3.6	5,574	4.2	5,701	2.5	6,790	2.9	4,557	2.0
Other items.....	-		-		-		-		-		-		-		-		-		-	
Total assets..... (a+d+f)	102,152	100.0	109,010	100.0	118,146	100.0	122,099	100.0	136,789	100.0	144,385	100.0	133,594	100.0	224,204	100.0	232,178	100.0	225,384	100.0

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

BENELUX

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02		
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m
Cash flow	14,544	87.2	16,483	86.3	15,449	87.9	46,476	87.1	18,714	106.9	18,592	77.3	19,297	91.2	56,603	90.2	26,406	42.0	21,100	97.9	22,457	126.5	69,963	68.5	
New equity issues.....	2,001	12.0	688	3.6	423	2.4	3,112	5.8	386	2.2	463	1.9	4,607	21.8	5,456	8.7	1,890	3.0	(84)	-0.4	(243)	-1.4	1,563	1.5	
Increase (decrease) in borrowings	130	0.8	1,936	10.1	1,700	9.7	3,766	7.1	(1,586)	-9.1	5,008	20.8	(2,742)	-13.0	680	1.1	34,593	55.0	536	2.5	(4,463)	-25.1	30,666	30.0	
Total sources	16,675	100.0	19,107	100.0	17,572	100.0	53,354	100.0	17,514	100.0	24,063	100.0	21,162	100.0	62,739	100.0	62,889	100.0	21,552	100.0	17,751	100.0	102,192	100.0	
Capital expenditure.....	8,013	48.1	9,335	48.8	9,967	56.7	27,315	51.2	9,581	54.7	10,101	42.0	8,736	41.3	28,418	45.3	13,845	22.0	12,567	58.3	10,372	58.4	36,784	36.0	
Dividends paid	1,526	9.1	1,989	10.4	2,125	12.1	5,640	10.6	2,276	13.0	2,934	12.2	9,948	47.0	15,158	24.2	3,237	5.2	3,947	18.3	3,769	21.2	10,953	10.7	
Increase (decrease) in cash and marketable securities.....	136	0.8	795	4.2	(450)	-2.6	481	0.9	8,371	47.8	6,075	25.3	(6,284)	-29.7	8,162	13.0	5,492	8.7	(944)	-4.4	1,221	6.9	5,769	5.7	
Increase (decrease) in net current assets.....	1,334	8.0	2,918	15.3	578	3.3	4,830	9.0	(965)	-5.5	(63)	-0.3	(3,249)	-15.4	(4,277)	-6.8	(2,852)	-4.5	(4,305)	-20.0	5,834	32.9	(1,323)	-1.3	
Other items (net).....	5,666	34.0	4,070	21.3	5,352	30.5	15,088	28.3	(1,749)	-10.0	5,016	20.8	12,011	56.8	15,278	24.3	43,167	68.6	10,287	47.8	(3,445)	-19.4	50,009	48.9	
Total applications	16,675	100.0	19,107	100.0	17,572	100.0	53,354	100.0	17,514	100.0	24,063	100.0	21,162	100.0	62,739	100.0	62,889	100.0	21,552	100.0	17,751	100.0	102,192	100.0	

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.5 – FINANCIAL RATIOS

BENELUX

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets.....	125.1	131.0	130.9	129.0	131.9	125.9	140.8	153.3	152.3	160.5
Net sales as % of net fixed assets.....	277.8	292.6	293.0	285.2	298.1	288.4	316.7	323.6	323.5	345.4
Capital expenditure as % of gross fixed assets	7.5	7.9	8.6	8.8	7.9	8.1	8.3	10.8	9.4	8.1
Depreciation charges as % of gross fixed assets.....	6.0	6.1	5.9	5.9	6.0	6.1	6.9	7.4	8.6	8.8
Accumulated depreciation as % of gross fixed assets	55.0	55.3	55.3	54.8	55.7	56.4	55.5	52.6	52.9	53.5
Interest charges as % of borrowings.....	12.0	11.1	10.3	9.0	9.4	8.0	7.3	7.0	7.3	7.8
Dividends declared as % of net profit.....	46.9	34.8	32.8	46.1	23.2	78.2	36.7	25.3	71.8	128.6
Trade debtors as % of sales.....	14.7	14.7	14.1	14.4	14.3	13.6	15.2	14.5	14.5	13.4
Inventories as % of sales	14.8	14.7	15.7	14.9	14.3	14.3	14.3	13.3	12.6	12.9
Balance of other current assets and liabilities (1) as % of sales.....	-14.5	-14.9	-14.4	-13.8	-15.1	-14.2	-17.2	-19.9	-21.5	-18.0
Total net working capital.....	15.0	14.5	15.4	15.5	13.5	13.7	12.3	7.9	5.6	8.3
Current assets as % of current liabilities.....	158.0	159.2	159.4	154.6	176.2	181.5	155.9	114.8	114.7	130.9
Net worth as % of total indebtedness	77.0	78.5	83.0	80.5	98.6	100.6	90.3	66.4	61.8	64.8
Net worth as % of total borrowings	159.0	171.0	177.0	169.1	226.9	204.7	196.9	123.5	120.0	129.4
Net worth less intangibles as % of total borrowings	150.1	162.7	167.8	160.0	215.4	197.0	173.2	54.4	42.3	58.9

(1) Excluding cash, marketable securities and borrowings.

TABLE II.3 – FINANCIAL STATEMENTS

FRANCE

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	14,205	4.6	15,059	4.7	16,934	5.3	16,053	4.8	15,968	4.4	15,305	3.8	20,768	4.2	23,502	4.2	26,265	4.6	26,821	5.1
Marketable securities.....	22,906	7.3	26,946	8.5	22,690	7.2	22,511	6.8	21,979	6.0	23,368	5.8	22,129	4.5	20,839	3.7	23,571	4.1	27,606	5.3
Trade debtors.....	49,256	15.8	50,918	16.0	52,542	16.6	53,814	16.1	56,583	15.5	61,338	15.3	73,551	14.8	82,217	14.8	77,456	13.4	66,717	12.8
Inventories.....	33,417	10.7	32,548	10.2	33,232	10.5	34,861	10.4	36,011	9.8	45,203	11.2	53,093	10.7	66,329	11.9	60,483	10.5	51,055	9.8
Other current assets.....	23,434	7.5	25,989	8.1	27,283	8.6	27,510	8.2	35,610	9.7	39,487	9.8	49,882	10.0	58,906	10.6	66,602	11.5	60,868	11.6
Total current assets..... (a)	143,218	45.9	151,460	47.5	152,681	48.2	154,749	46.3	166,151	45.4	184,701	45.9	219,423	44.2	251,793	45.2	254,377	44.1	233,067	44.6
Short-term borrowings.....	40,238	12.9	36,730	11.5	41,055	13.0	43,772	13.1	43,269	11.8	51,044	12.7	68,915	13.9	72,962	13.1	68,554	11.9	54,548	10.4
Trade creditors.....	35,851	11.5	39,292	12.3	39,058	12.3	41,597	12.4	45,467	12.4	49,566	12.3	64,073	12.9	69,899	12.5	69,185	12.0	63,062	12.1
Other current liabilities.....	34,573	11.1	37,226	11.7	36,281	11.5	38,373	11.5	44,247	12.1	57,043	14.2	66,221	13.3	81,603	14.6	88,151	15.3	75,409	14.4
Total current liabilities..... (b)	110,662	35.5	113,248	35.5	116,394	36.8	123,742	37.0	132,983	36.3	157,653	39.2	199,209	40.1	224,464	40.2	225,890	39.2	193,019	36.9
Net current assets..... (a-b)=(c)	32,556	10.4	38,212	12.0	36,287	11.5	31,007	9.3	33,168	9.1	27,048	6.7	20,214	4.1	27,329	4.9	28,487	4.9	40,048	7.7
Gross tangible fixed assets.....	198,233	63.5	203,241	63.8	203,552	64.3	224,245	67.1	248,382	67.9	259,805	64.5	314,634	63.4	329,599	59.0	346,942	60.2	321,199	61.4
Accumulated depreciation.....	(100,241)	-32.1	(108,247)	-34.0	(112,127)	-35.4	(125,644)	-37.6	(142,170)	-38.9	(150,584)	-37.4	(180,175)	-36.3	(186,564)	-33.4	(195,820)	-34.0	(188,301)	-36.0
Net tangible fixed assets.....	97,992	31.4	94,994	29.8	91,425	28.9	98,601	29.5	106,212	29.0	109,221	27.1	134,459	27.1	143,035	25.6	151,122	26.2	132,898	25.4
Investments.....	21,651	6.9	21,912	6.9	21,912	6.9	23,593	7.0	24,299	6.7	28,854	7.2	39,167	7.9	41,656	7.5	40,653	7.1	30,625	5.9
Loans and other assets.....	15,101	4.9	14,734	4.6	14,808	4.7	15,589	4.7	19,757	5.4	24,563	6.1	31,880	6.4	38,028	6.8	39,764	6.9	43,949	8.4
Net fixed assets and investments..... (d)	134,744	43.2	131,640	41.3	128,145	40.5	137,783	41.2	150,268	41.1	162,638	40.4	205,506	41.4	222,719	39.9	231,539	40.2	207,472	39.7
Medium- and long-term borrowings.....	56,728	18.2	54,142	17.0	47,567	15.0	45,806	13.7	52,230	14.3	52,106	13.0	66,042	13.3	80,938	14.5	93,993	16.3	90,688	17.4
Other creditors.....	6,244	2.0	6,828	2.1	6,602	2.1	7,257	2.2	7,283	2.0	6,100	1.5	4,647	0.9	3,718	0.7	721	0.1	1,446	0.3
Employee benefits.....	12,409	4.0	12,935	4.1	12,661	4.0	13,653	4.1	14,452	3.9	15,707	3.9	20,578	4.1	23,117	4.1	23,918	4.2	24,029	4.6
Deferred taxation.....	6,683	2.1	6,500	2.0	6,623	2.1	6,911	2.1	7,315	2.0	7,198	1.8	9,953	2.0	13,789	2.5	14,073	2.4	12,923	2.5
Other provisions.....	21,607	6.9	21,913	6.9	24,568	7.8	25,721	7.7	26,314	7.2	28,113	7.0	35,097	7.1	36,381	6.5	37,030	6.4	36,777	7.0
Medium- and long-term liabilities..... (e)	103,671	33.2	102,318	32.1	98,021	31.0	99,348	29.7	107,594	29.4	109,224	27.2	136,317	27.5	157,943	28.3	169,735	29.5	165,863	31.7
Goodwill.....	26,082	8.3	26,427	8.3	25,770	8.2	29,259	8.7	35,375	9.7	39,947	9.9	52,020	10.5	63,417	11.4	66,401	11.5	56,923	10.9
Deferred expenses and other intangibles.....	8,107	2.6	9,277	2.9	9,882	3.1	12,557	3.8	14,089	3.8	15,005	3.8	19,448	3.9	19,817	3.5	23,948	4.2	25,042	4.8
Total intangibles..... (f)	34,189	10.9	35,704	11.2	35,652	11.3	41,816	12.5	49,464	13.5	54,952	13.7	71,468	14.4	83,234	14.9	90,349	15.7	81,965	15.7
Net worth..... (c+d-e+f)	97,818	31.3	103,238	32.4	102,063	32.2	111,258	33.3	125,306	34.2	135,414	33.7	160,871	32.4	175,339	31.4	180,640	31.3	163,622	31.3
<i>Represented by:</i>																				
Issued share capital.....	13,343	4.3	14,763	4.6	15,607	4.9	16,517	4.9	16,975	4.6	19,318	4.8	30,952	6.2	30,649	5.5	31,714	5.5	29,043	5.6
Reserves.....	69,274	22.2	73,885	23.2	72,872	23.0	79,938	23.9	94,125	25.7	103,180	25.6	118,861	23.9	137,266	24.6	143,032	24.8	131,578	25.2
Own shares.....	(534)	-0.2	(684)	-0.2	(808)	-0.3	(929)	-0.3	(1,269)	-0.3	(2,958)	-0.7	(5,146)	-1.0	(6,543)	-1.2	(6,795)	-1.2	(7,145)	-1.4
Total.....	82,083	26.3	87,964	27.6	87,671	27.7	95,526	28.6	109,831	30.0	119,540	29.7	144,667	29.1	161,372	28.9	167,951	29.1	153,476	29.4
Minority interests.....	15,381	4.9	15,228	4.8	14,347	4.5	15,698	4.7	15,441	4.2	15,846	3.9	16,177	3.3	13,967	2.5	12,689	2.2	10,146	1.9
Other items.....	354	0.1	46	...	45	...	34	...	34	...	28	...	27	...	-	...	-	-	-	
Total assets..... (a+d+f)	312,151	100.0	318,804	100.0	316,478	100.0	334,348	100.0	365,883	100.0	402,291	100.0	496,397	100.0	557,746	100.0	576,265	100.0	522,504	100.0

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

FRANCE

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	26,463	103.0	27,873	98.7	29,482	92.9	83,818	97.8	35,886	77.8	39,224	81.0	48,217	41.5	123,327	58.5	61,322	75.9	56,373	85.6	56,230	150.4	173,925	94.5
New equity issues.....	5,326	20.7	2,620	9.3	1,297	4.1	9,243	10.8	4,296	9.3	1,554	3.2	36,227	31.2	42,077	20.0	460	0.6	830	1.3	(1,545)	-4.1	(255)	-0.1
Increase (decrease) in borrowings	(6,094)	-23.7	(2,250)	-8.0	956	3.0	(7,388)	-8.6	5,921	12.9	7,651	15.8	31,807	27.3	45,379	21.5	18,943	23.5	8,647	13.1	(17,311)	-46.3	10,279	5.6
Total sources	25,695	100.0	28,243	100.0	31,735	100.0	85,673	100.0	46,103	100.0	48,429	100.0	116,251	100.0	210,783	100.0	80,725	100.0	65,850	100.0	37,374	100.0	183,949	100.0
Capital expenditure	15,744	61.3	15,915	56.3	18,424	58.0	50,083	58.5	20,433	44.3	21,181	43.7	22,477	19.3	64,091	30.4	27,876	34.5	29,569	44.9	24,071	64.4	81,516	44.3
Dividends paid	2,317	9.0	2,738	9.7	3,150	9.9	8,205	9.6	3,177	6.9	5,067	10.5	5,215	4.5	13,459	6.4	6,001	7.4	8,314	12.6	7,336	19.6	21,651	11.8
Increase (decrease) in cash and marketable securities.....	4,894	19.0	(2,381)	-8.4	(1,060)	-3.3	1,453	1.7	(617)	-1.3	726	1.5	4,224	3.6	4,333	2.1	1,444	1.8	5,495	8.4	4,591	12.3	11,530	6.3
Increase (decrease) in net current assets.....	(2,746)	-10.7	4,781	16.9	(1,503)	-4.7	532	0.6	2,275	4.9	929	1.9	6,813	5.9	10,017	4.7	9,718	12.1	(8,745)	-13.3	(7,036)	-18.8	(6,063)	-3.3
Other items (net).....	5,486	21.4	7,190	25.5	12,724	40.1	25,400	29.6	20,835	45.2	20,526	42.4	77,522	66.7	118,883	56.4	35,686	44.2	31,217	47.4	8,412	22.5	75,315	40.9
Total applications	25,695	100.0	28,243	100.0	31,735	100.0	85,673	100.0	46,103	100.0	48,429	100.0	116,251	100.0	210,783	100.0	80,725	100.0	65,850	100.0	37,374	100.0	183,949	100.0

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.5 – FINANCIAL RATIOS

FRANCE

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	127.9	132.0	132.5	129.8	128.5	127.4	127.0	146.2	138.0	141.0
Net sales as % of net fixed assets.....	258.7	282.3	295.1	295.2	300.5	303.0	297.2	336.8	316.9	340.7
Capital expenditure as % of gross fixed assets	8.3	7.7	7.8	8.2	8.2	8.2	7.1	8.5	8.5	7.5
Depreciation charges as % of gross fixed assets.....	7.3	7.2	7.1	6.8	7.1	6.9	6.7	7.0	6.6	7.1
Accumulated depreciation as % of gross fixed assets	50.6	53.3	55.1	56.0	57.2	58.0	57.3	56.6	56.4	58.6
Interest charges as % of borrowings.....	9.8	8.2	8.0	7.0	6.9	6.1	5.4	6.0	6.1	5.3
Dividends declared as % of net profit.....	n.c.	56.6	n.c.	56.6	46.6	37.0	41.4	38.5	71.2	54.9
Trade debtors as % of sales.....	19.4	19.0	19.5	18.5	17.7	18.5	18.4	17.1	16.2	14.7
Inventories as % of sales	13.2	12.1	12.3	12.0	11.3	13.7	13.3	13.8	12.6	11.3
Balance of other current assets and liabilities (1) as % of sales.....	-18.5	-18.8	-17.8	-18.0	-17.0	-20.3	-20.1	-19.2	-18.9	-17.1
Total net working capital.....	14.1	12.3	14.0	12.5	12.0	11.9	11.6	11.7	9.9	8.9
Current assets as % of current liabilities.....	129.4	133.7	131.2	125.1	124.9	117.2	110.1	112.2	112.6	120.7
Net worth as % of total indebtedness	56.3	59.3	59.8	62.9	65.1	62.7	59.6	56.7	56.3	57.4
Net worth as % of total borrowings	100.9	113.6	115.2	124.2	131.2	131.3	119.2	113.9	111.1	112.7
Net worth less intangibles as % of total borrowings	65.6	74.3	74.9	77.5	79.4	78.0	66.2	59.8	55.5	56.2

(1) Excluding cash, marketable securities and borrowings.

TABLE II.3 – FINANCIAL STATEMENTS

GERMANY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	24,613	6.8	27,493	7.2	25,225	6.2	24,929	5.6	23,445	4.7	26,482	4.4	29,568	4.4	29,428	3.7	42,968	4.9	38,194	4.3
Marketable securities.....	28,612	7.9	34,282	9.0	36,238	8.9	34,386	7.8	36,939	7.4	40,333	6.8	36,924	5.5	38,784	4.9	26,032	3.0	30,246	3.4
Trade debtors.....	57,547	15.9	61,073	16.1	64,490	15.9	67,664	15.2	75,777	15.2	77,111	13.0	93,373	13.8	107,320	13.6	92,777	10.7	81,859	9.2
Inventories.....	49,607	13.8	47,247	12.5	51,171	12.6	52,760	11.9	56,233	11.3	65,268	11.0	70,681	10.5	77,066	9.8	85,163	9.8	82,030	9.3
Other current assets.....	31,358	8.7	33,342	8.8	37,149	9.1	41,819	9.4	48,337	9.7	67,127	11.3	83,603	12.4	102,883	13.0	117,966	13.5	122,198	13.8
Total current assets..... (a)	191,737	53.1	203,437	53.6	214,273	52.7	221,558	49.9	240,731	48.3	276,321	46.5	314,149	46.6	355,481	45.0	364,906	41.9	354,527	40.0
Short-term borrowings.....	30,953	8.6	29,673	7.8	31,683	7.8	34,396	7.7	43,268	8.7	55,249	9.3	73,399	10.9	87,543	11.1	100,748	11.6	91,945	10.4
Trade creditors.....	24,998	6.9	28,140	7.4	29,439	7.2	34,435	7.8	38,836	7.8	47,944	8.1	60,795	9.0	74,011	9.4	67,371	7.7	62,458	7.1
Other current liabilities.....	30,477	8.4	31,881	8.4	37,939	9.3	39,347	8.9	46,818	9.4	52,568	8.8	60,888	9.0	74,820	9.5	97,303	11.2	84,022	9.5
Total current liabilities..... (b)	86,428	23.9	89,694	23.6	99,061	24.4	108,178	24.4	128,922	25.9	155,761	26.2	195,082	28.9	236,374	29.9	265,422	30.5	238,425	26.9
Net current assets..... (a-b)=(c)	105,309	29.2	113,743	30.0	115,212	28.3	113,380	25.5	111,809	22.4	120,560	20.3	119,067	17.6	119,107	15.1	99,484	11.4	116,102	13.1
Gross tangible fixed assets.....	344,634	95.4	363,461	95.8	374,465	92.1	395,989	89.2	417,995	83.8	482,629	81.2	521,238	77.3	536,748	67.9	603,455	69.3	608,649	68.8
Accumulated depreciation.....	(229,613)	-63.6	(247,496)	-65.2	(255,264)	-62.8	(267,674)	-60.3	(280,249)	-56.2	(303,805)	-51.1	(312,762)	-46.4	(309,602)	-39.2	(340,588)	-39.1	(350,416)	-39.6
Net tangible fixed assets.....	115,021	31.8	115,965	30.6	119,201	29.3	128,315	28.9	137,746	27.6	178,824	30.1	208,476	30.9	227,146	28.7	262,867	30.2	258,233	29.2
Investments.....	21,344	5.9	25,517	6.7	29,335	7.2	32,410	7.3	42,570	8.6	42,067	7.1	36,102	5.3	52,900	6.7	44,971	5.2	45,120	5.1
Loans and other assets.....	26,344	7.3	26,363	6.9	29,148	7.2	41,798	9.4	50,018	10.0	57,436	9.6	73,326	10.9	96,817	12.3	122,366	14.0	125,038	14.1
Net fixed assets and investments..... (d)	162,709	45.0	167,845	44.2	177,684	43.7	202,523	45.6	230,334	46.2	278,327	46.8	317,904	47.1	376,863	47.7	430,204	49.4	428,391	48.4
Medium- and long-term borrowings.....	31,532	8.7	31,621	8.3	32,313	7.9	35,167	7.9	42,158	8.5	56,309	9.5	71,351	10.6	100,771	12.8	134,227	15.4	160,773	18.2
Other creditors.....	6,179	1.7	6,727	1.8	7,454	1.8	9,190	2.1	9,309	1.9	10,198	1.7	10,975	1.6	17,736	2.2	20,055	2.3	27,868	3.1
Employee benefits.....	57,324	15.9	59,905	15.8	62,672	15.4	67,881	15.3	70,568	14.2	82,240	13.8	85,577	12.7	86,398	10.9	84,129	9.7	90,023	10.2
Deferred taxation.....	7,285	2.0	6,980	1.8	8,141	2.0	8,850	2.0	9,580	1.9	14,068	2.4	18,067	2.7	18,762	2.4	20,405	2.3	17,637	2.0
Other provisions.....	79,785	22.1	88,722	23.4	95,828	23.6	96,431	21.7	102,600	20.6	118,473	19.9	125,436	18.6	133,377	16.9	126,218	14.5	128,812	14.5
Medium- and long-term liabilities..... (e)	182,105	50.4	193,955	51.1	206,408	50.7	217,519	49.0	234,215	47.0	281,288	47.3	311,406	46.2	357,044	45.2	385,034	44.2	425,113	48.0
Goodwill.....	3,216	0.9	4,924	1.3	9,342	2.3	13,527	3.0	20,839	4.2	26,185	4.4	26,973	4.0	38,126	4.8	46,130	5.3	67,472	7.6
Deferred expenses and other intangibles.....	3,512	1.0	3,289	0.9	5,493	1.3	6,569	1.5	6,536	1.3	13,493	2.3	15,729	2.3	19,423	2.5	29,602	3.4	35,106	4.0
Total intangibles..... (f)	6,728	1.9	8,213	2.2	14,835	3.6	20,096	4.5	27,375	5.5	39,678	6.7	42,702	6.3	57,549	7.3	75,732	8.7	102,578	11.6
Net worth..... (c+d-e+f)	92,641	25.6	95,846	25.3	101,323	24.9	118,480	26.7	135,303	27.1	157,277	26.5	168,267	24.9	196,475	24.9	220,386	25.3	221,958	25.1
<i>Represented by:</i>																				
Issued share capital.....	16,929	4.7	17,579	4.6	17,649	4.3	18,110	4.1	18,487	3.7	20,226	3.4	17,935	2.7	17,911	2.3	19,247	2.2	20,816	2.4
Reserves.....	63,273	17.5	66,228	17.5	68,679	16.9	85,191	19.2	101,489	20.4	121,976	20.5	136,803	20.3	165,886	21.0	184,789	21.2	190,045	21.5
Own shares.....	(261)	-0.1	(16)	...	(9)	...	(3)	...	(3)	...	(3)	...	(5)	...	(3,235)	-0.4	(2,751)	-0.3	(2,777)	-0.3
Total.....	79,941	22.1	83,791	22.1	86,319	21.2	103,298	23.3	119,973	24.1	142,199	23.9	154,733	22.9	180,562	22.9	201,285	23.1	208,084	23.5
Minority interests.....	8,528	2.4	8,421	2.2	10,920	2.7	11,582	2.6	12,098	2.4	12,289	2.1	12,857	1.9	15,417	2.0	18,822	2.2	13,001	1.5
Other items.....	4,172	1.2	3,634	1.0	4,084	1.0	3,600	0.8	3,232	0.6	2,789	0.5	677	0.1	496	0.1	279	...	873	0.1
Total assets..... (a+d+f)	361,174	100.0	379,495	100.0	406,792	100.0	444,177	100.0	498,440	100.0	594,326	100.0	674,755	100.0	789,893	100.0	870,842	100.0	885,496	100.0

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

GERMANY

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	37,596	93.9	42,591	88.6	43,843	84.0	124,030	88.4	53,145	75.4	64,847	64.4	62,154	62.7	180,146	66.7	67,113	57.8	62,057	54.7	74,353	80.4	203,523	63.2
New equity issues.....	3,642	9.1	2,779	5.8	2,764	5.3	9,185	6.6	1,470	2.1	9,753	9.7	3,712	3.8	14,935	5.5	5,393	4.7	4,744	4.2	329	0.4	10,466	3.3
Increase (decrease) in borrowings	(1,191)	-3.0	2,702	5.6	5,567	10.7	7,078	5.0	15,863	22.5	26,132	25.9	33,192	33.5	75,187	27.8	43,564	37.5	46,661	41.1	17,743	19.2	107,968	33.5
Total sources	40,047	100.0	48,072	100.0	52,174	100.0	140,293	100.0	70,478	100.0	100,732	100.0	99,058	100.0	270,268	100.0	116,070	100.0	113,462	100.0	92,425	100.0	321,957	100.0
Capital expenditure	23,869	59.6	26,241	54.6	30,529	58.5	80,639	57.5	32,974	46.8	52,904	52.5	62,070	62.6	147,948	54.7	64,877	55.9	68,717	60.6	60,294	65.2	193,888	60.2
Dividends paid	2,671	6.7	3,256	6.7	3,704	7.1	9,631	6.9	4,522	6.4	12,396	12.3	7,094	7.2	24,012	8.9	7,905	6.8	12,634	11.1	6,957	7.5	27,496	8.6
Increase (decrease) in cash and marketable securities.....	8,550	21.3	(312)	-0.6	(2,148)	-4.1	6,090	4.3	1,069	1.5	6,431	6.4	(323)	-0.3	7,177	2.7	1,720	1.5	788	0.7	(560)	-0.6	1,948	0.6
Increase (decrease) in net current assets.....	(1,396)	-3.5	3,791	7.9	3,029	5.8	5,424	3.9	6,232	8.9	14,301	14.2	16,980	17.1	37,513	13.9	12,464	10.7	(7,206)	-6.4	8,375	9.1	13,633	4.2
Other items (net).....	6,353	15.9	15,096	31.4	17,060	32.7	38,509	27.4	25,681	36.4	14,700	14.6	13,237	13.4	53,618	19.8	29,104	25.1	38,529	34.0	17,359	18.8	84,992	26.4
Total applications	40,047	100.0	48,072	100.0	52,174	100.0	140,293	100.0	70,478	100.0	100,732	100.0	99,058	100.0	270,268	100.0	116,070	100.0	113,462	100.0	92,425	100.0	321,957	100.0

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.5 – FINANCIAL RATIOS

GERMANY

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	114.5	115.0	118.1	117.7	124.5	126.0	120.6	133.3	122.5	111.6
Net sales as % of net fixed assets.....	343.0	360.3	371.0	363.3	377.8	340.2	301.5	315.0	281.3	262.9
Capital expenditure as % of gross fixed assets	7.2	6.6	7.0	7.7	7.9	11.0	11.9	12.1	11.4	9.9
Depreciation charges as % of gross fixed assets.....	7.0	7.0	6.7	5.8	6.3	6.4	6.0	6.7	6.9	6.9
Accumulated depreciation as % of gross fixed assets	66.6	68.1	68.2	67.6	67.0	62.9	60.0	57.7	56.4	57.6
Interest charges as % of borrowings.....	10.6	11.0	10.7	9.6	8.7	8.9	7.7	6.1	5.6	5.8
Dividends declared as % of net profit.....	n.c.	60.1	60.8	38.9	37.1	44.1	51.2	39.5	34.1	37.3
Trade debtors as % of sales.....	14.6	14.6	14.6	14.5	14.6	12.7	14.9	15.0	12.5	12.1
Inventories as % of sales	12.6	11.3	11.6	11.3	10.8	10.7	11.2	10.8	11.5	12.1
Balance of other current assets and liabilities (1) as % of sales.....	-6.1	-6.4	-6.8	-6.9	-7.2	-5.5	-6.1	-6.4	-6.3	-3.6
Total net working capital.....	21.1	19.5	19.4	18.9	18.2	17.9	20.0	19.4	17.7	20.6
Current assets as % of current liabilities.....	221.8	226.8	216.3	204.8	186.7	177.4	161.0	150.4	137.5	148.7
Net worth as % of total indebtedness	74.6	74.9	73.0	77.7	75.0	70.8	60.7	55.4	52.5	52.0
Net worth as % of total borrowings	148.3	156.4	158.3	170.3	158.4	141.0	116.2	104.3	93.8	87.8
Net worth less intangibles as % of total borrowings	137.5	143.0	135.1	141.4	126.3	105.4	86.7	73.8	61.6	47.2

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

ITALY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002			
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Oil, energy and mining	19,626	19.2	18,994	17.5	21,356	17.4	24,206	19.9	27,364	20.6	24,356	19.1	28,221	21.2	47,327	28.1	50,169	29.1	48,190	29.0		
Iron, steel and non-ferrous metals.....	8,816	8.6	9,006	8.3	8,641	7.0	7,015	5.8	7,659	5.8	7,275	5.7	6,861	5.1	8,368	5.0	8,025	4.6	7,852	4.7		
Chemicals.....	9,909	9.7	9,684	8.9	11,091	9.0	8,949	7.3	6,889	5.2	4,585	3.6	4,541	3.4	6,305	3.7	5,176	3.0	4,837	2.9		
Rubber and cables	4,773	4.7	5,106	4.7	5,595	4.5	5,318	4.4	5,807	4.4	5,590	4.4	6,407	4.8	7,419	4.4	7,471	4.3	6,297	3.8		
Mechanical engineering:																						
Automotive	18,425	18.0	24,544	22.6	29,115	23.7	31,103	25.5	36,573	27.6	36,019	28.3	36,093	27.1	43,880	26.1	43,059	25.0	41,226	24.8		
Aerospace	2,475	2.4	2,562	2.4	2,862	2.3	2,780	2.3	3,477	2.6	3,498	2.7	3,547	2.7	3,958	2.4	4,662	2.7	4,559	2.7		
Domestic appliances.....	905	0.9	1,006	0.9	1,305	1.1	1,295	1.1	1,446	1.1	1,465	1.2	1,420	1.1	1,601	0.9	1,971	1.1	2,480	1.5		
Others engineering.....	11,202	11.0	10,406	9.6	12,205	9.9	8,828	7.2	9,000	6.8	9,231	7.3	9,425	7.1	9,060	5.4	9,261	5.4	11,134	6.7		
Electronics	2,016	2.0	2,077	1.9	2,382	1.9	3,067	2.5	2,911	2.2	1,830	1.4	1,679	1.2	1,689	1.0	1,830	1.1	2,741	1.6		
Building and civil engineering.....	2,170	2.1	1,226	1.1	1,316	1.1	1,309	1.1	899	0.7	1,197	0.9	1,060	0.8	764	0.5	350	0.2	269	0.2		
Cement, glass and other bdg. products..	2,656	2.6	2,648	2.4	2,825	2.3	2,656	2.2	2,879	2.2	3,018	2.4	3,406	2.5	3,811	2.3	4,063	2.4	4,265	2.6		
Paper, printing and publishing.....	1,996	2.0	1,953	1.8	1,897	1.5	1,881	1.5	1,954	1.5	2,184	1.7	2,359	1.8	2,666	1.6	2,896	1.7	2,990	1.8		
Food and drinks.....	10,530	10.3	11,148	10.2	12,501	10.2	13,063	10.7	15,083	11.4	16,910	13.3	17,570	13.2	19,388	11.5	20,405	11.8	17,335	10.4		
Textiles and clothing.....	3,101	3.0	3,301	3.0	3,826	3.1	3,928	3.2	4,204	3.2	3,719	2.9	3,580	2.7	3,614	2.1	3,428	2.0	2,122	1.3		
Other mfg. industries.....	3,206	3.1	3,356	3.1	2,939	2.4	2,902	2.4	3,845	2.9	3,534	2.8	4,133	3.1	4,999	3.0	5,886	3.4	6,100	3.7		
Service industries	460	0.4	1,751	1.6	3,195	2.6	3,508	2.9	2,421	1.8	2,888	2.3	2,958	2.2	3,401	2.0	3,860	2.2	3,882	2.3		
Total.....	102,266	100.0	108,768	100.0	123,051	100.0	121,808	100.0	132,411	100.0	127,299	100.0	133,260	100.0	168,250	100.0	172,512	100.0	166,279	100.0		
Intra-group sales	(357)		(115)		(98)		(116)		(97)		(97)		(89)		(103)		(259)		(84)			
Consolidated.....	101,909		108,653		122,953		121,692		132,314		127,202		133,171		168,147		172,253		166,195			

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

ITALY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002			
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	101,909	100.0	108,653	100.0	122,953	100.0	121,692	100.0	132,314	100.0	127,202	100.0	133,171	100.0	168,147	100.0	172,253	100.0	166,195	100.0		
Purchases and sundry operating expenses	(71,912)	-70.6	(74,848)	-68.8	(84,193)	-68.4	(84,358)	-69.3	(91,732)	-69.3	(88,866)	-69.8	(93,777)	-70.5	(118,987)	-70.7	(123,570)	-71.8	(120,899)	-72.7		
Value added	29,997	29.4	33,805	31.2	38,760	31.6	37,334	30.7	40,582	30.7	38,336	30.2	39,394	29.5	49,160	29.3	48,683	28.2	45,296	27.3		
Labour costs	(20,521)	-20.0	(19,943)	-18.4	(20,760)	-16.9	(20,075)	-16.5	(20,874)	-15.8	(20,311)	-16.0	(20,705)	-15.5	(22,338)	-13.3	(22,096)	-12.8	(21,201)	-12.8		
Gross operating margin.....	9,476	9.4	13,862	12.8	18,000	14.7	17,259	14.2	19,708	14.9	18,025	14.2	18,689	14.0	26,822	16.0	26,587	15.4	24,095	14.5		
Depreciation	(5,767)	-5.7	(6,924)	-6.4	(7,459)	-6.1	(7,639)	-6.3	(8,698)	-6.6	(8,619)	-6.8	(8,678)	-6.5	(9,673)	-5.8	(10,368)	-6.0	(10,443)	-6.3		
Net operating margin.....	3,709	3.7	6,938	6.4	10,541	8.6	9,620	7.9	11,010	8.3	9,406	7.4	10,011	7.5	17,149	10.2	16,219	9.4	13,652	8.2		
Interest and financing charges	(9,754)	-9.6	(7,572)	-7.0	(7,331)	-6.0	(5,517)	-4.5	(4,909)	-3.7	(4,523)	-3.6	(4,560)	-3.4	(6,747)	-4.0	(7,313)	-4.2	(7,682)	-4.6		
Interest received.....	5,847	5.7	5,470	5.1	5,325	4.3	3,402	2.8	2,906	2.2	2,791	2.2	2,795	2.1	4,031	2.4	4,304	2.5	4,424	2.7		
Share of profits (losses) of related companies	(407)	-0.4	(535)	-0.5	(243)	-0.2	12	...	(64)	...	31	...	103	0.1	(204)	-0.1	(463)	-0.3	(426)	-0.3		
Current pre-tax profit.....	(605)	-0.6	4,301	4.0	8,292	6.7	7,517	6.2	8,943	6.8	7,705	6.0	8,349	6.3	14,229	8.5	12,747	7.4	9,968	6.0		
Interest capitalized.....	306	0.3	171	0.1	81	0.1	99	0.1	56	...	44	...	64	...	96	0.1	57	0.1	43	...		
Amortization of goodwill.....	(491)	-0.5	(294)	-0.3	(465)	-0.4	(470)	-0.4	(533)	-0.4	(525)	-0.4	(508)	-0.4	(838)	-0.5	(999)	-0.6	(994)	-0.6		
Government grants.....	24	...	41	...	29	...	20	...	64	...	64	...	73	0.1	-	...	68	0.1	55	0.1		
Gains(losses) on disposals of fixed assets	1,260	1.3	944	0.9	1,637	1.3	2,272	1.9	1,631	1.2	1,988	1.6	1,001	0.7	5,675	3.4	5,893	3.4	1,055	0.7		
Fixed asset revaluations (writedowns)...	(1,712)	-1.7	(873)	-0.8	(1,018)	-0.8	(934)	-0.8	(854)	-0.6	(1,280)	-1.0	(495)	-0.4	(322)	-0.2	(1,556)	-0.9	(1,833)	-1.1		
Provisions and other extraordinary items	(1,903)	-1.9	(356)	-0.3	(216)	-0.2	(304)	-0.2	(759)	-0.6	(186)	-0.1	(9)	...	2,267	1.3	(2,699)	-1.6	(3,643)	-2.2		
Cumulative effect of accounting changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net profit (loss) before tax	(3,121)	-3.1	3,934	3.6	8,340	6.7	8,200	6.8	8,548	6.4	7,810	6.1	8,475	6.3	21,107	12.6	13,511	7.9	4,651	2.9		
Taxation	(1,361)	-1.3	(1,618)	-1.5	(2,953)	-2.4	(2,757)	-2.3	(3,107)	-2.3	(2,678)	-2.1	(2,965)	-2.2	(7,151)	-4.3	(4,876)	-2.8	(3,784)	-2.3		
Profit attributable to minorities	219	0.2	(203)	-0.2	(1,639)	-1.3	(1,298)	-1.1	(1,718)	-1.3	(1,446)	-1.1	(801)	-0.6	(659)	-0.4	(441)	-0.3	(583)	-0.4		
Net profit attributable to parent company	(4,263)	-4.2	2,113	1.9	3,748	3.0	4,145	3.4	3,723	2.8	3,686	2.9	4,709	3.5	13,297	7.9	8,194	4.8	284	0.2		
Research & development expenses (1).....	2,539	3.1	2,442	2.8	2,504	2.5	2,372	2.4	2,467	2.3	2,546	2.6	2,743	2.6	3,137	2.4	3,238	2.4	3,246	2.5		
Dividends declared	109	0.1	690	0.6	1,272	1.0	1,435	1.2	1,771	1.3	1,970	1.5	2,186	1.6	2,697	1.6	3,627	2.1	3,248	2.0		

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

(1) Figures cover 7 companies which in 2002 accounted for 78.2% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

ITALY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	5,548	3.4	6,575	3.9	6,586	3.8	7,543	4.4	10,725	5.9	9,560	5.3	8,958	4.3	14,361	5.8	11,429	4.4	11,463	4.6
Marketable securities.....	12,370	7.6	13,788	8.2	12,233	7.0	13,662	7.9	16,501	9.1	15,109	8.4	17,773	8.6	18,517	7.5	20,826	8.0	19,824	8.0
Trade debtors.....	25,292	15.5	25,968	15.5	26,258	15.1	24,808	14.4	25,647	14.1	23,736	13.1	26,144	12.6	29,669	12.1	29,079	11.2	27,415	11.0
Inventories.....	23,656	14.4	24,031	14.4	27,037	15.6	27,159	15.8	25,213	13.9	22,940	12.7	26,062	12.5	29,627	12.0	29,229	11.3	27,259	11.0
Other current assets.....	11,213	6.8	10,942	6.5	11,759	6.8	11,891	6.9	12,099	6.6	12,522	6.9	14,639	7.0	15,802	6.4	16,666	6.4	15,903	6.4
Total current assets..... (a)	78,079	47.7	81,304	48.5	83,873	48.3	85,063	49.4	90,185	49.6	83,867	46.4	93,576	45.0	107,976	43.8	107,229	41.3	101,864	41.0
Short-term borrowings.....	40,582	24.8	33,908	20.2	28,752	16.6	29,885	17.4	28,553	15.7	24,606	13.6	30,026	14.4	36,230	14.7	37,716	14.5	31,018	12.5
Trade creditors.....	19,531	11.9	21,004	12.5	22,220	12.8	21,431	12.5	23,021	12.7	22,358	12.4	25,930	12.5	29,029	11.8	30,689	11.8	30,382	12.2
Other current liabilities.....	25,618	15.7	23,882	14.3	26,141	15.0	26,112	15.2	24,860	13.7	22,711	12.6	23,742	11.4	30,285	12.3	28,451	11.0	25,937	10.4
Total current liabilities..... (b)	85,731	52.4	78,794	47.0	77,113	44.4	77,428	45.0	76,434	42.1	69,675	38.6	79,698	38.3	95,544	38.8	96,856	37.3	87,337	35.1
Net current assets..... (a-b)=(c)	(7,652)	-4.7	2,510	1.5	6,760	3.9	7,635	4.4	13,751	7.6	14,192	7.9	13,878	6.7	12,432	5.0	10,373	4.0	14,527	5.8
Gross tangible fixed assets.....	103,093	63.1	109,132	65.1	115,642	66.6	113,629	66.0	119,217	65.6	123,788	68.6	134,751	64.7	145,135	58.9	153,520	59.2	150,221	60.3
Accumulated depreciation.....	(45,267)	-27.7	(50,406)	-30.1	(54,958)	-31.6	(56,626)	-32.9	(62,710)	-34.5	(67,102)	-37.2	(73,309)	-35.2	(77,743)	-31.6	(81,118)	-31.3	(80,920)	-32.5
Net tangible fixed assets.....	57,826	35.4	58,726	35.0	60,684	35.0	57,003	33.1	56,507	31.1	56,686	31.4	61,442	29.5	67,392	27.3	72,402	27.9	69,301	27.8
Investments.....	6,747	4.1	5,649	3.4	6,976	4.0	5,928	3.5	6,254	3.4	6,166	3.4	12,368	5.9	17,474	7.1	21,762	8.4	15,887	6.4
Loans and other assets.....	12,615	7.7	13,335	8.0	13,936	8.0	15,527	9.0	19,179	10.6	23,199	12.9	25,566	12.3	32,230	13.1	35,439	13.7	37,534	15.1
Net fixed assets and investments..... (d)	77,188	47.2	77,710	46.4	81,596	47.0	78,458	45.6	81,940	45.1	86,051	47.7	99,376	47.7	117,096	47.5	129,603	50.0	122,722	49.3
Medium- and long-term borrowings.....	25,994	15.9	24,122	14.4	26,109	15.0	22,652	13.2	26,517	14.6	27,309	15.1	32,241	15.5	39,948	16.2	43,304	16.7	45,736	18.4
Other creditors.....	5,376	3.3	6,258	3.7	6,707	3.9	7,270	4.2	7,639	4.2	10,510	5.8	15,191	7.3	18,400	7.5	21,910	8.4	24,385	9.8
Employee benefits.....	6,726	4.1	6,513	3.9	6,780	3.9	6,674	3.9	6,647	3.7	6,203	3.4	6,241	3.0	6,687	2.7	6,193	2.4	5,967	2.4
Deferred taxation.....	826	0.5	1,199	0.7	1,219	0.7	1,354	0.8	1,263	0.7	1,619	0.9	2,205	1.1	2,967	1.2	3,546	1.4	3,010	1.2
Other provisions.....	6,504	4.0	7,683	4.6	8,934	5.1	8,079	4.7	9,239	5.1	8,931	4.9	11,897	5.7	13,408	5.4	15,083	5.8	16,297	6.6
Medium- and long-term liabilities..... (e)	45,426	27.8	45,775	27.3	49,749	28.6	46,029	26.8	51,305	28.2	54,572	30.2	67,775	32.5	81,410	33.0	90,036	34.7	95,395	38.3
Goodwill.....	4,519	2.8	4,682	2.8	4,299	2.5	4,590	2.7	4,999	2.8	5,421	3.0	8,250	3.9	13,153	5.4	14,352	5.5	15,711	6.3
Deferred expenses and other intangibles	3,799	2.3	3,809	2.3	3,947	2.2	3,927	2.3	4,601	2.5	5,250	2.9	7,029	3.4	8,141	3.3	8,263	3.2	8,480	3.4
Total intangibles..... (f)	8,318	5.1	8,491	5.1	8,246	4.7	8,517	5.0	9,600	5.3	10,671	5.9	15,279	7.3	21,294	8.7	22,615	8.7	24,191	9.7
Net worth..... (c+d-e+f)	32,428	19.8	42,936	25.6	46,853	27.0	48,581	28.2	53,986	29.7	56,342	31.2	60,758	29.2	69,412	28.2	72,555	28.0	66,045	26.5
<i>Represented by:</i>																				
Issued share capital.....	10,584	6.5	11,583	6.9	11,083	6.4	11,784	6.8	12,836	7.1	14,184	7.9	14,176	6.8	14,457	5.9	14,401	5.6	14,894	6.0
Reserves.....	12,137	7.4	19,872	11.9	22,355	12.9	24,592	14.3	27,593	15.2	28,656	15.9	33,550	16.1	45,394	18.4	51,026	19.7	46,959	18.9
Own shares.....	(571)	-0.3	(140)	-0.1	(157)	-0.1	(285)	-0.2	(273)	-0.2	(574)	-0.3	(415)	-0.2	(1,136)	-0.5	(2,812)	-1.1	(3,634)	-1.5
Total.....	22,150	13.5	31,315	18.7	33,281	19.2	36,091	21.0	40,156	22.1	42,266	23.4	47,311	22.7	58,715	23.8	62,615	24.1	58,219	23.4
Minority interests.....	10,203	6.2	11,621	6.9	13,572	7.8	12,490	7.3	13,830	7.6	14,078	7.8	13,447	6.5	10,697	4.3	9,940	3.8	7,826	3.1
Other items.....	75	...	-	-	-	-	-	-	-	(2)	...	-	-	-	-	-	-	-	-	
Total assets..... (a+d+f)	163,585	100.0	167,505	100.0	173,715	100.0	172,038	100.0	181,725	100.0	180,589	100.0	208,231	100.0	246,366	100.0	259,447	100.0	248,777	100.0

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

ITALY

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m (*)	%	EUR m (*)	%	EUR m (*)	%	EUR m	%	EUR m (*)	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	11,225	166.4	15,751	121.1	15,156	111.8	42,132	126.5	17,641	85.1	16,324	113.2	17,027	62.4	50,992	81.7	23,902	64.4	23,115	87.7	20,411	111.3	67,428	82.5
New equity issues.....	4,066	60.3	430	3.3	721	5.3	5,217	15.6	550	2.7	1,249	8.7	(88)	-0.3	1,711	2.7	(707)	-1.9	(1,616)	-6.1	2,193	12.0	(130)	-0.2
Increase (decrease) in borrowings	(8,546)	-126.7	(3,169)	-24.4	(2,324)	-17.1	(14,039)	-42.1	2,533	12.2	(3,155)	-21.9	10,352	37.9	9,730	15.6	13,911	37.5	4,842	18.4	(4,266)	-23.3	14,487	17.7
Total sources	6,745	100.0	13,012	100.0	13,553	100.0	33,310	100.0	20,724	100.0	14,418	100.0	27,291	100.0	62,433	100.0	37,106	100.0	26,341	100.0	18,338	100.0	81,785	100.0
Capital expenditure.....	7,845	116.3	8,668	66.6	8,142	60.1	24,655	74.0	8,198	39.6	9,409	65.2	10,453	38.3	28,060	44.9	11,044	29.7	12,640	48.0	12,892	70.3	36,576	44.7
Dividends paid	109	1.6	688	5.3	1,273	9.4	2,070	6.2	1,416	6.8	1,772	12.3	1,969	7.2	5,157	8.3	2,185	5.9	2,666	10.1	3,654	19.9	8,505	10.4
Increase (decrease) in cash and marketable securities.....	2,445	36.2	(1,544)	-11.9	2,386	17.6	3,287	9.9	6,021	29.1	(2,557)	-17.7	2,062	7.6	5,526	8.8	6,147	16.6	(623)	-2.4	(968)	-5.3	4,556	5.6
Increase (decrease) in net current assets.....	1,043	15.5	638	4.9	(378)	-2.8	1,303	3.9	(1,237)	-6.0	(949)	-6.6	3,044	11.1	858	1.4	(1,389)	-3.7	50	0.2	(1,576)	-8.6	(2,915)	-3.6
Other items (net).....	(4,697)	-69.6	4,562	35.1	2,130	15.7	1,995	6.0	6,326	30.5	6,743	46.8	9,763	35.8	22,832	36.6	19,119	51.5	11,608	44.1	4,336	23.7	35,063	42.9
Total applications	6,745	100.0	13,012	100.0	13,553	100.0	33,310	100.0	20,724	100.0	14,418	100.0	27,291	100.0	62,433	100.0	37,106	100.0	26,341	100.0	18,338	100.0	81,785	100.0

(*) See foreword for comments on data expressed in Euros covering years prior to the country's adoption of the new currency.

TABLE II.5 – FINANCIAL RATIOS

ITALY

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets.....	98.9	99.6	106.3	107.1	111.0	102.8	98.8	115.9	112.2	110.6
Net sales as % of net fixed assets.....	176.2	185.0	202.6	213.5	234.2	224.4	216.7	249.5	237.9	239.8
Capital expenditure as % of gross fixed assets	10.0	7.2	7.5	7.2	6.9	7.6	7.8	7.6	8.2	8.6
Depreciation charges as % of gross fixed assets.....	5.6	6.3	6.5	6.7	7.3	7.0	6.4	6.7	6.8	7.0
Accumulated depreciation as % of gross fixed assets	43.9	46.2	47.5	49.8	52.6	54.2	54.4	53.6	52.8	53.9
Interest charges as % of borrowings.....	14.7	13.0	13.4	10.5	8.9	8.7	7.3	8.9	9.0	10.0
Dividends declared as % of net profit.....	n.c.	32.7	33.9	34.6	47.6	53.4	46.4	20.3	44.3	n.c.
Trade debtors as % of sales.....	24.8	23.9	21.4	20.4	19.4	18.7	19.6	17.6	16.9	16.5
Inventories as % of sales	23.2	22.1	22.0	22.3	19.1	18.0	19.6	17.6	17.0	16.4
Balance of other current assets and liabilities (1) as % of sales.....	-33.3	-31.2	-29.8	-29.3	-27.0	-25.6	-26.3	-25.9	-24.7	-24.3
Total net working capital.....	14.7	14.8	13.6	13.4	11.5	11.1	12.9	9.3	9.2	8.6
Current assets as % of current liabilities.....	91.1	103.2	108.8	109.9	118.0	120.4	117.4	113.0	110.7	116.6
Net worth as % of total indebtedness	27.7	39.3	42.6	45.3	48.8	52.4	47.8	45.1	44.8	41.9
Net worth as % of total borrowings	48.7	74.0	85.4	92.5	98.0	108.5	97.6	91.1	89.6	86.0
Net worth less intangibles as % of total borrowings	36.2	59.4	70.4	76.3	80.6	88.0	73.0	63.2	61.6	54.5

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

SCANDINAVIA

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%
Oil, energy and mining	21,821	18.4	22,674	16.4	23,166	14.3	26,243	15.7	28,556	15.1	22,775	12.0	28,773	14.3	42,592	17.4	44,392	17.4	50,893	19.8
Iron, steel and non-ferrous metals.....	5,358	4.5	6,685	4.8	8,198	5.1	8,111	4.8	9,135	4.8	8,604	4.6	9,694	4.8	14,130	5.8	16,335	6.4	18,843	7.3
Chemicals.....	14,309	12.0	14,669	10.6	13,884	8.6	14,992	9.0	16,573	8.8	17,071	9.0	11,438	5.7	10,506	4.3	11,158	4.4	11,264	4.4
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:																				
Automotive	12,423	10.5	16,502	12.0	21,250	13.2	20,979	12.5	24,015	12.7	25,439	13.4	16,967	8.4	16,543	6.8	21,992	8.6	21,793	8.5
Aerospace	1,033	0.9	992	0.7	446	0.3	486	0.3	857	0.5	907	0.5	1,162	0.6	1,213	0.5	1,266	0.5	965	0.4
Domestic appliances.....	6,330	5.3	7,287	5.3	8,869	5.5	8,634	5.2	9,340	5.0	8,940	4.7	10,158	5.1	11,152	4.5	11,717	4.6	12,184	4.7
Others engineering.....	20,268	17.1	22,919	16.6	26,401	16.3	28,339	16.9	31,087	16.5	32,495	17.2	33,795	16.8	33,321	13.6	33,762	13.2	35,359	13.8
Electronics	10,289	8.7	14,103	10.2	18,329	11.3	20,645	12.3	27,003	14.3	31,956	16.9	44,011	21.9	60,578	24.7	55,553	21.7	45,676	17.8
Building and civil engineering.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cement, glass and other bdg. products..	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper, printing and publishing.....	17,291	14.5	21,505	15.6	30,000	18.6	27,922	16.7	29,795	15.8	30,939	16.3	33,370	16.6	39,565	16.1	43,765	17.1	43,466	16.9
Food and drinks.....	4,028	3.4	5,874	4.3	5,681	3.5	4,373	2.6	4,768	2.5	5,856	3.1	6,324	3.2	8,587	3.5	9,554	3.7	9,979	3.9
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other mfg. industries.....	3,866	3.2	2,822	2.1	3,689	2.3	3,918	2.3	4,748	2.5	2,287	1.2	2,217	1.1	1,671	0.7	1,481	0.6	892	0.3
Service industries	1,778	1.5	1,944	1.4	1,548	1.0	2,882	1.7	2,891	1.5	2,148	1.1	2,976	1.5	5,120	2.1	4,646	1.8	5,518	2.2
Total	118,799	100.0	137,982	100.0	161,468	100.0	167,528	100.0	188,774	100.0	189,423	100.0	200,892	100.0	244,983	100.0	255,627	100.0	256,839	100.0
Intra-group sales	(2,457)	-	(4,234)	-	(5,100)	-	(4,502)	-	(4,744)	-	(1,986)	-	(1,981)	-	(1,492)	-	(1,336)	-	(1,343)	-
Consolidated	116,341		133,748		156,367		163,026		184,030		187,436		198,910		243,491		254,291		255,496	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

SCANDINAVIA

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%
Net sales	116,341	100.0	133,748	100.0	156,367	100.0	163,026	100.0	184,030	100.0	187,436	100.0	198,910	100.0	243,491	100.0	254,291	100.0	255,496	100.0
Purchases and sundry operating expenses	(80,225)	-69.0	(90,327)	-67.5	(104,575)	-66.8	(112,087)	-68.8	(127,430)	-69.3	(128,642)	-68.6	(136,594)	-68.7	(168,851)	-69.4	(181,268)	-71.3	(174,789)	-68.4
Value added	36,116	31.0	43,420	32.5	51,791	33.2	50,939	31.2	56,600	30.7	58,793	31.4	62,316	31.3	74,640	30.6	73,023	28.7	80,706	31.6
Labour costs (^).....	(22,119)	-19.0	(24,113)	-18.0	(27,498)	-17.6	(28,678)	-17.6	(31,140)	-16.9	(32,500)	-17.3	(33,138)	-16.7	(34,184)	-14.0	(38,457)	-15.1	(43,172)	-16.9
Gross operating margin	13,996	12.0	19,307	14.5	24,293	15.6	22,260	13.6	25,460	13.8	26,293	14.1	29,178	14.6	40,455	16.6	34,565	13.6	37,534	14.7
Depreciation	(6,071)	-5.2	(6,500)	-4.9	(7,184)	-4.6	(7,902)	-4.8	(8,596)	-4.7	(9,910)	-5.3	(10,216)	-5.1	(11,942)	-4.9	(13,486)	-5.3	(14,726)	-5.8
Net operating margin	7,926	6.8	12,808	9.6	17,110	11.0	14,359	8.8	16,864	9.1	16,384	8.8	18,962	9.5	28,514	11.7	21,080	8.3	22,809	8.9
Interest and financing charges	(6,005)	-5.2	(4,398)	-3.3	(4,324)	-2.8	(3,941)	-2.4	(4,431)	-2.4	(4,221)	-2.3	(4,470)	-2.2	(5,570)	-2.3	(5,832)	-2.3	(5,158)	-2.0
Interest received.....	3,074	2.7	3,054	2.3	2,555	1.6	2,703	1.7	2,195	1.2	1,942	1.0	2,104	1.0	2,576	1.1	3,342	1.3	4,742	1.9
Share of profits (losses) of related companies	(61)	-0.1	770	0.5	954	0.6	398	0.2	536	0.3	392	0.2	124	0.1	590	0.3	300	0.1	56	...
Current pre-tax profit	4,932	4.2	12,234	9.1	16,294	10.4	13,518	8.3	15,163	8.2	14,496	7.7	16,720	8.4	26,109	10.8	18,890	7.4	22,448	8.8
Interest capitalized.....	77	0.1	62	...	83	0.1	77	...	75	...	149	0.1	245	0.1	184	0.1	245	0.1	196	0.1
Amortization of goodwill.....	(376)	-0.3	(421)	-0.3	(381)	-0.2	(441)	-0.3	(590)	-0.3	(795)	-0.4	(772)	-0.4	(981)	-0.4	(1,952)	-0.9	(3,442)	-1.3
Government grants.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	816	0.7	2,520	1.9	1,128	0.7	2,091	1.3	3,432	1.9	2,112	1.1	5,672	2.8	5,817	2.4	2,258	0.9	795	0.3
Fixed asset revaluations (writedowns)...	(106)	-0.1	(42)	...	(361)	-0.2	(25)	...	(39)	...	(174)	-0.1	(635)	-0.3	(190)	-0.1	(603)	-0.2	(141)	-0.2
Provisions and other extraordinary items	211	0.2	(521)	-0.4	(1,228)	-0.8	(305)	-0.2	(24)	...	(516)	-0.3	(838)	-0.4	9	...	(1,135)	-0.4	(247)	-0.1
Cumulative effect of accounting changes	246	0.2	7	...	74	...	9	...	-	...	77	0.1	-	...	19	...	(8)	...	-	...
Net profit (loss) before tax	5,802	5.0	13,839	10.3	15,610	10.0	14,924	9.1	18,016	9.8	15,349	8.2	20,391	10.2	30,968	12.8	17,695	6.9	19,608	7.6
Taxation	(2,075)	-1.8	(4,206)	-3.1	(5,148)	-3.3	(5,134)	-3.1	(5,713)	-3.1	(5,199)	-2.8	(6,423)	-3.2	(11,813)	-4.9	(8,747)	-3.4	(9,803)	-3.8
Profit attributable to minorities.....	(134)	-0.1	(200)	-0.1	(328)	-0.2	(227)	-0.1	(334)	-0.2	(242)	-0.1	(215)	-0.1	(434)	-0.2	(583)	-0.2	(312)	-0.1
Net profit attributable to parent company	3,593	3.1	9,432	7.1	10,133	6.5	9,561	5.9	11,968	6.5	9,907	5.3	13,753	6.9	18,720	7.7	8,364	3.3	9,491	3.7
Research & development expenses (1).....	4,016	4.0	4,688	4.0	5,318	3.9	6,132	4.4	7,194	4.6	8,083	5.1	7,644	4.5	9,245	4.4	10,871	5.0	9,140	4.1
Dividends declared	1,120	1.0	3,519	2.6	2,798	1.8	3,042	1.9	3,800	2.1	3,561	1.9	4,425	2.2	5,767	2.4	5,420	2.1	5,893	2.3

(^) Excluding Statoil for which available payroll figures are incomplete.

(1) Figures cover 21 companies which in 2002 accounted for 86.5% of total net sales of the sample.

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	7,989	6.0	8,859	6.2	7,766	5.0	8,745	5.1	9,827	5.2	9,019	4.6	9,848	4.4	12,725	5.0	16,385	5.9	11,502	4.1
Marketable securities.....	8,714	6.6	10,246	7.1	10,331	6.6	11,013	6.4	10,870	5.7	9,911	5.0	12,630	5.6	11,918	4.6	14,528	5.2	20,074	7.1
Trade debtors.....	19,395	14.6	21,795	15.2	24,521	15.7	27,160	15.9	30,316	15.9	31,493	16.0	37,502	16.8	43,475	16.9	41,017	14.7	39,411	14.0
Inventories.....	16,187	12.2	18,023	12.6	21,469	13.8	20,769	12.2	22,669	11.9	22,711	11.5	23,198	10.4	28,068	10.9	26,758	9.6	25,447	9.1
Other current assets.....	6,576	5.0	7,585	5.3	7,256	4.7	8,319	4.9	12,414	6.5	12,826	6.5	15,469	6.9	20,405	7.9	19,854	7.1	19,026	6.8
Total current assets..... (a)	58,863	44.4	66,509	46.4	71,346	45.8	76,008	44.5	86,097	45.2	85,961	43.6	98,648	44.1	116,593	45.3	118,544	42.5	115,463	41.1
Short-term borrowings.....	13,280	10.0	11,913	8.3	11,594	7.4	15,100	8.8	14,937	7.8	16,256	8.2	15,521	6.9	17,431	6.8	19,351	6.9	14,964	5.3
Trade creditors.....	10,919	8.2	12,942	9.0	13,640	8.8	14,104	8.3	15,874	8.3	15,787	8.0	19,461	8.7	21,490	8.3	22,137	7.9	22,667	8.1
Other current liabilities.....	19,130	14.4	21,493	15.0	22,730	14.6	24,312	14.2	24,626	12.9	24,894	12.6	28,523	12.8	36,344	14.1	39,475	14.2	37,916	13.5
Total current liabilities..... (b)	43,329	32.7	46,349	32.3	47,966	30.8	53,518	31.3	55,438	29.1	56,939	28.9	63,507	28.4	75,266	29.2	80,963	29.1	75,548	26.9
Net current assets..... (a-b)=(c)	15,533	11.7	20,160	14.1	23,379	15.0	22,490	13.2	30,659	16.1	29,021	14.7	35,141	15.7	41,326	16.0	37,581	13.5	39,914	14.2
Gross tangible fixed assets.....	93,114	70.2	98,492	68.7	109,976	70.6	121,914	71.3	132,326	69.5	144,196	73.1	162,510	72.7	179,405	69.7	207,865	74.6	218,681	77.8
Accumulated depreciation.....	(38,917)	-29.4	(42,549)	-29.7	(47,304)	-30.4	(50,839)	-29.7	(55,497)	-29.1	(61,360)	-31.1	(73,998)	-33.1	(81,856)	-31.8	(98,959)	-35.5	(106,217)	-37.8
Net tangible fixed assets.....	54,197	40.8	55,943	39.0	62,671	40.2	71,074	41.6	76,828	40.4	82,835	42.0	88,511	39.6	97,548	37.9	108,906	39.1	112,463	40.0
Investments.....	8,728	6.6	9,463	6.6	10,353	6.7	10,156	5.9	9,359	4.9	8,150	4.1	11,739	5.2	12,328	4.8	13,196	4.8	13,030	4.6
Loans and other assets.....	5,153	3.9	4,379	3.0	4,430	2.8	5,958	3.5	7,266	3.8	9,056	4.6	11,602	5.2	12,669	4.9	15,394	5.5	18,376	6.5
Net fixed assets and investments..... (d)	68,079	51.3	69,786	48.6	77,455	49.7	87,189	51.0	93,454	49.1	100,043	50.7	111,853	50.0	122,547	47.6	137,497	49.4	143,871	51.1
Medium- and long-term borrowings.....	30,245	22.8	25,770	18.0	25,992	16.7	27,305	16.0	32,185	16.9	34,731	17.6	42,643	19.1	46,513	18.1	51,614	18.5	52,387	18.6
Other creditors.....	1,675	1.3	1,817	1.3	1,558	1.0	1,637	1.0	2,026	1.1	2,583	1.3	2,564	1.1	2,472	1.0	5,958	2.1	4,273	1.5
Employee benefits.....	6,514	4.9	7,002	4.9	7,120	4.6	6,603	3.9	6,688	3.5	6,018	3.1	5,945	2.7	6,489	2.5	7,082	2.5	8,415	3.0
Deferred taxation.....	6,607	5.0	7,223	5.0	8,774	5.6	9,612	5.6	10,012	5.3	11,223	5.7	13,146	5.9	15,808	6.1	17,523	6.3	20,146	7.2
Other provisions.....	2,535	1.9	2,323	1.6	2,685	1.7	2,804	1.6	7,104	3.7	7,332	3.7	7,267	3.2	7,195	2.8	9,305	3.3	8,934	3.2
Medium- and long-term liabilities..... (e)	47,578	35.9	44,136	30.8	46,132	29.6	47,963	28.1	58,016	30.5	61,889	31.4	71,566	32.0	78,479	30.5	91,484	32.8	94,158	33.5
Goodwill.....	4,472	3.4	5,014	3.5	4,831	3.1	5,750	3.4	8,903	4.7	9,191	4.6	10,845	4.9	15,651	6.1	19,612	7.0	17,977	6.4
Deferred expenses and other intangibles.....	1,171	0.9	2,105	1.5	2,116	1.4	1,970	1.1	2,009	1.0	2,093	1.1	2,307	1.0	2,734	1.0	2,999	1.1	4,047	1.4
Total intangibles..... (f)	5,644	4.3	7,119	5.0	6,948	4.5	7,720	4.5	10,912	5.7	11,285	5.7	13,153	5.9	18,385	7.1	22,611	8.1	22,025	7.8
Net worth..... (c+d-e+f)	41,678	31.4	52,928	36.9	61,651	39.6	69,437	40.6	77,010	40.4	78,460	39.8	88,581	39.6	103,779	40.3	106,204	38.1	111,652	39.7
<i>Represented by:</i>																				
Issued share capital.....	6,265	4.7	6,865	4.8	6,614	4.2	6,576	3.8	6,653	3.5	9,560	4.8	9,887	4.4	10,747	4.2	10,858	3.9	11,827	4.2
Reserves.....	33,116	25.0	43,545	30.4	52,802	33.9	60,479	35.4	68,026	35.7	67,271	34.1	77,477	34.6	92,435	35.9	95,870	34.4	99,004	35.2
Own shares.....	(182)	-0.1	(175)	-0.1	(99)	-0.1	(129)	-0.1	(123)	-0.1	(648)	-0.3	(925)	-0.4	(3,632)	-1.4	(4,567)	-1.6	(2,416)	-0.9
Total.....	39,199	29.6	50,235	35.0	59,318	38.1	66,926	39.2	74,555	39.1	76,184	38.6	86,440	38.6	99,550	38.7	102,162	36.7	108,415	38.5
Minority interests.....	1,812	1.4	2,074	1.4	2,081	1.3	2,414	1.4	2,437	1.3	2,276	1.2	2,140	1.0	4,228	1.6	4,041	1.5	3,237	1.2
Other items.....	667	0.5	618	0.4	251	0.2	96	0.1	16	...	-	-	-	-	-	-	-	-	-	-
Total assets..... (a+d+f)	132,586	100.0	143,415	100.0	155,749	100.0	170,918	100.0	190,465	100.0	197,289	100.0	223,654	100.0	257,525	100.0	278,653	100.0	281,359	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

SCANDINAVIA

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	18,734	123.4	23,478	92.7	21,420	81.2	63,632	95.2	23,759	82.2	24,406	87.0	26,936	73.1	75,101	80.1	38,051	85.6	32,376	78.4	37,174	98.4	107,601	87.1
New equity issues.....	2,296	15.1	1,950	7.7	124	0.5	4,370	6.5	427	1.5	(232)	-0.8	2,729	7.4	2,924	3.1	612	1.4	1,891	4.6	4,210	11.2	6,713	5.4
Increase (decrease) in borrowings	(5,842)	-38.5	(97)	-0.4	4,819	18.3	(1,120)	-1.7	4,717	16.3	3,865	13.8	7,177	19.5	15,759	16.8	5,780	13.0	7,021	17.0	(3,614)	-9.6	9,187	7.5
Total sources	15,188	100.0	25,331	100.0	26,363	100.0	66,882	100.0	28,903	100.0	28,039	100.0	36,842	100.0	93,784	100.0	44,443	100.0	41,288	100.0	37,770	100.0	123,501	100.0
Capital expenditure	8,931	58.8	12,554	49.6	15,371	58.3	36,856	55.1	16,914	58.5	16,866	60.1	20,466	55.6	54,246	57.8	20,624	46.4	31,291	75.8	23,682	62.7	75,597	61.2
Dividends paid	1,161	7.6	2,011	7.9	2,787	10.6	5,959	8.9	2,937	10.2	3,623	12.9	3,518	9.5	10,078	10.8	4,640	10.4	5,831	14.1	5,612	14.9	16,083	13.0
Increase (decrease) in cash and marketable securities	2,402	15.8	(1,008)	-4.0	1,661	6.3	3,055	4.6	939	3.2	(1,767)	-6.3	3,548	9.6	2,720	2.9	2,165	4.9	6,270	15.2	663	1.7	9,098	7.4
Increase (decrease) in net current assets	859	5.7	3,908	15.4	956	3.6	5,723	8.5	7,067	24.5	1,450	5.2	1,836	5.0	10,353	11.0	5,929	13.3	(8,097)	-19.6	(2,716)	-7.2	(4,884)	-4.0
Other items (net).....	1,835	12.1	7,866	31.1	5,588	21.2	15,289	22.9	1,046	3.6	7,867	28.1	7,474	20.3	16,387	17.5	11,085	25.0	5,993	14.5	10,529	27.9	27,607	22.4
Total applications	15,188	100.0	25,331	100.0	26,363	100.0	66,882	100.0	28,903	100.0	28,039	100.0	36,842	100.0	93,784	100.0	44,443	100.0	41,288	100.0	37,770	100.0	123,501	100.0

TABLE II.5 – FINANCIAL RATIOS

SCANDINAVIA

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	124.9	135.8	142.2	133.7	139.1	130.0	122.4	135.7	122.3	116.8
Net sales as % of net fixed assets.....	214.7	239.1	249.5	229.4	239.5	226.3	224.7	249.6	233.5	227.2
Capital expenditure as % of gross fixed assets	9.2	9.1	11.4	12.6	12.8	11.7	12.6	11.5	15.1	10.8
Depreciation charges as % of gross fixed assets.....	6.5	6.6	6.5	6.5	6.5	6.9	6.3	6.7	6.5	6.7
Accumulated depreciation as % of gross fixed assets	41.8	43.2	43.0	41.7	41.9	42.6	45.5	45.6	47.6	48.6
Interest charges as % of borrowings.....	13.8	11.7	11.5	9.3	9.4	8.3	7.7	8.7	8.2	7.7
Dividends declared as % of net profit.....	31.2	37.3	27.6	31.8	31.8	35.9	32.2	30.8	64.8	62.1
Trade debtors as % of sales.....	16.7	16.3	15.7	16.7	16.5	16.8	18.9	17.9	16.1	15.4
Inventories as % of sales	13.9	13.5	13.7	12.7	12.3	12.1	11.7	11.5	10.5	10.0
Balance of other current assets and liabilities (1) as % of sales.....	-20.2	-20.1	-18.6	-18.5	-15.3	-14.9	-16.3	-15.4	-16.4	-16.3
Total net working capital.....	10.4	9.7	10.8	10.9	13.5	14.0	14.3	14.0	10.2	9.1
Current assets as % of current liabilities.....	135.9	143.5	148.7	142.0	155.3	151.0	155.3	154.9	146.4	152.8
Net worth as % of total indebtedness	55.4	71.6	81.6	84.2	85.9	83.2	81.5	83.5	76.7	84.5
Net worth as % of total borrowings	95.8	140.5	164.0	163.7	163.4	153.9	152.3	162.3	149.7	165.8
Net worth less intangibles as % of total borrowings	82.8	121.6	145.5	145.5	140.3	131.7	129.7	133.5	117.8	133.1

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

SWITZERLAND

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%
Oil, energy and mining	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Iron, steel and non-ferrous metals.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals.....	54,765	30.9	54,554	31.1	52,278	30.3	59,855	31.0	70,289	32.6	80,008	35.6	82,992	36.8	90,559	37.4	95,275	37.7	93,110	39.0
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:																				
Automotive	6,257	3.5	6,113	3.5	5,774	3.3	5,118	2.7	5,566	2.6	3,091	1.4	3,366	1.5	3,817	1.6	3,666	1.5	3,573	1.5
Aerospace	348	0.2	313	0.2	278	0.2	313	0.2	492	0.2	596	0.3	684	0.3	852	0.3	910	0.4	610	0.3
Domestic appliances.....	751	0.4	687	0.4	675	0.4	598	0.3	656	0.3	675	0.3	731	0.3	735	0.3	736	0.3	833	0.4
Others engineering.....	43,174	24.4	40,824	23.3	41,111	23.8	50,071	25.9	50,732	23.5	50,670	22.5	50,897	22.5	50,495	20.8	52,503	20.8	37,708	15.8
Electronics	-	-	-	-	-	-	-	-	-	-	323	0.1	320	0.1	412	0.2	374	0.1	323	0.1
Building and civil engineering.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cement, glass and other bldg. products..	6,887	3.9	7,412	4.2	6,951	4.0	8,160	4.2	9,596	4.5	10,316	4.6	11,183	5.0	12,995	5.4	13,582	5.4	13,048	5.5
Paper, printing and publishing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food and drinks.....	57,127	32.2	57,462	32.8	57,998	33.6	58,039	30.1	66,799	31.0	68,304	30.4	70,650	31.3	76,624	31.6	79,544	31.5	84,028	35.2
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	221	0.1	-	-	-	-	-	-
Other mfg. industries.....	8,019	4.5	7,881	4.5	7,692	4.4	10,860	5.6	11,225	5.2	10,536	4.7	4,473	2.0	4,730	2.0	4,808	1.9	4,642	1.9
Service industries	33	...	35	...	36	...	40	...	199	0.1	244	0.1	156	0.1	978	0.4	1,010	0.4	807	0.3
Total.....	177,361	100.0	175,281	100.0	172,793	100.0	193,054	100.0	215,554	100.0	224,763	100.0	225,673	100.0	242,197	100.0	252,408	100.0	238,682	100.0
Intra-group sales	(803)	-	(762)	-	(801)	-	(1,077)	-	(1,305)	-	(1,569)	-	(1,645)	-	(1,914)	-	(1,115)	-	(1,011)	-
Consolidated.....	176,558	-	174,519	-	171,992	-	191,977	-	214,249	-	223,194	-	224,028	-	240,283	-	251,293	-	237,671	-

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

SWITZERLAND

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%	<i>CHF m</i>	%
Net sales	176,558	100.0	174,519	100.0	171,992	100.0	191,977	100.0	214,249	100.0	223,194	100.0	224,028	100.0	240,283	100.0	251,293	100.0	237,671	100.0
Purchases and sundry operating expenses	(118,634)	-67.2	(115,941)	-66.4	(114,290)	-66.4	(128,187)	-66.8	(142,924)	-66.7	(145,477)	-65.2	(145,798)	-65.1	(157,125)	-65.4	(165,574)	-65.9	(152,634)	-64.2
Value added	57,924	32.8	58,578	33.6	57,702	33.6	63,790	33.2	71,325	33.3	77,717	34.8	78,230	34.9	83,158	34.6	85,719	34.1	85,037	35.8
Labour costs (^).....	(32,441)	-18.4	(32,057)	-18.4	(30,923)	-18.0	(35,874)	-18.7	(35,880)	-16.7	(38,772)	-17.4	(38,348)	-17.1	(41,529)	-17.3	(43,903)	-17.5	(44,886)	-18.9
Gross operating margin.....	25,483	14.4	26,521	15.2	26,779	15.6	27,916	14.5	35,445	16.6	38,945	17.4	39,882	17.8	41,629	17.3	41,816	16.6	40,151	16.9
Depreciation	(7,398)	-4.2	(7,316)	-4.2	(7,158)	-4.2	(7,844)	-4.1	(9,133)	-4.3	(10,144)	-4.5	(10,194)	-4.6	(11,784)	-4.9	(11,554)	-4.6	(10,929)	-4.6
Net operating margin.....	18,085	10.2	19,205	11.0	19,621	11.4	20,072	10.4	26,312	12.3	28,801	12.9	29,688	13.2	29,845	12.4	30,262	12.0	29,222	12.3
Interest and financing charges	(4,379)	-2.5	(5,332)	-3.1	(5,808)	-3.4	(5,850)	-3.0	(6,685)	-3.1	(8,547)	-3.8	(6,479)	-2.9	(8,374)	-3.5	(9,266)	-3.7	(7,867)	-3.3
Interest received.....	4,340	2.5	5,212	3.0	5,351	3.2	5,524	2.9	6,251	2.9	7,811	3.5	5,998	2.7	9,784	4.1	9,459	3.8	7,260	3.0
Share of profits (losses) of related companies	248	0.1	202	0.2	149	0.1	50	...	299	0.1	433	0.2	1,302	0.6	1,329	0.6	1,343	0.5	1,135	0.5
Current pre-tax profit.....	18,294	10.3	19,287	11.1	19,313	11.3	19,796	10.3	26,177	12.2	28,498	12.8	30,509	13.6	32,584	13.6	31,798	12.6	29,750	12.5
Interest capitalized.....	-	-	-	-	5	...	12	...	49	...	27	...	21	...	27	...	-	...	-	...
Amortization of goodwill.....	(152)	-0.1	(129)	-0.1	(281)	-0.2	(507)	-0.3	(690)	-0.3	(936)	-0.4	(1,224)	-0.4	(1,892)	-0.8	(3,760)	-1.5	(3,778)	-1.6
Government grants.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	(742)	-0.4	22	...	497	0.3	2,015	1.1	463	0.2	441	0.2	9,772	4.4	6,542	2.7	1,528	0.6	5,015	2.1
Fixed asset revaluations (writedowns)...	-	-	-	-	460	0.3	-	-	(70)	...	(1,012)	-0.5	(585)	-0.3	(453)	-0.2	(436)	-0.2	(1,974)	-0.8
Provisions and other extraordinary items	(1,294)	-0.7	(339)	-0.2	(283)	-0.2	(2,730)	-1.4	(8,978)	-4.2	(278)	-0.1	(2,606)	-1.2	244	0.1	(4,078)	-1.6	(5,327)	-2.2
Cumulative effect of accounting changes	-	-	-	-	46	...	-	-	-	-	-	-	27	...	1,395	0.6	(104)	...	(5,192)	-2.3
Net profit (loss) before tax	16,106	9.1	18,841	10.8	19,757	11.5	18,586	9.7	16,951	7.9	26,740	12.0	35,914	16.1	38,447	16.0	24,948	9.9	18,494	7.7
Taxation	(5,029)	-2.8	(5,255)	-3.0	(5,152)	-3.0	(4,378)	-2.3	(5,164)	-2.4	(7,309)	-3.3	(8,481)	-3.8	(9,023)	-3.8	(6,343)	-2.5	(6,022)	-2.5
Profit attributable to minorities.....	(812)	-0.5	(1,205)	-0.7	(847)	-0.5	(1,079)	-0.6	(1,135)	-0.5	(982)	-0.4	(372)	-0.2	(470)	-0.2	(621)	-0.2	(741)	-0.3
Net profit attributable to parent company	10,265	5.8	12,381	7.1	13,758	8.0	13,129	6.8	10,652	5.0	18,449	8.3	27,061	12.1	28,954	12.0	17,984	7.2	11,731	4.9
<i>Research & development expenses</i> (1).....	<i>10,145</i>	<i>6.4</i>	<i>9,911</i>	<i>6.4</i>	<i>9,540</i>	<i>6.2</i>	<i>10,453</i>	<i>6.2</i>	<i>11,771</i>	<i>6.2</i>	<i>11,951</i>	<i>6.0</i>	<i>12,863</i>	<i>6.3</i>	<i>11,506</i>	<i>5.3</i>	<i>12,251</i>	<i>5.4</i>	<i>12,241</i>	<i>5.7</i>
<i>Dividends declared</i>	<i>2,812</i>	<i>1.6</i>	<i>3,031</i>	<i>1.7</i>	<i>3,816</i>	<i>2.2</i>	<i>4,127</i>	<i>2.1</i>	<i>5,014</i>	<i>2.3</i>	<i>5,529</i>	<i>2.5</i>	<i>6,199</i>	<i>2.8</i>	<i>7,415</i>	<i>3.1</i>	<i>6,722</i>	<i>2.7</i>	<i>6,968</i>	<i>2.9</i>

(^) Excluding ABB for which available payroll figures are incomplete.

(1) Figures cover 8 companies which in 2002 accounted for 90.3% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

SWITZERLAND

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%
Cash.....	22,398	11.3	19,421	9.5	24,761	12.0	29,550	12.5	25,021	9.2	24,017	8.6	21,165	6.7	24,541	7.6	33,566	8.6	30,031	8.8
Marketable securities.....	27,222	13.8	30,563	14.9	24,508	11.9	24,734	10.4	20,908	7.7	29,679	10.6	37,729	12.0	43,230	13.3	47,099	12.1	34,254	10.1
Trade debtors.....	29,027	14.7	29,007	14.2	27,999	13.6	31,404	13.2	34,943	12.9	35,965	12.8	38,663	12.2	35,350	10.9	41,482	10.7	41,014	12.0
Inventories.....	28,355	14.3	29,341	14.3	29,229	14.1	33,937	14.3	38,472	14.2	36,518	13.0	35,693	11.3	32,732	10.1	36,122	9.3	32,053	9.4
Other current assets.....	10,063	5.1	11,659	5.7	13,439	6.5	14,584	6.2	18,061	6.7	17,368	6.2	20,231	6.4	23,345	7.2	24,392	6.3	22,209	6.5
Total current assets..... (a)	117,065	59.2	119,991	58.6	119,936	58.1	134,209	56.6	137,405	50.7	143,547	51.2	153,481	48.6	159,198	49.1	182,661	47.0	159,561	46.8
Short-term borrowings.....	23,719	12.0	27,048	13.2	21,475	10.4	25,153	10.6	29,136	10.7	31,692	11.3	31,313	9.9	30,529	9.4	55,313	14.2	43,755	12.8
Trade creditors.....	17,309	8.8	18,857	9.2	17,617	8.5	19,712	8.3	19,179	7.1	19,605	7.0	19,092	6.1	19,801	6.1	22,064	5.7	18,618	5.5
Other current liabilities.....	25,828	13.1	29,238	14.3	28,215	13.7	33,916	14.3	47,697	17.6	39,088	14.0	45,041	14.3	42,369	13.1	49,917	12.8	46,396	13.6
Total current liabilities..... (b)	66,856	33.8	75,143	36.7	67,307	32.6	78,781	33.2	96,012	35.4	90,385	32.3	95,446	30.3	92,699	28.6	127,294	32.8	108,769	31.9
Net current assets..... (a-b)=(c)	50,209	25.4	44,848	21.9	52,629	25.5	55,428	23.4	41,393	15.3	53,162	19.0	58,035	18.4	66,499	20.5	55,367	14.3	50,792	14.9
Gross tangible fixed assets.....	119,403	60.4	129,616	63.3	127,595	61.7	145,502	61.3	158,602	58.5	145,586	51.9	153,228	48.6	151,179	46.7	163,357	42.0	153,221	45.0
Accumulated depreciation.....	(55,722)	-28.2	(65,757)	-32.1	(65,300)	-31.6	(75,152)	-31.7	(82,160)	-30.3	(73,748)	-26.3	(79,484)	-25.2	(79,302)	-24.5	(84,739)	-21.8	(83,062)	-24.4
Net tangible fixed assets.....	63,681	32.2	63,859	31.2	62,295	30.1	70,350	29.6	76,442	28.2	71,838	25.6	73,744	23.4	71,877	22.2	78,618	20.2	70,159	20.6
Investments.....	5,624	2.8	5,033	2.5	5,318	2.6	8,764	3.7	8,933	3.3	9,890	3.5	12,565	4.0	13,056	4.0	20,098	5.2	18,504	5.4
Loans and other assets.....	4,656	2.4	6,834	3.3	7,182	3.5	7,798	3.3	14,545	5.4	21,174	7.6	31,228	9.9	26,219	8.1	32,614	8.4	28,555	8.4
Net fixed assets and investments..... (d)	73,961	37.4	75,726	37.0	74,795	36.2	86,912	36.6	99,920	36.9	102,902	36.7	117,537	37.3	111,152	34.3	131,330	33.8	117,218	34.4
Medium- and long-term borrowings.....	20,693	10.5	22,698	11.1	26,836	13.0	28,875	12.2	33,629	12.4	41,907	15.0	45,475	14.4	47,371	14.6	57,604	14.8	52,913	15.5
Other creditors.....	4,312	2.2	5,045	2.5	4,180	2.0	3,594	1.5	3,873	1.4	3,685	1.3	1,787	0.6	4,787	1.5	5,029	1.3	2,281	0.7
Employee benefits.....	8,026	4.1	8,356	4.1	8,306	4.0	9,444	4.0	10,844	4.0	10,981	3.9	13,354	4.2	12,057	3.7	13,443	3.5	12,629	3.7
Deferred taxation.....	3,740	1.9	3,690	1.8	4,127	2.0	4,302	1.8	5,489	2.0	9,495	3.4	13,731	4.4	12,858	4.0	16,310	4.2	13,724	4.0
Other provisions.....	10,103	5.1	10,062	4.9	8,366	4.0	10,095	4.3	13,754	5.1	11,006	3.9	10,798	3.4	10,565	3.3	11,973	3.1	12,231	3.6
Medium- and long-term liabilities..... (e)	46,874	23.7	49,851	24.3	51,815	25.1	56,310	23.7	67,589	24.9	77,074	27.5	85,145	27.0	87,638	27.0	104,359	26.9	93,778	27.5
Goodwill.....	3,299	1.7	3,535	1.7	6,852	3.3	9,297	3.9	18,356	6.7	16,758	6.0	30,735	9.8	38,079	11.8	53,678	13.8	46,327	13.6
Deferred expenses and other intangibles	3,406	1.7	5,514	2.7	4,993	2.4	6,743	2.9	15,391	5.7	16,965	6.1	13,626	4.3	15,562	4.8	20,814	5.4	17,997	5.2
Total intangibles..... (f)	6,705	3.4	9,049	4.4	11,845	5.7	16,040	6.8	33,747	12.4	33,723	12.1	44,361	14.1	53,641	16.6	74,492	19.2	64,324	18.8
Net worth..... (c+d-e+f)	84,001	42.5	79,772	39.0	87,454	42.3	102,070	43.0	107,471	39.6	112,713	40.2	134,788	42.7	143,654	44.3	156,830	40.4	138,556	40.6
<i>Represented by:</i>																				
Issued share capital.....	7,252	3.7	6,884	3.4	7,267	3.5	8,053	3.4	9,394	3.5	9,134	3.3	9,442	3.0	9,292	2.9	10,191	2.6	9,395	2.8
Reserves.....	70,765	35.8	66,395	32.4	74,412	36.0	87,311	36.8	92,750	34.2	100,186	35.8	122,667	38.9	134,786	41.6	148,849	38.3	132,598	38.9
Own shares.....	(810)	-0.4	(361)	-0.2	(233)	-0.1	(515)	-0.2	(1,180)	-0.4	(2,041)	-0.7	(4,052)	-1.3	(8,460)	-2.6	(11,432)	-2.9	(12,926)	-3.8
Total.....	77,207	39.0	72,918	35.6	81,446	39.4	94,849	40.0	100,964	37.2	107,279	38.3	128,057	40.6	135,618	41.9	147,608	38.0	129,067	37.8
Minority interests.....	6,794	3.4	6,854	3.3	6,008	2.9	7,221	3.0	6,507	2.4	5,434	1.9	6,731	2.1	8,036	2.5	9,222	2.4	9,489	2.8
Other items.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total assets..... (a+d+f)	197,731	100.0	204,766	100.0	206,576	100.0	237,161	100.0	271,072	100.0	280,172	100.0	315,379	100.0	323,991	100.0	388,483	100.0	341,103	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

SWITZERLAND

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%	CHF m	%
Cash flow	26,603	79.0	26,471	96.6	27,640	83.0	80,714	85.5	35,310	78.7	38,642	79.7	40,703	97.7	114,655	84.9	44,368	99.2	43,352	56.8	40,679	175.1	128,399	89.0
New equity issues.....	1,755	5.2	2,347	8.6	(71)	-0.2	4,031	4.3	819	1.8	(984)	-2.0	(2,225)	-5.3	(2,390)	-1.8	(748)	-1.7	(2,070)	-2.7	(1,198)	-5.2	(4,016)	-2.8
Increase (decrease) in borrowings	5,334	15.8	(1,435)	-5.2	5,717	17.2	9,616	10.2	8,737	19.5	10,834	22.3	3,189	7.6	22,760	16.9	1,112	2.5	35,017	45.9	(16,249)	-69.9	19,880	13.8
Total sources	33,692	100.0	27,383	100.0	33,286	100.0	94,361	100.0	44,866	100.0	48,492	100.0	41,667	100.0	135,025	100.0	44,732	100.0	76,299	100.0	23,232	100.0	144,263	100.0
Capital expenditure	9,309	27.6	9,461	34.5	10,340	31.0	29,110	30.9	11,570	25.8	10,705	22.1	10,277	24.7	32,552	24.1	11,316	25.3	12,280	16.1	11,068	47.6	34,664	24.0
Dividends paid	2,827	8.4	3,082	11.3	3,993	12.0	9,902	10.5	4,241	9.4	5,067	10.5	5,674	13.6	14,982	11.1	6,199	13.9	7,137	9.3	6,722	28.9	20,058	13.9
Increase (decrease) in cash and marketable securities.....	364	1.1	(715)	-2.6	5,015	15.1	4,664	4.9	(8,355)	-18.6	7,767	16.0	5,198	12.5	4,610	3.4	8,877	19.8	12,894	16.9	(16,380)	-70.5	5,391	3.7
Increase (decrease) in net current assets.....	(2,396)	-7.1	2,923	10.7	1,462	4.4	1,989	2.1	(1,697)	-3.8	6,558	13.5	(704)	-1.7	4,157	3.1	(1,197)	-2.7	758	1.0	247	1.1	(192)	-0.1
Other items (net).....	23,588	70.0	12,632	46.1	12,476	37.5	48,696	51.6	39,107	87.2	18,395	37.9	21,222	50.9	78,724	58.3	19,537	43.7	43,230	56.7	21,575	92.9	84,342	58.5
Total applications	33,692	100.0	27,383	100.0	33,286	100.0	94,361	100.0	44,866	100.0	48,492	100.0	41,667	100.0	135,025	100.0	44,732	100.0	76,299	100.0	23,232	100.0	144,263	100.0

TABLE II.5 – FINANCIAL RATIOS

SWITZERLAND

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	147.9	134.6	134.8	131.9	135.1	153.3	146.2	158.9	153.8	155.1
Net sales as % of net fixed assets.....	277.3	273.3	276.1	272.9	280.3	310.7	303.8	334.3	319.6	338.8
Capital expenditure as % of gross fixed assets	8.4	7.2	7.4	7.1	7.3	7.4	6.7	7.5	7.5	7.2
Depreciation charges as % of gross fixed assets.....	6.2	5.6	5.6	5.4	5.8	7.0	6.7	7.8	7.1	7.1
Accumulated depreciation as % of gross fixed assets	46.7	50.7	51.2	51.7	51.8	50.7	51.9	52.5	51.9	54.2
Interest charges as % of borrowings.....	9.9	10.7	12.0	10.8	10.7	11.6	8.4	10.7	8.2	8.1
Dividends declared as % of net profit.....	27.4	24.5	27.7	31.4	47.1	30.0	22.9	25.6	37.4	59.4
Trade debtors as % of sales.....	16.4	16.6	16.3	16.4	16.3	16.1	17.3	14.7	16.5	17.3
Inventories as % of sales	16.1	16.8	17.0	17.7	18.0	16.4	15.9	13.6	14.4	13.5
Balance of other current assets and liabilities (1) as % of sales.....	-18.7	-20.9	-18.8	-20.3	-22.8	-18.5	-19.6	-16.2	-18.9	-18.0
Total net working capital.....	13.8	12.5	14.5	13.8	11.5	14.0	13.6	12.1	12.0	12.8
Current assets as % of current liabilities.....	175.1	159.7	178.2	170.4	143.1	158.8	160.8	171.7	143.5	146.7
Net worth as % of total indebtedness	91.4	77.5	88.9	91.7	80.5	82.9	94.5	99.2	82.6	84.5
Net worth as % of total borrowings	189.1	160.4	181.0	188.9	171.2	153.1	175.5	184.4	138.9	143.3
Net worth less intangibles as % of total borrowings	174.0	142.2	156.5	159.2	117.5	107.3	117.8	115.5	72.9	76.8

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

UNITED KINGDOM

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%
Oil, energy and mining	89,057	44.1	87,357	44.8	98,490	45.3	121,183	50.4	117,744	50.3	91,251	44.9	115,418	47.8	196,327	57.2	213,781	59.7	219,918	62.0
Iron, steel and non-ferrous metals.....	6,291	3.1	6,392	3.3	10,246	4.7	9,345	3.9	11,246	4.8	10,453	5.1	13,285	5.5	22,699	6.6	19,445	5.4	16,905	4.8
Chemicals.....	41,059	20.3	41,746	21.4	47,508	21.9	48,660	20.2	47,869	20.5	48,444	23.8	54,942	22.8	60,363	17.6	60,443	16.9	59,784	16.9
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:																				
Automotive	4,301	2.1	807	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aerospace	7,682	3.8	8,045	4.1	8,019	3.7	9,441	3.9	10,614	4.5	10,783	5.3	10,821	4.5	11,412	3.3	9,785	2.7	7,703	2.2
Domestic appliances.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others engineering.....	12,484	6.2	12,247	6.3	12,796	5.9	9,887	4.1	9,886	4.2	9,936	4.9	10,004	4.1	9,174	2.7	8,457	2.4	6,691	1.9
Electronics	565	0.3	195	0.1	258	0.1	344	0.1	438	0.2	415	0.2	422	0.2	1,817	0.5	2,736	0.8	2,627	0.7
Building and civil engineering.....	1,113	0.6	84	...	55	...	76	...	47	...	10	...	-	-	-	-	-	-	-	-
Cement, glass and other bdg. products..	6,844	3.4	7,389	3.8	8,062	3.7	8,304	3.5	5,550	2.4	4,102	2.0	4,052	1.7	4,309	1.3	4,459	1.2	4,246	1.2
Paper, printing and publishing.....	-	-	-	-	-	-	-	-	-	-	-	-	809	0.3	1,697	0.5	2,660	0.7	2,809	0.8
Food and drinks.....	18,464	9.2	16,550	8.5	17,896	8.2	19,926	8.3	18,072	7.7	17,309	8.5	17,291	7.2	17,702	5.2	19,539	5.5	17,403	4.9
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other mfg. industries.....	9,377	4.6	9,993	5.1	9,818	4.5	9,594	4.0	8,724	3.7	7,706	3.8	11,360	4.7	13,034	3.8	12,822	3.6	11,886	3.3
Service industries	4,553	2.3	4,195	2.2	4,286	2.0	3,878	1.6	3,859	1.7	3,000	1.5	2,806	1.2	4,549	1.3	3,804	1.1	4,506	1.3
Total.....	201,790	100.0	195,000	100.0	217,434	100.0	240,638	100.0	234,049	100.0	203,409	100.0	241,210	100.0	343,083	100.0	357,931	100.0	354,478	100.0
Intra-group sales	(544)	-	(127)	-	(869)	-	(1,014)	-	(1,278)	-	(1,589)	-	(1,672)	-	(2,233)	-	(2,209)	-	(866)	-
Consolidated.....	201,246		194,873		216,565		239,624		232,771		201,820		239,538		340,850		355,722		353,612	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

UNITED KINGDOM

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%
Net sales	201,246	100.0	194,873	100.0	216,565	100.0	239,624	100.0	232,771	100.0	201,820	100.0	239,538	100.0	340,850	100.0	355,722	100.0	353,612	100.0
Purchases and sundry operating expenses	(144,205)	-71.6	(137,056)	-70.2	(151,512)	-70.0	(170,857)	-71.2	(167,903)	-72.2	(142,171)	-70.4	(165,012)	-68.9	(242,655)	-71.2	(258,957)	-72.9	(264,565)	-74.8
Value added	57,041	28.4	57,817	29.8	65,053	30.0	68,767	28.8	64,868	27.8	59,649	29.6	74,526	31.1	98,195	28.8	96,765	27.1	89,047	25.2
Labour costs	(28,484)	-14.1	(26,427)	-13.6	(28,039)	-12.9	(27,917)	-11.7	(26,744)	-11.5	(27,847)	-13.8	(31,685)	-13.2	(35,627)	-10.5	(35,741)	-10.0	(35,084)	-9.9
Gross operating margin.....	28,557	14.3	31,390	16.2	37,014	17.1	40,850	17.1	38,124	16.3	31,802	15.8	42,841	17.9	62,568	18.3	61,024	17.1	53,963	15.3
Depreciation	(10,429)	-5.2	(10,443)	-5.4	(11,314)	-5.2	(11,481)	-4.8	(10,762)	-4.6	(12,898)	-6.4	(12,559)	-5.2	(16,372)	-4.8	(16,109)	-4.5	(17,198)	-4.9
Net operating margin.....	18,128	9.1	20,947	10.8	25,700	11.9	29,369	12.3	27,362	11.7	18,904	9.4	30,282	12.7	46,196	13.5	44,915	12.6	36,765	10.4
Interest and financing charges.....	(3,952)	-2.0	(3,242)	-1.7	(3,829)	-1.8	(3,730)	-1.6	(3,694)	-1.6	(4,102)	-2.0	(4,266)	-1.8	(5,574)	-1.6	(4,954)	-1.4	(4,282)	-1.2
Interest received.....	2,004	1.0	2,188	1.1	2,028	0.9	1,973	0.8	2,064	0.9	2,212	1.1	2,093	0.9	3,019	0.9	2,819	0.8	2,069	0.6
Share of profits (losses) of related companies	2,005	1.0	2,510	1.3	2,776	1.3	2,648	1.1	2,753	1.2	422	0.2	2,005	0.8	3,304	1.0	2,113	0.6	1,991	0.5
Current pre-tax profit.....	18,185	9.1	22,403	11.5	26,675	12.3	30,260	12.6	28,485	12.2	17,436	8.7	30,114	12.6	46,945	13.8	44,893	12.6	36,543	10.3
Interest capitalized.....	157	0.1	131	...	191	0.1	238	0.1	186	0.1	197	0.1	188	0.1	208	0.1	149	0.1	162	0.1
Amortization of goodwill.....	(10)	...	(28)	...	(41)	0.1	(42)	...	(40)	...	(160)	-0.1	(408)	-0.3	(1,599)	-0.5	(2,083)	-0.6	(2,153)	-0.6
Government grants.....	35	...	31	...	29	...	25	...	26	...	15	...	2	...	16	...	1	...	-	-
Gains(losses) on disposals of fixed assets	39	...	563	0.3	423	0.2	(525)	-0.2	1,502	0.6	951	0.5	2,486	1.0	1,185	0.3	(142)	...	2,006	0.6
Fixed asset revaluations (writedowns)...	(364)	-0.2	(204)	-0.1	(403)	-0.2	(16)	...	(25)	...	(344)	-0.2	(105)	...	(596)	-0.2	(775)	-0.2	(1,498)	-0.4
Provisions and other extraordinary items	(818)	-0.4	(1,588)	-0.8	(2,563)	-1.2	(1,117)	-0.5	(1,629)	-0.7	(2,325)	-1.2	(4,845)	-2.0	(1,782)	-0.5	(2,369)	-0.7	(1,966)	-0.6
Cumulative effect of accounting changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit (loss) before tax.....	17,224	8.6	21,308	10.9	24,311	11.3	28,823	12.0	28,505	12.2	15,770	7.8	27,432	11.4	44,377	13.0	39,674	11.2	33,094	9.4
Taxation	(6,206)	-3.1	(6,573)	-3.4	(8,562)	-4.0	(10,175)	-4.2	(9,870)	-4.2	(5,676)	-2.8	(8,710)	-3.6	(15,208)	-4.5	(14,081)	-4.0	(12,255)	-3.5
Profit attributable to minorities.....	(641)	-0.3	(822)	-0.4	(1,071)	-0.5	(892)	-0.4	(764)	-0.3	(702)	-0.3	(1,505)	-0.6	(1,423)	-0.4	(1,191)	-0.3	(944)	-0.3
Net profit attributable to parent company	10,377	5.2	13,913	7.1	14,678	6.8	17,756	7.4	17,871	7.7	9,392	4.7	17,217	7.2	27,746	8.1	24,402	6.9	19,895	5.6
Research & development expenses (1).....	4,849	2.5	4,524	2.4	4,721	2.3	4,950	2.1	5,148	2.3	5,671	2.9	6,809	2.9	7,978	2.5	8,279	2.4	8,214	2.4
Dividends declared.....	7,000	3.5	8,524	4.4	9,756	4.5	10,168	4.2	10,751	4.6	11,652	5.8	12,863	5.4	17,346	5.1	17,236	4.8	14,084	4.0

(1) Figures cover 17 companies which in 2002 accounted for 95.9% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

UNITED KINGDOM

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%
Cash.....	8,010	3.7	10,964	5.0	11,863	5.0	10,384	4.5	9,037	3.9	8,368	3.5	9,812	3.4	17,175	4.7	14,276	4.0	9,925	2.7
Marketable securities.....	14,537	6.8	14,278	6.5	12,751	5.3	13,189	5.7	12,074	5.2	11,049	4.6	12,580	4.4	12,140	3.3	11,178	3.1	9,880	2.6
Trade debtors.....	22,968	10.7	24,540	11.1	28,642	12.0	28,357	12.3	27,023	11.7	25,458	10.7	33,142	11.6	41,741	11.5	37,196	10.4	40,242	10.7
Inventories.....	25,107	11.7	24,898	11.3	26,863	11.2	25,206	10.9	24,368	10.6	21,802	9.2	27,046	9.4	32,427	8.9	28,627	8.0	30,691	8.2
Other current assets.....	9,277	4.3	9,222	4.2	10,527	4.4	10,295	4.4	10,417	4.5	11,920	5.0	13,706	4.8	21,015	5.8	17,177	4.8	21,026	5.6
Total current assets..... (a)	79,899	37.2	83,902	38.1	90,646	37.9	87,431	37.8	82,919	35.9	78,597	33.0	96,286	33.6	124,498	34.2	108,454	30.3	111,764	29.8
Short-term borrowings.....	12,752	5.9	15,312	7.0	18,613	7.8	15,373	6.6	21,410	9.3	22,459	9.4	23,900	8.3	28,429	7.8	28,377	7.9	29,494	7.9
Trade creditors.....	15,812	7.4	16,952	7.7	19,488	8.1	19,518	8.4	17,831	7.7	16,009	6.7	21,859	7.6	29,819	8.2	27,090	7.6	30,536	8.1
Other current liabilities.....	28,447	13.3	30,269	13.8	33,888	14.2	31,909	13.8	32,463	14.1	32,749	13.8	38,035	13.3	51,009	14.0	46,858	13.1	53,178	14.2
Total current liabilities..... (b)	57,011	26.6	62,533	28.4	71,989	30.1	66,800	28.9	71,704	31.0	71,217	29.9	83,794	29.2	109,257	30.0	102,325	28.6	113,208	30.2
Net current assets..... (a-b)=(c)	22,888	10.7	21,369	9.7	18,657	7.8	20,631	8.9	11,215	4.9	7,380	3.1	12,492	4.4	15,241	4.2	6,129	1.7	(1,444)	-0.4
Gross tangible fixed assets.....	188,258	87.7	189,344	86.0	208,676	87.1	201,132	87.0	198,064	85.8	223,057	93.8	239,651	83.6	286,311	78.5	299,726	83.7	320,661	85.5
Accumulated depreciation.....	(86,113)	-40.1	(88,944)	-40.4	(98,954)	-41.3	(95,963)	-41.5	(94,160)	-40.8	(110,299)	-46.4	(118,915)	-41.5	(138,536)	-38.0	(146,186)	-40.8	(152,315)	-40.6
Net tangible fixed assets.....	102,145	47.6	100,400	45.6	109,722	45.8	105,169	45.5	103,904	45.0	112,758	47.4	120,736	42.1	147,775	40.5	153,540	42.9	168,346	44.9
Investments.....	13,126	6.1	13,013	5.9	13,088	5.5	12,313	5.3	15,938	6.9	20,712	8.7	25,913	9.0	28,737	7.9	30,842	8.6	29,790	8.0
Loans and other assets.....	13,208	6.2	14,404	6.6	15,290	6.4	16,023	6.9	17,617	7.6	11,790	5.0	14,203	5.0	18,980	5.2	20,792	5.8	21,063	5.6
Net fixed assets and investments..... (d)	128,479	59.9	127,817	58.1	138,100	57.7	133,505	57.7	137,459	59.5	145,260	61.1	160,852	56.1	195,492	53.6	205,174	57.3	219,199	58.5
Medium- and long-term borrowings.....	29,553	13.8	25,004	11.4	30,407	12.7	27,306	11.8	25,716	11.1	29,221	12.3	33,198	11.6	41,172	11.3	42,096	11.8	44,095	11.8
Other creditors.....	6,108	2.8	5,715	2.6	5,322	2.2	5,208	2.3	4,572	2.0	4,441	1.9	5,131	1.8	8,292	2.3	7,477	2.1	7,844	2.1
Employee benefits.....	6,385	3.0	7,402	3.4	8,231	3.4	7,718	3.3	6,970	3.0	8,024	3.4	8,683	3.0	9,806	2.7	9,714	2.7	11,625	3.1
Deferred taxation.....	7,326	3.4	5,931	2.7	6,661	2.8	6,730	2.9	7,140	3.1	6,456	2.7	6,981	2.4	8,422	2.3	8,995	2.5	22,464	6.0
Other provisions.....	7,444	3.5	7,871	3.6	9,489	4.0	8,266	3.6	8,291	3.6	9,677	4.1	11,229	3.9	14,431	4.0	14,814	4.1	15,009	4.0
Medium- and long-term liabilities..... (e)	56,816	26.5	51,923	23.6	60,110	25.1	55,228	23.9	52,689	22.8	57,819	24.3	65,222	22.7	82,123	22.5	83,096	23.2	101,037	26.9
Goodwill.....	42	...	1,467	0.7	1,439	0.6	1,283	0.5	1,294	0.6	3,222	1.4	16,450	5.7	30,325	8.3	28,663	8.0	26,936	7.2
Deferred expenses and other intangibles.....	6,173	2.9	6,832	3.1	9,217	3.8	9,233	4.0	9,271	4.0	10,773	4.5	13,281	4.6	14,288	3.9	15,598	4.4	17,067	4.5
Total intangibles..... (f)	6,215	2.9	8,299	3.8	10,656	4.4	10,516	4.5	10,565	4.6	13,995	5.9	29,731	10.3	44,613	12.2	44,261	12.4	44,003	11.7
Net worth..... (c+d-e+f)	100,766	47.0	105,562	48.0	107,303	44.8	109,424	47.3	106,550	46.1	108,816	45.7	137,853	48.1	173,223	47.5	172,468	48.2	160,721	42.9
<i>Represented by:</i>																				
Issued share capital.....	9,087	4.2	9,346	4.2	9,762	4.1	9,447	4.1	9,761	4.2	11,201	4.7	12,006	4.2	13,032	3.6	13,553	3.8	13,354	3.6
Reserves.....	85,923	40.0	90,293	41.0	90,458	37.8	92,803	40.1	90,651	39.3	91,567	38.5	119,495	41.7	154,409	42.3	154,803	43.3	143,594	38.3
Own shares.....	-	-	-	-	(127)	-0.1	(215)	-0.1	(540)	-0.2	(839)	-0.4	(2,642)	-0.9	(3,330)	-0.9	(3,861)	-1.1	(3,644)	-1.0
Total.....	95,010	44.3	99,639	45.3	100,093	41.8	102,035	44.1	99,872	43.2	101,929	42.9	128,859	44.9	164,111	45.0	164,495	46.0	153,304	40.9
Minority interests.....	5,066	2.4	5,283	2.4	6,579	2.7	6,383	2.8	5,658	2.4	5,889	2.5	7,966	2.8	9,112	2.5	7,973	2.2	7,417	2.0
Other items.....	690	0.3	640	0.3	631	0.3	1,006	0.4	1,020	0.4	998	0.4	1,028	0.4	-	-	-	-	-	-
Total assets..... (a+d+f)	214,593	100.0	220,018	100.0	239,402	100.0	231,452	100.0	230,943	100.0	237,852	100.0	286,869	100.0	364,603	100.0	357,889	100.0	374,966	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%
Cash flow	32,846	102.3	37,989	76.9	41,741	114.5	112,576	95.4	39,247	88.0
New equity issues.....	1,250	3.9	2,710	5.5	1,061	2.9	5,021	4.3	875	2.0
Increase (decrease) in borrowings	(1,989)	-6.2	8,704	17.6	(6,341)	-17.4	374	0.3	4,447	10.0
Total sources	32,107	100.0	49,403	100.0	36,461	100.0	117,971	100.0	44,569	100.0
Capital expenditure.....	14,084	43.9	15,860	32.1	17,347	47.6	47,291	40.1	17,842	40.0
Dividends paid	7,312	22.8	8,917	18.0	9,971	27.3	26,200	22.2	10,538	23.7
Increase (decrease) in cash and marketable securities.....	2,695	8.4	(628)	-1.3	(1,041)	-2.9	1,026	0.9	(2,462)	-5.5
Increase (decrease) in net current assets.....	(1,654)	-5.2	1,217	2.5	(225)	-0.6	(662)	-0.6	(917)	-2.1
Other items (net).....	9,670	30.1	24,037	48.7	10,409	28.6	44,116	37.4	19,568	43.9
Total applications	32,107	100.0	49,403	100.0	36,461	100.0	117,971	100.0	44,569	100.0

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	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%	GBP m	%
Cash flow	30,334	82.6	42,673	79.2	112,254	83.0	63,317	85.4	61,002	102.8	53,741	101.2	178,060	95.4
New equity issues.....	1,856	5.0	5,785	10.7	8,516	6.3	(1,655)	-2.2	(2,536)	-4.3	(3,741)	-7.0	(7,932)	-4.3
Increase (decrease) in borrowings	4,554	12.4	5,418	10.1	14,419	10.7	12,503	16.8	872	1.5	3,116	5.8	16,491	8.9
Total sources	36,744	100.0	53,876	100.0	135,189	100.0	74,165	100.0	59,338	100.0	53,116	100.0	186,619	100.0
Capital expenditure.....	18,443	50.2	15,693	29.1	51,978	38.5	18,327	24.7	24,451	41.2	24,363	45.9	67,141	36.0
Dividends paid	11,741	32.0	12,662	23.5	34,941	25.8	14,493	19.6	14,892	25.1	15,264	28.7	44,649	23.9
Increase (decrease) in cash and marketable securities.....	(1,694)	-4.6	2,975	5.5	(1,181)	-0.9	6,923	9.3	(3,861)	-6.5	(5,649)	-10.6	(2,587)	-1.4
Increase (decrease) in net current assets.....	(1,092)	-3.0	3,578	6.7	1,569	1.2	355	0.5	(5,303)	-8.9	(807)	-1.5	(5,755)	-3.1
Other items (net).....	9,346	25.4	18,968	35.2	47,882	35.4	34,067	45.9	29,159	49.1	19,945	37.5	83,171	44.6
Total applications	36,744	100.0	53,876	100.0	135,189	100.0	74,165	100.0	59,338	100.0	53,116	100.0	186,619	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets.....	106.9	102.9	103.8	119.1
Net sales as % of net fixed assets.....	197.0	194.1	197.4	227.8
Capital expenditure as % of gross fixed assets	7.2	7.4	7.6	8.6
Depreciation charges as % of gross fixed assets.....	5.5	5.5	5.4	5.7
Accumulated depreciation as % of gross fixed assets	45.7	47.0	47.4	47.7
Interest charges as % of borrowings.....	9.3	8.0	7.8	8.7
Dividends declared as % of net profit.....	67.5	61.3	66.5	57.3
Trade debtors as % of sales.....	11.4	12.6	13.2	11.8
Inventories as % of sales	12.5	12.8	12.4	10.5
Balance of other current assets and liabilities (1) as % of sales.....	-17.4	-19.5	-19.8	-17.2
Total net working capital.....	6.5	5.9	5.8	5.1
Current assets as % of current liabilities.....	140.1	134.2	125.9	130.9
Net worth as % of total indebtedness	108.7	113.2	99.6	110.2
Net worth as % of total borrowings	238.2	261.8	218.9	256.4
Net worth less intangibles as % of total borrowings	223.5	241.3	197.2	231.7

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	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets.....	117.5	90.5	100.0	119.0	118.7	110.3
Net sales as % of net fixed assets.....	224.0	179.0	198.4	230.7	231.7	210.1
Capital expenditure as % of gross fixed assets	9.0	8.3	6.5	6.4	8.2	7.6
Depreciation charges as % of gross fixed assets.....	5.4	5.8	5.2	5.7	5.4	5.4
Accumulated depreciation as % of gross fixed assets	47.5	49.4	49.6	48.4	48.8	47.5
Interest charges as % of borrowings.....	7.8	7.9	7.5	8.0	7.0	5.8
Dividends declared as % of net profit.....	60.2	n.c.	74.7	62.5	70.6	70.8
Trade debtors as % of sales.....	11.6	12.6	13.8	12.2	10.5	11.4
Inventories as % of sales	10.5	10.8	11.3	9.5	8.0	8.7
Balance of other current assets and liabilities (1) as % of sales.....	-17.1	-18.3	-19.3	-17.5	-16.0	-17.7
Total net working capital.....	5.0	5.1	5.8	4.2	2.5	2.4
Current assets as % of current liabilities.....	115.6	110.4	114.9	113.9	106.0	98.7
Net worth as % of total indebtedness	104.5	103.8	112.9	109.1	113.5	97.3
Net worth as % of total borrowings	226.1	210.6	241.4	248.9	244.7	218.4
Net worth less intangibles as % of total borrowings	203.7	183.5	189.4	184.8	181.9	158.6

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Oil, energy and mining	278,373	19.5	279,092	18.1	297,462	17.6	350,338	19.6	340,941	18.3	258,798	14.8	292,999	15.0	401,669	18.2	367,743	17.0	358,259	16.9
Iron, steel and non-ferrous metals.....	20,123	1.4	22,280	1.5	26,000	1.5	25,234	1.4	26,057	1.4	27,455	1.6	27,159	1.4	36,023	1.6	36,131	1.7	34,004	1.6
Chemicals.....	189,363	13.2	201,692	13.1	235,758	14.0	243,869	13.7	255,646	13.7	251,542	14.3	283,276	14.5	309,004	14.0	319,483	14.8	330,080	15.6
Rubber and cables	9,964	0.7	10,508	0.7	11,262	0.7	11,204	0.6	11,269	0.6	10,894	0.6	11,217	0.6	13,282	0.6	13,091	0.6	12,886	0.6
Mechanical engineering:																				
Automotive	264,282	18.5	307,742	20.0	323,439	19.1	340,949	19.1	355,049	19.1	289,034	16.5	328,902	16.9	339,886	15.4	321,950	14.9	331,027	15.6
Aerospace	77,175	5.4	76,842	5.0	77,414	4.6	81,125	4.5	95,134	5.1	97,459	5.6	106,611	5.5	99,219	4.5	107,960	5.0	107,035	5.1
Domestic appliances.....	6,780	0.5	7,367	0.5	7,406	0.4	7,884	0.4	6,745	0.4	5,619	0.3	5,671	0.3	5,882	0.3	5,806	0.3	8,367	0.4
Others engineering.....	78,246	5.5	81,454	5.3	91,793	5.4	98,853	5.5	110,143	5.9	123,507	7.0	134,700	6.9	165,594	7.5	169,888	7.9	176,767	8.3
Electronics	226,840	15.9	248,638	16.2	283,632	16.8	311,609	17.4	348,432	18.7	379,860	21.7	447,407	22.9	507,286	23.0	475,381	22.0	430,601	20.3
Building and civil engineering.....	1,718	0.1	2,821	0.2	2,873	0.2	3,053	0.2	3,033	0.2	2,065	0.1	2,656	0.1	-	-	1,201	0.1	1,087	0.1
Cement, glass and other bdg. products..	7,782	0.5	7,853	0.5	7,583	0.5	7,646	0.4	7,486	0.4	7,662	0.4	8,727	0.4	8,705	0.4	7,670	0.3	7,653	0.4
Paper, printing and publishing.....	42,614	3.0	43,694	2.8	54,460	3.2	52,143	2.9	51,348	2.8	49,905	2.8	56,797	2.9	69,980	3.2	71,719	3.3	71,799	3.4
Food and drinks.....	143,764	10.1	154,290	10.0	158,771	9.4	161,735	9.1	164,095	8.8	166,835	9.5	164,093	8.4	162,967	7.4	170,593	7.9	161,232	7.6
Textiles and clothing.....	6,177	0.4	6,555	0.4	8,117	0.5	8,435	0.5	8,444	0.5	8,048	0.5	7,440	0.4	7,598	0.3	7,767	0.4	6,455	0.3
Other mfg. industries.....	34,374	2.4	37,343	2.4	42,731	2.5	45,809	2.6	47,863	2.6	52,293	3.0	54,531	2.8	54,783	2.5	62,582	2.9	55,115	2.6
Service industries	41,964	2.9	51,332	3.3	61,623	3.6	36,755	2.1	27,356	1.5	22,292	1.3	18,858	1.0	23,524	1.1	20,622	0.9	24,475	1.2
Total.....	1,429,539	100.0	1,539,503	100.0	1,690,324	100.0	1,786,641	100.0	1,859,041	100.0	1,753,268	100.0	1,951,044	100.0	2,205,402	100.0	2,159,587	100.0	2,116,842	100.0
Intra-group sales	(4,096)		(4,528)		(6,843)		(5,845)		(7,227)		(5,847)		(5,768)		(2,173)		(1,765)		(3,118)	
Consolidated.....	1,425,443		1,534,975		1,683,481		1,780,796		1,851,814		1,747,421		1,945,276		2,203,229		2,157,822		2,113,724	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Net sales	1,425,443	100.0	1,534,975	100.0	1,683,481	100.0	1,780,796	100.0	1,851,814	100.0	1,747,421	100.0	1,945,276	100.0	2,203,229	100.0	2,157,822	100.0	2,113,724	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	186,845	13.1	229,770	14.9	251,110	14.9	261,271	14.7	293,736	15.9	279,463	16.0	298,088	15.3	345,725	15.7	287,846	13.3	288,504	13.7
Depreciation	(71,336)	-5.0	(74,145)	-4.8	(81,006)	-4.8	(77,501)	-4.4	(88,120)	-4.8	(82,592)	-4.7	(88,370)	-4.5	(89,842)	-4.1	(95,467)	-4.4	(94,786)	-4.5
Net operating margin.....	115,509	8.1	155,625	10.1	170,104	10.1	183,770	10.3	205,616	11.1	196,871	11.3	209,718	10.8	255,883	11.6	192,379	8.9	193,718	9.2
Interest and financing charges	(24,569)	-1.7	(23,281)	-1.5	(22,989)	-1.4	(23,090)	-1.3	(23,328)	-1.3	(24,007)	-1.4	(25,980)	-1.3	(28,837)	-1.3	(29,191)	-1.4	(27,111)	-1.3
Interest received.....	10,674	0.8	10,367	0.7	11,845	0.7	13,563	0.8	14,811	0.8	12,352	0.7	12,215	0.6	14,468	0.7	12,972	0.6	9,425	0.5
Share of profits (losses) of related companies	6,126	0.4	7,730	0.5	9,052	0.6	14,669	0.8	12,162	0.7	11,449	0.7	16,316	0.8	20,185	0.9	16,220	0.8	9,217	0.4
Current pre-tax profit.....	107,740	7.6	150,441	9.8	168,012	10.0	188,912	10.6	209,261	11.3	196,665	11.3	212,269	10.9	261,699	11.9	192,380	8.9	185,249	8.8
Interest capitalized.....	1,970	0.1	1,405	0.1	1,746	0.1	1,521	0.1	1,467	0.1	1,647	0.1	1,627	0.1	1,787	0.1	1,819	0.1	1,575	0.1
Amortization of goodwill.....	(3,027)	-0.2	(3,086)	-0.2	(3,401)	-0.2	(3,549)	-0.2	(3,535)	-0.2	(3,852)	-0.2	(5,401)	-0.3	(9,012)	-0.4	(12,650)	-0.6	(24,416)	-1.2
Government grants.....	-	-	-	-	-	-	592	...	170	...	-	-	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	4,081	0.3	2,383	0.1	5,405	0.3	5,277	0.3	14,965	0.8	9,174	0.5	23,745	1.2	16,845	0.7	12,374	0.6	8,396	0.4
Fixed asset revaluations (writedowns)...	(3,578)	-0.3	(1,034)	-0.1	(2,571)	-0.2	(1,644)	-0.1	(3,710)	-0.2	(1,113)	-0.1	(1,706)	-0.1	(2,967)	-0.1	(17,188)	-0.8	(12,427)	-0.6
Provisions and other extraordinary items	(14,797)	-1.0	(4,845)	-0.3	(7,761)	-0.5	(2,948)	-0.2	(18,950)	-1.0	(19,225)	-1.1	(11,723)	-0.6	(17,678)	-0.8	(25,276)	-1.2	(21,629)	-1.0
Cumulative effect of accounting changes	(29,653)	-2.1	(1,900)	-0.1	(697)	...	21	...	256	...	(25)	...	1,617	0.1	(416)	...	(1,669)	-0.1	167	...
Net profit (loss) before tax	62,736	4.4	143,364	9.3	160,733	9.5	188,182	10.5	199,924	10.8	183,271	10.5	220,428	11.3	250,258	11.4	149,790	6.9	136,915	6.5
Taxation	(21,725)	-1.5	(51,016)	-3.3	(56,654)	-3.4	(64,409)	-3.6	(66,788)	-3.6	(53,982)	-3.1	(68,550)	-3.5	(85,376)	-3.9	(49,856)	-2.3	(57,077)	-2.7
Profit attributable to minorities.....	(1,263)	-0.1	(1,845)	-0.1	(2,235)	-0.1	(2,183)	-0.1	(2,110)	-0.1	(1,672)	-0.1	(2,453)	-0.1	(3,374)	-0.2	(2,955)	-0.1	(2,443)	-0.1
Net profit attributable to parent company	39,748	2.8	90,503	5.9	101,844	6.0	121,590	6.8	131,026	7.1	127,617	7.3	149,425	7.7	161,508	7.3	96,979	4.5	77,395	3.7
<i>Research & development expenses (1).....</i>	<i>54,337</i>	<i>4.7</i>	<i>54,300</i>	<i>4.4</i>	<i>62,466</i>	<i>4.6</i>	<i>65,571</i>	<i>4.6</i>	<i>69,866</i>	<i>4.6</i>	<i>71,638</i>	<i>5.1</i>	<i>77,470</i>	<i>4.8</i>	<i>83,546</i>	<i>4.6</i>	<i>86,728</i>	<i>4.8</i>	<i>83,694</i>	<i>4.6</i>
<i>Dividends declared.....</i>	<i>39,487</i>	<i>2.8</i>	<i>40,426</i>	<i>2.6</i>	<i>44,057</i>	<i>2.6</i>	<i>46,963</i>	<i>2.6</i>	<i>51,002</i>	<i>2.8</i>	<i>62,740</i>	<i>3.6</i>	<i>54,589</i>	<i>2.8</i>	<i>58,196</i>	<i>2.6</i>	<i>60,872</i>	<i>2.8</i>	<i>62,301</i>	<i>2.9</i>

(1) Figures cover 55 companies which in 2002 accounted for 85.2% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

NORTH AMERICA

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Cash.....	64,027	4.7	66,797	4.5	75,191	4.8	90,659	5.6	91,982	5.4	74,905	4.3	99,265	5.2	109,621	5.2	137,399	6.3	156,538	6.8
Marketable securities.....	24,138	1.8	32,742	2.2	27,973	1.8	37,683	2.3	44,481	2.6	39,764	2.3	49,633	2.6	44,865	2.2	38,526	1.7	56,671	2.5
Trade debtors.....	165,197	12.0	187,415	12.7	207,797	13.3	204,384	12.6	207,981	12.2	214,322	12.3	240,855	12.5	272,659	13.0	233,634	10.7	231,847	10.0
Inventories.....	143,756	10.4	155,799	10.6	169,705	10.8	176,203	10.8	178,747	10.5	178,556	10.3	185,187	9.7	203,202	9.7	196,616	9.0	183,351	7.9
Other current assets.....	82,840	6.0	93,518	6.4	100,402	6.4	87,125	5.4	94,572	5.5	106,568	6.1	111,479	5.8	117,950	5.6	126,134	5.8	131,037	5.7
Total current assets..... (a)	479,958	34.9	536,271	36.4	581,068	37.1	596,054	36.7	617,763	36.2	614,115	35.3	686,419	35.8	748,297	35.7	732,309	33.5	759,444	32.9
Short-term borrowings.....	83,430	6.1	82,570	5.6	95,463	6.1	85,207	5.2	91,772	5.4	108,828	6.3	117,476	6.1	115,077	5.5	102,672	4.7	99,576	4.3
Trade creditors.....	112,993	8.2	131,220	8.9	143,904	9.2	148,629	9.2	156,234	9.1	153,284	8.8	174,929	9.1	200,199	9.5	186,648	8.5	190,967	8.3
Other current liabilities.....	204,299	14.9	219,908	14.9	235,522	15.0	246,129	15.2	265,309	15.5	265,497	15.3	294,264	15.3	322,120	15.4	342,199	15.7	360,448	15.6
Total current liabilities..... (b)	400,722	29.1	433,698	29.4	474,889	30.3	479,965	29.6	513,315	30.1	527,609	30.4	586,669	30.5	637,396	30.4	631,519	28.9	650,991	28.2
Net current assets..... (a-b)=(c)	79,236	5.8	102,573	7.0	106,179	6.8	116,089	7.1	104,448	6.1	86,506	5.0	99,750	5.2	110,901	5.3	100,790	4.6	108,453	4.7
Gross tangible fixed assets.....	1,075,875	78.2	1,121,038	76.1	1,178,459	75.3	1,196,242	73.6	1,224,277	71.7	1,194,429	68.7	1,237,381	64.4	1,244,206	59.3	1,306,676	59.8	1,344,422	58.2
Accumulated depreciation.....	(532,513)	-38.7	(558,375)	-37.9	(593,429)	-37.9	(600,640)	-37.0	(615,412)	-36.0	(603,414)	-34.7	(622,158)	-32.4	(610,469)	-29.1	(651,798)	-29.8	(672,053)	-29.1
Net tangible fixed assets.....	543,362	39.5	562,663	38.2	585,030	37.4	595,602	36.6	608,865	35.7	591,015	34.0	615,223	32.0	633,737	30.2	654,878	30.0	672,369	29.1
Investments.....	84,640	6.2	84,819	5.7	89,180	5.7	103,466	6.4	114,994	6.7	132,204	7.6	158,857	8.3	162,792	7.8	174,915	8.0	178,789	7.7
Loans and other assets.....	124,503	9.0	133,689	9.1	143,715	9.2	155,523	9.6	179,710	10.5	190,726	11.0	222,984	11.6	252,948	12.0	288,785	13.2	308,521	13.4
Net fixed assets and investments..... (d)	752,505	54.7	781,171	53.0	817,925	52.3	854,591	52.6	903,569	52.9	913,945	52.6	997,064	51.9	1,049,477	50.0	1,118,578	51.2	1,159,679	50.2
Medium- and long-term borrowings.....	222,873	16.2	225,184	15.3	218,370	14.0	216,701	13.3	225,714	13.2	249,734	14.4	272,548	14.2	313,981	15.0	362,923	16.6	402,094	17.4
Other creditors.....	18,564	1.3	18,798	1.3	19,551	1.2	24,673	1.5	29,061	1.7	28,452	1.6	34,826	1.8	40,431	1.9	45,149	2.1	56,735	2.5
Employee benefits.....	159,927	11.6	150,346	10.2	149,924	9.6	154,570	9.5	153,662	9.0	147,979	8.5	147,467	7.7	156,985	7.5	175,106	8.0	246,725	10.7
Deferred taxation.....	54,854	4.0	61,012	4.1	63,794	4.1	64,061	3.9	66,300	3.9	62,913	3.6	72,330	3.8	76,138	3.6	79,470	3.6	70,913	3.1
Other provisions.....	63,485	4.6	70,494	4.8	74,218	4.7	84,945	5.2	87,616	5.1	88,185	5.1	90,855	4.7	73,047	3.5	70,077	3.2	89,101	3.9
Medium- and long-term liabilities..... (e)	519,703	37.8	525,834	35.7	525,857	33.6	544,950	33.6	562,353	32.9	577,263	33.2	618,026	32.2	660,582	31.5	732,725	33.5	865,568	37.5
Goodwill.....	87,482	6.4	96,092	6.5	99,717	6.4	114,664	7.1	134,891	7.9	157,407	9.1	188,307	9.8	247,818	11.8	269,141	12.3	299,917	13.0
Deferred expenses and other intangibles.....	55,303	4.0	60,476	4.1	66,367	4.2	58,932	3.6	51,840	3.0	52,817	3.0	48,583	2.5	52,595	2.5	65,204	3.0	89,020	3.9
Total intangibles..... (f)	142,785	10.4	156,568	10.6	166,084	10.6	173,596	10.7	186,731	10.9	210,224	12.1	236,890	12.3	300,413	14.3	334,345	15.3	388,937	16.9
Net worth..... (c+d-e+f)	454,823	33.1	514,478	34.9	564,331	36.1	599,326	36.9	632,395	37.0	633,412	36.4	715,678	37.3	800,209	38.1	820,988	37.6	791,501	34.3
<i>Represented by:</i>																				
Issued share capital.....	59,411	4.3	62,800	4.3	64,396	4.1	69,157	4.3	70,913	4.2	80,150	4.6	88,774	4.6	102,491	4.9	111,048	5.1	111,841	4.8
Reserves.....	446,483	32.5	508,087	34.5	576,969	36.9	617,482	38.0	663,376	38.8	671,907	38.7	776,054	40.4	870,966	41.5	896,449	41.0	896,118	38.8
Own shares.....	(66,551)	-4.8	(74,025)	-5.0	(96,219)	-6.1	(106,731)	-6.6	(120,825)	-7.1	(141,621)	-8.1	(171,979)	-9.0	(201,334)	-9.6	(224,695)	-10.3	(253,331)	-11.0
Total.....	439,343	31.9	496,862	33.7	545,146	34.8	579,908	35.7	613,464	35.9	610,436	35.1	692,849	36.1	772,123	36.8	782,802	35.8	754,628	32.7
Minority interests.....	14,414	1.0	16,658	1.1	18,378	1.2	18,907	1.2	17,125	1.0	20,954	1.2	22,298	1.2	27,697	1.3	34,419	1.6	33,464	1.4
Other items.....	1,066	0.1	958	0.1	807	0.1	511	...	1,806	0.1	2,022	0.1	531	...	389	...	3,767	0.2	3,409	0.1
Total assets..... (a+d+f)	1,375,248	100.0	1,474,010	100.0	1,565,077	100.0	1,624,241	100.0	1,708,063	100.0	1,738,284	100.0	1,920,373	100.0	2,098,187	100.0	2,185,232	100.0	2,308,060	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Cash flow	224,586	99.2	249,018	107.1	266,413	112.6	740,017	106.4	297,381	106.6
New equity issues.....	429	0.2	(22,542)	-9.7	(18,068)	-7.6	(40,181)	-5.8	(33,959)	-12.2
Increase (decrease) in borrowings	1,451	0.6	6,079	2.6	(11,925)	-5.0	(4,395)	-0.6	15,578	5.6
Total sources	226,466	100.0	232,555	100.0	236,420	100.0	695,441	100.0	279,000	100.0
Capital expenditure.....	95,715	42.3	111,153	47.8	111,952	47.4	318,820	45.8	124,164	44.5
Dividends paid	41,262	18.2	43,929	18.9	46,078	19.5	131,269	18.9	49,749	17.8
Increase (decrease) in cash and marketable securities.....	11,374	5.0	3,625	1.6	25,178	10.6	40,177	5.8	8,121	2.9
Increase (decrease) in net current assets.....	11,103	4.9	12,874	5.5	(25,524)	-10.8	(1,547)	-0.2	(13,197)	-4.7
Other items (net).....	67,012	29.6	60,974	26.2	78,736	33.3	206,722	29.7	110,163	39.5
Total applications	226,466	100.0	232,555	100.0	236,420	100.0	695,441	100.0	279,000	100.0

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	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Cash flow	279,257	94.2	300,639	99.7	877,277	100.0	351,541	89.7	287,847	87.6	280,035	98.3	919,423	91.5
New equity issues.....	(23,755)	-8.0	(30,446)	-10.1	(88,160)	-10.0	1,301	0.3	4,144	1.3	(31,316)	-11.0	(25,871)	-2.6
Increase (decrease) in borrowings	41,076	13.8	31,462	10.4	88,116	10.0	39,034	10.0	36,537	11.1	36,075	12.7	111,646	11.1
Total sources	296,578	100.0	301,655	100.0	877,233	100.0	391,876	100.0	328,528	100.0	284,794	100.0	1,005,198	100.0
Capital expenditure.....	114,745	38.7	110,613	36.7	349,522	39.9	116,316	29.7	117,294	35.7	104,731	36.8	338,341	33.6
Dividends paid	62,011	20.9	54,147	18.0	165,907	18.9	64,656	16.5	60,317	18.4	61,874	21.7	186,847	18.6
Increase (decrease) in cash and marketable securities.....	(21,794)	-7.3	34,229	11.3	20,556	2.3	5,588	1.4	21,439	6.5	37,284	13.1	64,311	6.4
Increase (decrease) in net current assets.....	20,908	7.0	(12,337)	-4.1	(4,626)	-0.5	3,164	0.8	(43,955)	-13.4	(32,717)	-11.5	(73,508)	-7.3
Other items (net).....	120,708	40.7	115,003	38.1	345,874	39.4	202,152	51.6	173,433	52.8	113,622	39.9	489,207	48.7
Total applications	296,578	100.0	301,655	100.0	877,233	100.0	391,876	100.0	328,528	100.0	284,794	100.0	1,005,198	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets	132.5	136.9	142.9	148.9
Net sales as % of net fixed assets.....	262.3	272.8	287.8	299.0
Capital expenditure as % of gross fixed assets	8.6	8.5	9.4	9.4
Depreciation charges as % of gross fixed assets.....	6.6	6.6	6.9	6.5
Accumulated depreciation as % of gross fixed assets	49.5	49.8	50.4	50.2
Interest charges as % of borrowings.....	8.0	7.6	7.3	7.6
Dividends declared as % of net profit.....	99.3	44.7	43.3	38.6
Trade debtors as % of sales.....	11.6	12.2	12.3	11.5
Inventories as % of sales	10.1	10.1	10.1	9.9
Balance of other current assets and liabilities (1) as % of sales.....	-16.4	-16.8	-16.6	-17.3
Total net working capital.....	5.3	5.5	5.8	4.1
Current assets as % of current liabilities.....	119.8	123.7	122.4	124.2
Net worth as % of total indebtedness	70.8	75.9	79.2	83.1
Net worth as % of total borrowings	148.5	167.2	179.8	198.5
Net worth less intangibles as % of total borrowings	101.9	116.3	126.9	141.0

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	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	151.3	146.3	157.2	177.1	165.1	157.2
Net sales as % of net fixed assets.....	304.1	295.7	316.2	347.7	329.5	314.4
Capital expenditure as % of gross fixed assets	10.1	9.6	8.9	9.3	9.0	7.8
Depreciation charges as % of gross fixed assets.....	7.2	6.9	7.1	7.2	7.3	7.1
Accumulated depreciation as % of gross fixed assets	50.3	50.5	50.3	49.1	49.9	50.0
Interest charges as % of borrowings.....	7.3	6.7	6.7	6.7	6.3	5.4
Dividends declared as % of net profit.....	38.9	49.2	36.5	36.0	62.8	80.5
Trade debtors as % of sales.....	11.2	12.3	12.4	12.4	10.8	11.0
Inventories as % of sales	9.7	10.2	9.5	9.2	9.1	8.7
Balance of other current assets and liabilities (1) as % of sales.....	-17.7	-17.9	-18.4	-18.4	-18.7	-19.9
Total net working capital.....	3.2	4.6	3.5	3.2	1.2	-0.2
Current assets as % of current liabilities.....	120.3	116.4	117.0	117.4	116.0	116.7
Net worth as % of total indebtedness	82.3	78.6	80.0	80.7	79.0	71.3
Net worth as % of total borrowings	199.2	176.7	183.5	186.5	176.3	157.8
Net worth less intangibles as % of total borrowings	140.4	118.0	122.8	116.5	104.5	80.2

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	USD m		USD m		USD m		USD m		USD m		USD m		USD m		USD m		USD m		USD m	
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Oil, energy and mining	278,373	19.7	279,092	18.4	297,462	17.9	350,338	19.9	340,941	18.6	258,798	15.0	292,999	15.3	401,669	18.7	367,743	17.5	358,259	17.4
Iron, steel and non-ferrous metals.....	13,231	0.9	14,462	1.0	17,198	1.0	17,640	1.0	18,297	1.0	19,679	1.1	19,863	1.0	26,901	1.2	23,535	1.1	21,524	1.0
Chemicals.....	189,363	13.4	201,692	13.3	235,758	14.1	243,869	13.9	255,646	14.0	251,542	14.6	283,276	14.8	309,004	14.4	319,483	15.2	330,080	16.1
Rubber and cables	9,964	0.7	10,508	0.7	11,262	0.7	11,204	0.6	11,269	0.6	10,894	0.6	11,217	0.6	13,282	0.6	13,091	0.6	12,886	0.6
Mechanical engineering:																				
Automotive	262,970	18.6	306,231	20.1	321,432	19.3	338,788	19.2	352,976	19.3	286,167	16.6	325,832	17.1	333,294	15.5	314,434	15.0	323,514	15.8
Aerospace	75,572	5.3	74,713	4.9	75,063	4.5	78,638	4.5	92,243	5.0	93,437	5.4	101,539	5.3	96,267	4.5	102,320	4.9	99,891	4.9
Domestic appliances.....	6,780	0.5	7,367	0.5	7,406	0.4	7,884	0.4	6,745	0.4	5,619	0.3	5,671	0.3	5,882	0.3	5,806	0.3	8,367	0.4
Others engineering.....	75,099	5.3	78,233	5.1	87,732	5.3	94,011	5.3	104,174	5.7	116,398	6.8	121,327	6.3	149,041	6.9	153,973	7.3	158,793	7.7
Electronics.....	226,840	16.1	248,638	16.3	283,632	17.0	311,216	17.7	345,654	18.9	375,029	21.8	439,544	23.0	492,719	22.9	459,806	21.9	417,617	20.3
Building and civil engineering.....	1,718	0.1	2,821	0.2	2,873	0.2	3,053	0.2	3,033	0.2	2,065	0.1	2,656	0.1	-	-	-	-	-	-
Cement, glass and other bdg. products..	7,782	0.6	7,853	0.5	7,583	0.5	7,646	0.4	7,486	0.4	7,662	0.5	8,727	0.5	8,705	0.4	7,670	0.4	7,653	0.4
Paper, printing and publishing.....	42,614	3.0	43,694	2.9	54,460	3.3	52,143	3.0	51,348	2.8	49,905	2.9	56,797	3.0	69,980	3.2	71,719	3.4	71,799	3.5
Food and drinks.....	143,764	10.2	154,290	10.1	158,771	9.5	161,735	9.2	163,974	9.0	166,561	9.7	163,831	8.6	162,716	7.6	170,593	8.1	161,232	7.9
Textiles and clothing.....	6,177	0.4	6,555	0.4	8,117	0.5	8,435	0.5	8,444	0.5	8,048	0.5	7,440	0.4	7,598	0.4	7,767	0.4	6,455	0.3
Other mfg. industries.....	34,034	2.4	36,945	2.4	42,246	2.5	45,789	2.6	47,846	2.6	52,280	3.0	54,503	2.9	54,757	2.5	61,532	2.9	52,652	2.6
Service industries	39,073	2.8	48,436	3.2	55,767	3.3	28,522	1.6	19,318	1.0	19,399	1.1	15,870	0.8	19,760	0.9	19,677	1.0	23,536	1.1
Total	1,413,354	100.0	1,521,530	100.0	1,666,762	100.0	1,760,911	100.0	1,829,394	100.0	1,723,483	100.0	1,911,092	100.0	2,151,575	100.0	2,099,149	100.0	2,054,258	100.0
Intra-group sales	(4,096)		(4,528)		(6,843)		(5,845)		(7,227)		(5,847)		(5,768)		(2,173)		(1,765)		(3,118)	
Consolidated	1,409,258		1,517,002		1,659,919		1,755,066		1,822,167		1,717,636		1,905,324		2,149,402		2,097,384		2,051,140	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	USD m		USD m		USD m		USD m		USD m		USD m		USD m		USD m		USD m		USD m	
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Net sales	1,409,258	100.0	1,517,002	100.0	1,659,919	100.0	1,755,066	100.0	1,822,167	100.0	1,717,636	100.0	1,905,324	100.0	2,149,402	100.0	2,097,384	100.0	2,051,140	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin	185,557	13.1	228,073	15.0	248,588	14.9	258,741	14.8	290,922	16.0	276,345	16.2	294,032	15.5	340,365	15.8	281,807	13.4	282,705	13.8
Depreciation	(70,679)	-5.0	(73,508)	-4.8	(80,300)	-4.8	(76,768)	-4.4	(87,295)	-4.8	(81,594)	-4.8	(86,978)	-4.6	(88,236)	-4.1	(93,190)	-4.4	(92,006)	-4.5
Net operating margin	114,878	8.1	154,565	10.2	168,288	10.1	181,973	10.4	203,627	11.2	194,751	11.4	207,054	10.9	252,129	11.7	188,617	9.0	190,699	9.3
Interest and financing charges.....	(24,174)	-1.7	(22,928)	-1.5	(22,620)	-1.4	(22,709)	-1.3	(22,965)	-1.3	(23,612)	-1.4	(25,434)	-1.3	(28,059)	-1.3	(28,318)	-1.4	(26,249)	-1.3
Interest received.....	10,660	0.8	10,332	0.6	11,793	0.7	13,487	0.8	14,718	0.8	12,227	0.7	12,096	0.6	14,275	0.7	12,792	0.6	9,272	0.5
Share of profits (losses) of related companies	6,121	0.4	7,726	0.5	9,023	0.6	14,663	0.8	12,172	0.7	11,422	0.7	16,294	0.8	20,165	0.9	15,239	0.8	9,214	0.4
Current pre-tax profit	107,485	7.6	149,695	9.8	166,484	10.0	187,414	10.7	207,552	11.4	194,788	11.4	210,010	11.0	258,510	12.0	188,330	9.0	182,936	8.9
Interest capitalized.....	1,951	0.2	1,389	0.1	1,744	0.1	1,521	0.1	1,465	...	1,628	0.1	1,579	0.1	1,706	...	1,760	0.1	1,552	0.1
Amortization of goodwill.....	(3,008)	-0.2	(3,074)	-0.2	(3,381)	-0.2	(3,510)	-0.2	(3,496)	-0.2	(3,781)	-0.2	(5,349)	-0.3	(8,767)	-0.4	(11,934)	-0.6	(23,314)	-1.1
Government grants.....	-	-	-	-	-	-	592	...	170	...	-	-	-	-	-	-	-	-	-	
Gains(losses) on disposals of fixed assets	4,016	0.3	2,221	0.1	5,258	0.3	5,135	0.3	14,659	0.8	8,714	0.5	23,052	1.2	16,392	0.7	12,255	0.6	8,335	0.4
Fixed asset revaluations (writedowns)...	(3,578)	-0.3	(1,034)	-0.1	(2,427)	-0.1	(1,644)	-0.1	(3,710)	-0.2	(902)	-0.1	(1,673)	-0.1	(2,945)	-0.1	(16,531)	-0.7	(12,223)	-0.6
Provisions and other extraordinary items	(14,820)	-1.1	(4,868)	-0.3	(7,485)	-0.5	(2,857)	-0.2	(18,822)	-1.0	(19,127)	-1.1	(11,543)	-0.6	(17,582)	-0.8	(24,276)	-1.2	(20,840)	-1.0
Cumulative effect of accounting changes	(29,653)	-2.1	(1,900)	-0.1	(697)	...	21	...	256	...	(25)	...	1,617	0.1	(416)	...	(1,669)	-0.1	167	...
Net profit (loss) before tax	62,393	4.4	142,429	9.3	159,496	9.6	186,672	10.6	198,074	10.8	181,295	10.6	217,693	11.4	246,898	11.4	147,935	7.1	136,613	6.7
Taxation	(21,618)	-1.5	(50,695)	-3.3	(56,110)	-3.4	(63,906)	-3.6	(66,177)	-3.6	(53,262)	-3.1	(67,612)	-3.5	(84,313)	-3.9	(49,410)	-2.4	(56,595)	-2.8
Profit attributable to minorities	(1,228)	-0.1	(1,808)	-0.1	(2,211)	-0.1	(2,153)	-0.1	(2,091)	-0.1	(1,668)	-0.1	(2,289)	-0.1	(3,090)	-0.1	(3,173)	-0.2	(3,017)	-0.1
Net profit attributable to parent company	39,547	2.8	89,926	5.9	101,175	6.1	120,613	6.9	129,806	7.1	126,365	7.4	147,792	7.8	159,495	7.4	95,352	4.5	77,001	3.8
<i>Research & development expenses</i> (1).....	<i>54,183</i>	<i>4.8</i>	<i>54,177</i>	<i>4.4</i>	<i>62,320</i>	<i>4.7</i>	<i>65,418</i>	<i>4.6</i>	<i>69,722</i>	<i>4.7</i>	<i>71,489</i>	<i>5.1</i>	<i>77,320</i>	<i>4.8</i>	<i>83,388</i>	<i>4.7</i>	<i>86,447</i>	<i>4.8</i>	<i>83,399</i>	<i>4.7</i>
<i>Dividends declared</i>	<i>39,347</i>	<i>2.8</i>	<i>40,257</i>	<i>2.7</i>	<i>43,824</i>	<i>2.6</i>	<i>46,701</i>	<i>2.7</i>	<i>50,709</i>	<i>2.8</i>	<i>62,431</i>	<i>3.6</i>	<i>54,256</i>	<i>2.8</i>	<i>57,687</i>	<i>2.7</i>	<i>60,380</i>	<i>2.9</i>	<i>61,789</i>	<i>3.0</i>

(1) Figures cover 53 companies which in 2002 accounted for 86.5% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

UNITED STATES OF AMERICA

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Cash.....	63,243	4.6	66,172	4.5	74,127	4.8	88,524	5.5	89,447	5.3	71,917	4.2	96,256	5.1	105,654	5.2	132,321	6.2	149,899	6.7
Marketable securities.....	24,138	1.8	32,742	2.2	27,973	1.8	37,683	2.3	44,481	2.7	39,764	2.3	49,633	2.7	44,865	2.2	38,526	1.8	56,671	2.5
Trade debtors.....	163,397	12.0	184,810	12.7	204,899	13.3	201,443	12.6	204,204	12.1	209,979	12.3	235,297	12.5	264,093	12.9	226,693	10.7	224,606	10.0
Inventories.....	141,130	10.4	152,876	10.5	166,027	10.7	171,911	10.7	173,797	10.3	172,771	10.1	178,484	9.5	193,680	9.5	185,897	8.8	175,400	7.8
Other current assets.....	82,325	6.1	92,786	6.4	99,449	6.4	85,813	5.4	92,387	5.5	103,394	6.1	110,944	5.9	116,767	5.7	120,372	5.7	124,973	5.6
Total current assets..... (a)	474,233	34.9	529,386	36.3	572,475	37.0	585,374	36.5	604,316	35.9	597,825	35.0	670,614	35.7	725,059	35.5	703,809	33.2	731,549	32.6
Short-term borrowings.....	82,720	6.1	81,760	5.6	94,609	6.1	84,062	5.2	90,016	5.4	106,815	6.3	115,132	6.1	111,252	5.5	98,772	4.7	96,192	4.3
Trade creditors.....	110,785	8.1	128,422	8.8	140,354	9.1	144,814	9.0	151,234	9.0	148,243	8.7	168,330	9.0	190,184	9.3	177,049	8.3	180,705	8.1
Other current liabilities.....	203,936	15.0	219,583	15.1	234,984	15.2	245,240	15.3	264,158	15.7	262,297	15.4	290,852	15.5	318,564	15.6	336,472	15.9	353,030	15.7
Total current liabilities..... (b)	397,441	29.2	429,765	29.5	469,947	30.4	474,116	29.6	505,408	30.0	517,355	30.3	574,314	30.5	620,000	30.4	612,293	28.9	629,927	28.1
Net current assets..... (a-b)=(c)	76,792	5.6	99,621	6.8	102,528	6.6	111,258	6.9	98,908	5.9	80,470	4.7	96,300	5.1	105,059	5.2	91,516	4.3	101,622	4.5
Gross tangible fixed assets.....	1,062,471	78.1	1,107,616	76.0	1,163,277	75.2	1,180,775	73.7	1,207,521	71.8	1,174,794	68.8	1,214,593	64.6	1,215,532	59.6	1,275,964	60.2	1,306,878	58.3
Accumulated depreciation.....	(526,488)	-38.7	(552,076)	-37.9	(585,999)	-37.9	(593,023)	-37.0	(607,331)	-36.1	(594,277)	-34.8	(612,692)	-32.6	(599,989)	-29.4	(640,060)	-30.2	(657,291)	-29.3
Net tangible fixed assets.....	535,983	39.4	555,540	38.1	577,278	37.3	587,752	36.7	600,190	35.7	580,517	34.0	601,901	32.0	615,543	30.2	635,904	30.0	649,587	29.0
Investments.....	83,419	6.1	83,064	5.7	88,122	5.7	102,763	6.4	114,186	6.8	131,838	7.7	158,428	8.4	162,378	8.0	174,621	8.2	178,358	7.9
Loans and other assets.....	123,911	9.1	132,992	9.2	143,018	9.3	154,575	9.6	178,556	10.6	188,995	11.1	216,870	11.6	245,117	12.0	284,597	13.4	304,332	13.6
Net fixed assets and investments..... (d)	743,313	54.6	771,596	53.0	808,418	52.3	845,090	52.7	892,932	53.1	901,350	52.8	977,199	52.0	1,023,038	50.2	1,095,122	51.6	1,132,277	50.5
Medium- and long-term borrowings.....	219,484	16.1	221,876	15.2	214,731	13.9	212,682	13.3	221,012	13.1	244,363	14.3	263,890	14.0	300,792	14.7	350,111	16.5	388,057	17.3
Other creditors.....	18,081	1.3	18,318	1.3	19,065	1.2	24,087	1.5	28,460	1.7	27,933	1.6	34,151	1.8	39,429	1.9	44,098	2.1	54,783	2.4
Employee benefits.....	159,545	11.7	149,855	10.3	149,400	9.7	154,090	9.6	153,220	9.1	147,556	8.6	147,089	7.8	156,137	7.7	173,751	8.2	245,088	10.9
Deferred taxation.....	53,889	4.0	60,000	4.1	62,660	4.1	62,863	3.9	65,024	3.9	61,699	3.6	70,544	3.8	73,617	3.6	76,705	3.6	68,391	3.1
Other provisions.....	63,485	4.7	70,494	4.8	74,218	4.8	84,945	5.3	87,616	5.2	88,185	5.2	90,855	4.8	73,047	3.6	70,077	3.3	89,009	4.0
Medium- and long-term liabilities..... (e)	514,484	37.8	520,543	35.7	520,074	33.6	538,667	33.6	555,332	33.0	569,736	33.4	606,529	32.3	643,022	31.5	714,742	33.7	845,328	37.7
Goodwill.....	87,290	6.4	95,805	6.6	99,093	6.4	113,747	7.1	133,516	7.9	155,244	9.1	184,053	9.8	240,173	11.8	259,046	12.2	290,869	13.0
Deferred expenses and other intangibles.....	55,285	4.1	60,453	4.1	66,247	4.3	58,780	3.7	51,683	3.1	52,603	3.1	48,417	2.5	51,649	2.5	63,679	3.0	87,445	3.9
Total intangibles..... (f)	142,575	10.5	156,258	10.7	165,340	10.7	172,527	10.8	185,199	11.0	207,847	12.2	232,470	12.3	291,822	14.3	322,725	15.2	378,314	16.9
Net worth..... (c+d-e+f)	448,196	33.0	506,932	34.8	556,212	36.0	590,208	36.8	621,707	37.0	619,931	36.3	699,440	37.2	776,897	38.1	794,621	37.5	766,885	34.2
<i>Represented by:</i>																				
Issued share capital.....	56,453	4.2	59,561	4.1	61,087	4.0	65,611	4.1	67,164	4.0	75,925	4.4	84,548	4.5	94,896	4.7	103,112	4.9	103,832	4.6
Reserves.....	443,091	32.6	504,069	34.6	572,542	37.0	612,434	38.2	657,114	39.1	664,258	38.9	767,183	40.8	861,522	42.2	886,337	41.8	887,303	39.6
Own shares.....	(66,551)	-4.9	(74,025)	-5.1	(96,219)	-6.2	(106,731)	-6.7	(120,825)	-7.2	(141,621)	-8.3	(171,979)	-9.1	(201,334)	-9.9	(224,695)	-10.6	(253,331)	-11.3
Total.....	432,993	31.8	489,605	33.6	537,410	34.8	571,314	35.6	603,453	35.9	598,562	35.1	679,752	36.2	755,084	37.0	764,754	36.0	737,804	32.9
Minority interests.....	14,137	1.0	16,369	1.1	17,995	1.2	18,383	1.1	16,448	1.0	19,347	1.1	19,157	1.0	21,424	1.1	26,100	1.2	25,672	1.1
Other items.....	1,066	0.1	958	0.1	807	0.1	511	...	1,806	0.1	2,022	0.1	531	...	389	...	3,767	0.2	3,409	0.2
Total assets..... (a+d+f)	1,360,121	100.0	1,457,240	100.0	1,546,233	100.0	1,602,991	100.0	1,682,447	100.0	1,707,022	100.0	1,880,283	100.0	2,039,919	100.0	2,121,656	100.0	2,242,140	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Cash flow	223,203	99.3	246,784	107.3	264,182	113.2	734,169	106.7	294,847	107.3
New equity issues.....	145	0.1	(22,591)	-9.8	(18,306)	-7.8	(40,752)	-5.9	(34,415)	-12.5
Increase (decrease) in borrowings	1,432	0.6	5,704	2.5	(12,596)	-5.4	(5,460)	-0.8	14,284	5.2
Total sources	224,780	100.0	229,897	100.0	233,280	100.0	687,957	100.0	274,716	100.0
Capital expenditure	95,128	42.3	110,300	48.0	110,989	47.6	316,417	46.0	122,715	44.7
Dividends paid	41,093	18.3	43,696	19.0	45,816	19.6	130,605	19.0	49,456	18.0
Increase (decrease) in cash and marketable securities.....	11,533	5.1	3,186	1.4	24,107	10.3	38,826	5.6	7,721	2.8
Increase (decrease) in net current assets	10,336	4.6	12,570	5.5	(25,924)	-11.1	(3,018)	-0.4	(14,117)	-5.1
Other items (net).....	66,690	29.7	60,145	26.1	78,292	33.6	205,127	29.8	108,941	39.6
Total applications	224,780	100.0	229,897	100.0	233,280	100.0	687,957	100.0	274,716	100.0

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	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%	USD m	%
Cash flow	276,382	94.4	296,988	100.9	868,217	100.7	346,746	90.9	281,520	87.3	274,942	98.6	903,208	91.9
New equity issues.....	(23,629)	-8.1	(30,539)	-10.4	(88,583)	-10.3	1,834	0.5	4,079	1.3	(31,486)	-11.3	(25,573)	-2.6
Increase (decrease) in borrowings	40,150	13.7	27,844	9.5	82,278	9.6	33,022	8.6	36,839	11.4	35,366	12.7	105,227	10.7
Total sources	292,903	100.0	294,293	100.0	861,912	100.0	381,602	100.0	322,438	100.0	278,822	100.0	982,862	100.0
Capital expenditure	112,866	38.5	107,724	36.6	343,305	39.8	113,010	29.6	114,484	35.5	102,262	36.7	329,756	33.5
Dividends paid	61,703	21.1	53,797	18.3	164,956	19.1	64,259	16.8	59,825	18.6	61,364	22.0	185,448	18.9
Increase (decrease) in cash and marketable securities.....	(22,247)	-7.6	34,208	11.6	19,682	2.3	4,630	1.2	20,328	6.3	35,723	12.8	60,681	6.2
Increase (decrease) in net current assets	20,608	7.0	(10,061)	-3.4	(3,570)	-0.4	249	0.1	(46,351)	-14.4	(28,197)	-10.1	(74,299)	-7.6
Other items (net).....	119,973	41.0	108,625	36.9	337,539	39.2	199,454	52.3	174,152	54.0	107,670	38.6	481,276	49.0
Total applications	292,903	100.0	294,293	100.0	861,912	100.0	381,602	100.0	322,438	100.0	278,822	100.0	982,862	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets	132.6	137.0	142.7	148.6
Net sales as % of net fixed assets.....	262.9	273.1	287.5	298.6
Capital expenditure as % of gross fixed assets	8.6	8.6	9.5	9.4
Depreciation charges as % of gross fixed assets.....	6.7	6.6	6.9	6.5
Accumulated depreciation as % of gross fixed assets	49.6	49.8	50.4	50.2
Interest charges as % of borrowings.....	8.0	7.6	7.3	7.7
Dividends declared as % of net profit.....	99.5	44.8	43.3	38.7
Trade debtors as % of sales.....	11.6	12.2	12.3	11.5
Inventories as % of sales	10.0	10.1	10.0	9.8
Balance of other current assets and liabilities (1) as % of sales.....	-16.5	-16.8	-16.6	-17.3
Total net working capital.....	5.1	5.5	5.7	4.0
Current assets as % of current liabilities.....	119.3	123.2	121.8	123.5
Net worth as % of total indebtedness	70.6	75.7	79.0	83.0
Net worth as % of total borrowings	148.3	167.0	179.8	198.9
Net worth less intangibles as % of total borrowings	101.1	115.5	126.4	140.8

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	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	150.9	146.2	156.9	176.8	164.4	156.9
Net sales as % of net fixed assets.....	303.6	295.9	316.6	349.2	329.8	315.8
Capital expenditure as % of gross fixed assets	10.2	9.6	8.9	9.3	9.0	7.8
Depreciation charges as % of gross fixed assets.....	7.2	6.9	7.2	7.3	7.3	7.0
Accumulated depreciation as % of gross fixed assets	50.3	50.6	50.4	49.4	50.2	50.3
Interest charges as % of borrowings.....	7.4	6.7	6.7	6.8	6.3	5.4
Dividends declared as % of net profit.....	39.1	49.4	36.7	36.2	63.3	80.2
Trade debtors as % of sales.....	11.2	12.2	12.3	12.3	10.8	11.0
Inventories as % of sales	9.5	10.1	9.4	9.0	8.9	8.6
Balance of other current assets and liabilities (1) as % of sales.....	-17.7	-17.9	-18.3	-18.2	-18.7	-19.9
Total net working capital.....	3.0	4.4	3.4	3.1	1.0	-0.3
Current assets as % of current liabilities.....	119.6	115.6	116.8	116.9	114.9	116.1
Net worth as % of total indebtedness	82.4	78.5	80.2	80.9	78.9	71.5
Net worth as % of total borrowings	199.9	176.5	184.5	188.5	177.0	158.4
Net worth less intangibles as % of total borrowings	140.3	117.3	123.2	117.7	105.1	80.2

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

JAPAN

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%
Oil, energy and mining	2,741	3.4	2,728	3.2	2,633	2.9	2,776	2.8	2,663	2.6	2,332	2.3	2,089	2.1	2,460	2.3	2,338	2.2	2,564	2.3
Iron, steel and non-ferrous metals.....	6,588	8.1	5,760	6.9	5,894	6.5	6,006	6.0	6,258	6.0	5,583	5.5	5,419	5.3	5,957	5.6	5,474	5.2	6,263	5.6
Chemicals.....	2,611	3.2	2,587	3.1	2,715	3.0	2,923	2.9	3,073	3.0	2,938	2.9	2,940	2.9	3,036	2.9	3,904	3.7	4,059	3.7
Rubber and cables	1,599	2.0	1,595	1.9	1,687	1.8	1,958	1.9	2,171	2.1	2,237	2.2	2,086	2.1	2,007	1.9	2,134	2.0	2,248	2.0
Mechanical engineering:																				
Automotive	24,312	30.0	23,845	28.4	27,091	29.8	30,769	30.5	30,865	29.7	31,340	30.7	30,944	30.6	31,718	29.7	33,764	32.1	37,492	33.9
Aerospace	290	0.4	304	0.4	277	0.3	300	0.3	373	0.3	358	0.3	285	0.3	202	0.2	227	0.2	218	0.2
Domestic appliances.....	1,321	1.6	1,431	1.7	1,450	1.6	1,592	1.6	1,975	1.9	1,870	1.8	1,608	1.6	2,347	2.2	2,185	2.1	2,258	2.0
Others engineering.....	6,605	8.2	6,985	8.3	7,401	8.1	7,894	7.8	7,659	7.4	7,326	7.2	6,272	6.2	6,552	6.1	6,332	6.0	6,277	5.7
Electronics	28,024	34.6	29,873	35.6	32,743	36.0	37,101	36.8	40,057	38.6	39,623	38.9	40,975	40.5	43,600	40.8	40,898	38.9	41,075	37.1
Building and civil engineering.....	1,705	2.1	1,086	1.3	1,078	1.2	1,126	1.1	1,023	1.0	1,098	1.1	1,102	1.1	894	0.8	852	0.8	763	0.7
Cement, glass and other bldg. products..	1,050	1.3	1,096	1.3	1,147	1.2	1,257	1.2	1,246	1.2	1,156	1.1	1,189	1.2	1,051	1.0	1,070	1.0	1,089	1.0
Paper, printing and publishing.....	987	1.2	1,017	1.2	1,071	1.2	1,151	1.1	1,172	1.1	1,116	1.1	1,130	1.1	1,182	1.1	1,120	1.1	1,069	1.0
Food and drinks.....	74	0.1	78	0.1	83	0.1	89	0.1	88	0.1	90	0.1	-	-	-	-	-	-	-	-
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other mfg. industries.....	1,723	2.1	1,935	2.3	2,213	2.4	2,215	2.2	1,119	1.1	1,109	1.1	1,205	1.2	1,106	1.0	981	1.0	1,085	1.0
Service industries	1,385	1.7	3,613	4.3	3,535	3.9	3,699	3.7	4,093	3.9	3,803	3.7	3,806	3.8	4,728	4.4	3,847	3.7	4,272	3.8
Total.....	81,015	100.0	83,933	100.0	91,018	100.0	100,856	100.0	103,835	100.0	101,979	100.0	101,050	100.0	106,840	100.0	105,126	100.0	110,732	100.0
Intra-group sales	(1,722)		(2,988)		(3,337)		(3,460)		(3,885)		(3,502)		(3,725)		(4,570)		(3,411)		(3,471)	
Consolidated.....	79,293		80,945		87,681		97,396		99,950		98,477		97,325		102,270		101,715		107,261	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

JAPAN

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%	<i>JPY bn</i>	%
Net sales	79,293	100.0	80,945	100.0	87,681	100.0	97,396	100.0	99,950	100.0	98,477	100.0	97,325	100.0	102,270	100.0	101,715	100.0	107,261	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	5,950	7.5	6,817	8.5	7,996	9.1	9,304	9.5	9,518	9.5	8,468	8.6	8,470	8.7	9,455	9.2	8,432	8.2	10,517	9.8
Depreciation	(4,390)	-5.5	(4,499)	-5.6	(4,748)	-5.4	(5,101)	-5.2	(5,504)	-5.5	(5,791)	-5.9	(5,707)	-5.9	(5,658)	-5.5	(5,823)	-5.7	(5,693)	-5.3
Net operating margin.....	1,560	2.0	2,318	2.9	3,248	3.7	4,203	4.3	4,014	4.0	2,677	2.7	2,763	2.8	3,797	3.7	2,609	2.5	4,824	4.5
Interest and financing charges	(1,413)	-1.8	(1,322)	-1.6	(1,166)	-1.3	(1,048)	-1.1	(1,018)	-1.0	(1,039)	-1.1	(905)	-0.9	(847)	-0.8	(725)	-0.7	(576)	-0.5
Interest received.....	988	1.2	823	1.0	701	0.8	643	0.7	665	0.7	670	0.7	583	0.6	490	0.4	393	0.4	350	0.3
Share of profits (losses) of related companies	25	...	112	0.1	152	0.1	175	0.2	88	0.1	47	...	71	0.1	189	0.2	95	0.1	58	...
Current pre-tax profit.....	1,160	1.4	1,931	2.4	2,935	3.3	3,973	4.1	3,749	3.8	2,355	2.3	2,512	2.6	3,629	3.5	2,372	2.3	4,656	4.3
Interest capitalized.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of goodwill.....	(29)	...	(310)	-0.4	(21)	...	(26)	...	(180)	-0.2	(26)	...	(33)	...	(71)	-0.1	(35)	...	(68)	-0.1
Government grants.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	374	0.5	314	0.4	95	0.1	211	0.2	271	0.3	307	0.3	566	0.6	700	0.7	(432)	-0.4	9	...
Fixed asset revaluations (writedowns)...	(1)	...	(5)	0.1	(37)	...	(107)	-0.1	(184)	-0.2	(124)	-0.1	(77)	-0.1	(78)	-0.1	(315)	-0.3	(351)	-0.3
Provisions and other extraordinary items	(83)	-0.1	(233)	-0.3	(153)	-0.3	(161)	-0.2	(229)	-0.2	(388)	-0.4	(731)	-0.8	(194)	-0.2	(1,363)	-1.3	(637)	-0.6
Cumulative effect of accounting changes	(9)	...	-	-	-	-	-	-	-	-	-	-	(324)	-0.3	(115)	-0.1	9	-0.1	(11)	...
Net profit (loss) before tax	1,412	1.8	1,697	2.2	2,819	3.1	3,890	4.0	3,427	3.5	2,124	2.1	1,913	2.0	3,871	3.7	236	0.2	3,598	3.3
Taxation	(1,086)	-1.4	(1,269)	-1.6	(1,445)	-1.6	(1,915)	-2.0	(1,950)	-2.0	(1,522)	-1.5	(1,318)	-1.4	(1,657)	-1.6	(858)	-0.8	(1,528)	-1.4
Profit attributable to minorities	(17)	...	(61)	-0.1	(115)	-0.1	(115)	-0.1	(108)	-0.1	(46)	...	(20)	...	(149)	-0.1	105	0.1	(99)	-0.1
Net profit attributable to parent company	309	0.4	367	0.5	1,259	1.4	1,860	1.9	1,369	1.4	556	0.6	575	0.6	2,065	2.0	(517)	-0.5	1,971	1.8
<i>Research & development expenses</i> (1).....	3,091	5.3	3,082	5.1	3,252	5.1	3,499	4.9	3,729	5.0	3,783	5.2	3,752	5.2	3,897	5.1	3,985	5.3	3,923	5.1
<i>Dividends declared</i>	425	0.5	377	0.5	428	0.5	428	0.4	480	0.5	409	0.4	363	0.4	406	0.4	426	0.4	404	0.4

(1) Figures cover 23 companies which in 2002 accounted for 72% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

JAPAN

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%
Cash.....	9,399	10.3	10,568	11.2	10,272	10.4	10,633	10.1	10,389	9.4	10,584	9.6	10,273	9.4	9,708	8.3	9,464	8.0	9,215	7.8
Marketable securities.....	6,025	6.6	5,067	5.4	5,322	5.4	4,796	4.6	5,265	4.7	4,711	4.3	4,120	3.8	2,617	2.2	2,227	1.9	2,050	1.7
Trade debtors.....	16,089	17.5	16,828	17.9	19,080	19.2	20,915	19.8	20,817	18.8	20,016	18.2	19,631	18.1	22,325	19.1	21,765	18.5	21,976	18.6
Inventories.....	12,863	14.0	12,951	13.8	14,095	14.2	14,465	13.7	15,325	13.8	14,208	12.9	13,222	12.2	14,514	12.4	12,964	11.0	12,702	10.7
Other current assets.....	5,174	5.6	5,496	5.9	5,656	5.7	6,423	6.1	7,871	7.1	8,671	7.9	8,954	8.2	10,615	9.1	12,222	10.4	12,804	10.8
Total current assets..... (a)	49,550	54.0	50,910	54.2	54,425	54.9	57,232	54.3	59,667	53.8	58,190	52.9	56,200	51.7	59,779	51.1	58,642	49.8	58,747	49.6
Short-term borrowings.....	15,622	17.0	16,132	17.2	17,321	17.5	18,135	17.2	20,032	18.1	17,363	15.8	15,703	14.4	16,836	14.4	17,683	15.0	15,642	13.2
Trade creditors.....	11,934	13.0	12,716	13.5	13,937	14.1	14,849	14.1	14,981	13.5	14,396	13.1	14,560	13.4	16,317	14.0	14,635	12.4	15,055	12.7
Other current liabilities.....	9,909	10.8	10,625	11.3	11,804	11.9	12,914	12.2	13,295	12.0	13,265	12.1	12,793	11.8	14,863	12.7	14,760	12.5	14,569	12.3
Total current liabilities..... (b)	37,465	40.8	39,473	42.0	43,062	43.5	45,898	43.5	48,308	43.6	45,024	40.9	43,056	39.6	48,016	41.1	47,078	40.0	45,266	38.2
Net current assets..... (a-b)=(c)	12,085	13.2	11,437	12.2	11,363	11.5	11,334	10.7	11,359	10.2	13,166	12.0	13,144	12.1	11,763	10.1	11,564	9.8	13,481	11.4
Gross tangible fixed assets.....	66,187	72.0	70,074	74.5	73,587	74.2	79,637	75.5	84,688	76.4	85,964	78.1	86,170	79.2	89,816	76.8	91,091	77.4	93,182	78.7
Accumulated depreciation.....	(38,955)	-42.4	(41,752)	-44.4	(44,239)	-44.6	(47,690)	-45.2	(50,641)	-45.7	(52,509)	-47.7	(53,340)	-49.0	(56,128)	-48.0	(57,567)	-48.9	(60,015)	-50.7
Net tangible fixed assets.....	27,232	29.6	28,322	30.1	29,348	29.6	31,947	30.3	34,047	30.7	33,455	30.4	32,830	30.2	33,688	28.8	33,524	28.5	33,167	28.0
Investments.....	6,960	7.6	6,706	7.2	7,004	7.1	7,527	7.1	7,823	7.1	7,728	7.0	7,614	7.0	6,901	5.9	6,851	5.8	6,244	5.3
Loans and other assets.....	5,487	6.0	5,745	6.1	6,195	6.2	6,456	6.1	6,863	6.2	8,136	7.4	9,068	8.3	13,198	11.3	14,663	12.5	15,068	12.7
Net fixed assets and investments..... (d)	39,679	43.2	40,773	43.4	42,547	42.9	45,930	43.5	48,733	44.0	49,319	44.8	49,512	45.5	53,787	46.0	55,038	46.8	54,479	46.0
Medium- and long-term borrowings.....	18,822	20.5	18,423	19.6	17,909	18.1	18,383	17.4	19,681	17.7	21,455	19.5	20,499	18.8	19,427	16.6	20,761	17.6	21,294	18.0
Other creditors.....	921	1.0	1,029	1.1	1,121	1.1	1,378	1.3	1,619	1.5	1,695	1.5	2,054	1.9	2,537	2.2	2,965	2.5	3,229	2.7
Employee benefits.....	3,421	3.7	3,585	3.8	3,819	3.9	4,317	4.1	4,776	4.3	5,627	5.1	5,264	4.8	6,397	5.5	7,495	6.4	10,748	9.1
Deferred taxation.....	119	0.1	278	0.3	326	0.3	264	0.3	198	0.2	424	0.4	1,012	0.9	1,179	1.0	976	0.8	850	0.7
Other provisions.....	603	0.7	575	0.6	559	0.6	610	0.6	494	0.4	453	0.4	972	0.9	717	0.6	734	0.6	835	0.7
Medium- and long-term liabilities..... (e)	23,886	26.0	23,890	25.4	23,734	24.0	24,952	23.7	26,768	24.1	29,654	26.9	29,801	27.4	30,257	25.9	32,931	28.0	36,956	31.2
Goodwill.....	800	0.8	534	0.5	485	0.5	484	0.4	496	0.4	452	0.4	582	0.5	729	0.6	739	0.6	2,462	2.1
Deferred expenses and other intangibles.....	1,816	2.0	1,775	1.9	1,636	1.7	1,859	1.8	1,984	1.8	2,115	1.9	2,498	2.3	2,642	2.3	3,238	2.8	2,684	2.3
Total intangibles..... (f)	2,616	2.8	2,309	2.4	2,121	2.2	2,343	2.2	2,480	2.2	2,567	2.3	3,080	2.8	3,371	2.9	3,977	3.4	5,146	4.4
Net worth..... (c+d-e+f)	30,494	33.2	30,629	32.6	32,297	32.6	34,655	32.8	35,804	32.3	35,398	32.2	35,935	33.0	38,664	33.1	37,648	32.0	36,150	30.5
<i>Represented by:</i>																				
Issued share capital.....	4,537	4.9	4,679	5.0	4,726	4.8	8,097	7.7	5,068	4.6	5,167	4.7	5,519	5.1	5,750	4.9	5,923	5.0	5,816	4.9
Reserves.....	24,128	26.3	24,195	25.7	25,771	26.0	24,343	23.1	28,310	25.5	27,921	25.4	28,335	26.0	29,666	25.4	28,555	24.3	28,319	23.9
Own shares.....	-	-	-	-	-	-	-	-	(2)	...	(1)	...	(25)	...	(15)	...	(144)	-0.1	(925)	-0.8
Total.....	28,665	31.2	28,874	30.7	30,497	30.8	32,440	30.7	33,376	30.1	33,087	30.1	33,829	31.1	35,401	30.3	34,334	29.2	33,210	28.1
Minority interests.....	2,282	2.5	2,375	2.5	2,453	2.5	2,665	2.5	2,838	2.6	3,047	2.8	3,069	2.8	3,263	2.8	3,314	2.8	2,940	2.5
Other items.....	(453)	-0.5	(620)	-0.7	(653)	-0.7	(450)	-0.4	(410)	-0.4	(736)	-0.7	(963)	-0.9	-	-	-	-	-	-
Total assets..... (a+d+f)	91,845	100.0	93,992	100.0	99,093	100.0	105,505	100.0	110,880	100.0	110,076	100.0	108,792	100.0	116,937	100.0	117,657	100.0	118,372	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

JAPAN

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%	JPY bn	%
Cash flow	6,430	94.2	7,683	90.6	9,074	85.7	23,187	89.5	9,253	73.0	8,146	111.6	8,219	120.3	25,618	95.6	9,287	97.0	8,195	79.1	10,349	116.8	27,831	96.6
New equity issues.....	285	4.2	126	1.5	229	2.2	640	2.5	230	1.8	52	0.7	1,229	18.0	1,511	5.6	229	2.4	(8)	-0.1	21	0.2	242	0.8
Increase (decrease) in borrowings	111	1.6	675	7.9	1,288	12.1	2,074	8.0	3,195	25.2	(895)	-12.3	(2,616)	-38.3	(316)	-1.2	61	0.6	2,181	21.0	(1,508)	-17.0	734	2.6
Total sources	6,826	100.0	8,484	100.0	10,591	100.0	25,901	100.0	12,678	100.0	7,303	100.0	6,832	100.0	26,813	100.0	9,577	100.0	10,368	100.0	8,862	100.0	28,807	100.0
Capital expenditure.....	4,584	67.2	5,738	67.6	6,828	64.5	17,150	66.2	7,376	58.2	6,915	94.7	6,222	91.1	20,513	76.5	6,736	70.3	7,016	67.7	6,257	70.6	20,009	69.5
Dividends paid	377	5.5	428	5.1	437	4.1	1,242	4.8	489	3.8	418	5.7	363	5.3	1,270	4.7	406	4.3	431	4.1	404	4.6	1,241	4.3
Increase (decrease) in cash and marketable securities.....	211	3.1	(41)	-0.5	(165)	-1.6	5	...	225	1.8	(359)	-4.9	(902)	-13.2	(1,036)	-3.9	(2,068)	-21.6	(634)	-6.1	(426)	-4.8	(3,128)	-10.9
Increase (decrease) in net current assets.....	(349)	-5.1	1,156	13.6	950	9.0	1,757	6.8	1,697	13.4	(503)	-6.9	(780)	-11.4	414	1.6	1,820	19.0	1,282	12.4	302	3.4	3,404	11.8
Other items (net).....	2,003	29.3	1,203	14.2	2,541	24.0	5,747	22.2	2,891	22.8	832	11.4	1,929	28.2	5,652	21.1	2,683	28.0	2,273	21.9	2,325	26.2	7,281	25.3
Total applications	6,826	100.0	8,484	100.0	10,591	100.0	25,901	100.0	12,678	100.0	7,303	100.0	6,832	100.0	26,813	100.0	9,577	100.0	10,368	100.0	8,862	100.0	28,807	100.0

TABLE II.5 – FINANCIAL RATIOS

JAPAN

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	119.8	115.5	119.2	122.3	118.0	114.6	112.9	113.9	111.7	115.1
Net sales as % of net fixed assets.....	291.2	285.8	298.8	304.9	293.6	294.4	296.5	303.6	303.4	323.4
Capital expenditure as % of gross fixed assets	6.8	6.5	7.8	8.6	8.7	8.0	7.2	7.5	7.7	6.7
Depreciation charges as % of gross fixed assets.....	6.6	6.4	6.5	6.4	6.5	6.7	6.6	6.3	6.4	6.1
Accumulated depreciation as % of gross fixed assets	58.9	59.6	60.1	59.9	59.8	61.1	61.9	62.5	63.2	64.4
Interest charges as % of borrowings.....	4.1	3.8	3.3	2.9	2.6	2.7	2.5	2.3	1.9	1.6
Dividends declared as % of net profit.....	n.c.	n.c.	34.0	23.0	35.1	73.6	63.1	19.7	n.c.	20.5
Trade debtors as % of sales.....	20.3	20.8	21.8	21.5	20.8	20.3	20.2	21.8	21.4	20.5
Inventories as % of sales	16.2	16.0	16.1	14.9	15.3	14.4	13.6	14.2	12.7	11.8
Balance of other current assets and liabilities (1) as % of sales.....	-21.0	-22.0	-22.9	-21.9	-20.4	-19.3	-18.9	-20.1	-16.9	-15.7
Total net working capital.....	15.5	14.8	15.0	14.5	15.7	15.4	14.9	15.9	17.2	16.6
Current assets as % of current liabilities.....	132.3	129.0	126.4	124.7	123.5	129.2	130.5	124.5	124.6	129.8
Net worth as % of total indebtedness	53.3	52.0	52.0	52.8	51.4	51.9	54.8	55.3	53.2	51.8
Net worth as % of total borrowings	88.5	88.6	91.7	94.9	90.2	91.2	99.3	106.6	97.9	97.9
Net worth less intangibles as % of total borrowings	80.9	82.0	85.7	88.5	83.9	84.6	90.8	97.3	87.6	83.9

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%
	Oil, energy and mining	527,912	79.9	505,028	78.6	524,446	77.0	634,959	80.8	682,666	80.4	532,991	77.8	697,520	80.4	1,071,110	84.7	1,098,558	86.2	988,971	88.1
Iron, steel and non-ferrous metals.....	10,864	1.6	10,210	1.6	13,124	1.9	12,321	1.6	13,687	1.6	12,328	1.8	12,662	1.5	14,077	1.1	7,761	0.6	9,575	0.9
Chemicals.....	72,099	10.9	76,753	11.9	89,492	13.2	86,245	11.0	95,622	11.3	81,023	11.8	97,298	11.2	113,056	9.0	103,872	8.2	90,376	8.1
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:																				
Automotive	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aerospace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Domestic appliances.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others engineering.....	9,356	1.4	8,504	1.3	8,829	1.3	9,143	1.2	10,005	1.2	11,773	1.7	13,479	1.5	12,989	1.0	12,005	0.9	9,942	0.9
Electronics	-	-	-	-	-	-	459	...	682	0.1	992	0.1	1,317	0.1	1,178	0.1	560	0.1	-	-
Building and civil engineering.....	5,228	0.8	5,530	0.9	5,983	0.9	5,760	0.7	6,553	0.8	5,579	0.8	6,575	0.8	11,186	0.9	13,888	1.1	2,443	0.2
Cement, glass and other bdg. products..	475	0.1	671	0.1	911	0.1	835	0.1	854	0.1	836	0.1	-	-	-	-	-	-	-	-
Paper, printing and publishing.....	82	...	-	-	-	-	-	-	-	-	-	1,301	0.1	2,719	0.2	4,371	0.3	4,318	0.4	-
Food and drinks.....	3,224	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other mfg. industries.....	8,509	1.3	9,412	1.5	6,862	1.0	6,125	0.8	6,542	0.8	6,694	1.0	10,322	1.2	7,338	0.6	7,576	0.6	5,052	0.4
Service industries	23,073	3.5	26,234	4.1	31,052	4.6	29,632	3.8	31,916	3.7	33,243	4.9	27,400	3.2	30,832	2.4	25,454	2.0	11,394	1.0
Total	660,827	100.0	642,347	100.0	680,703	100.0	785,483	100.0	848,532	100.0	685,461	100.0	867,876	100.0	1,264,488	100.0	1,274,047	100.0	1,122,075	100.0
Intra-group sales	(9,194)	-	(9,820)	-	(10,222)	-	(10,721)	-	(12,267)	-	(6,475)	-	(2,980)	-	(3,157)	-	(3,739)	-	(704)	-
Consolidated	651,632	-	632,527	-	670,480	-	774,762	-	836,264	-	678,985	-	864,895	-	1,261,331	-	1,270,308	-	1,121,371	-

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%
	Net sales	651,632	100.0	632,527	100.0	670,480	100.0	774,762	100.0	836,264	100.0	678,985	100.0	864,895	100.0	1,261,331	100.0	1,270,308	100.0	1,121,371	100.0
Purchases and sundry operating expenses .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin	79,943	12.3	83,629	13.2	95,645	14.3	112,180	14.4	121,194	14.5	86,961	12.9	124,265	14.3	201,110	15.9	202,270	16.0	166,932	14.9
Depreciation	(40,982)	-6.3	(41,788)	-6.6	(44,215)	-6.6	(44,301)	-5.7	(48,399)	-5.8	(49,968)	-7.4	(54,717)	-6.3	(61,150)	-4.8	(67,148)	-5.3	(65,726)	-5.9
Net operating margin	38,961	6.0	41,842	6.6	51,431	7.7	67,881	8.7	72,795	8.7	36,994	5.5	69,548	8.0	139,961	11.1	135,124	10.7	101,207	9.0
Interest and financing charges	(13,978)	-2.1	(11,882)	-1.9	(11,545)	-1.7	(10,447)	-1.3	(10,815)	-1.3	(10,651)	-1.6	(14,510)	-1.7	(16,480)	-1.3	(16,779)	-1.3	(18,090)	-1.6
Interest received.....	7,911	1.2	7,960	1.2	7,487	1.1	7,741	1.0	7,429	0.9	7,741	1.1	6,972	0.8	9,329	0.7	10,284	0.8	12,181	1.1
Share of profits (losses) of related companies	3,970	0.6	4,824	0.8	5,802	0.8	5,445	0.7	6,487	0.8	3,741	0.6	9,170	1.1	13,223	1.1	11,804	0.9	8,429	0.8
Current pre-tax profit	36,863	5.7	42,743	6.7	53,174	7.9	70,619	9.1	75,896	9.1	37,824	5.6	71,181	8.2	146,031	11.6	140,432	11.1	103,726	9.3
Interest capitalized.....	1,359	0.2	967	0.1	1,148	0.2	1,166	0.2	1,215	0.2	1,412	0.2	1,632	0.2	1,801	0.1	1,767	0.1	1,201	0.1
Amortization of goodwill.....	(931)	-0.1	(774)	-0.1	(619)	-0.1	(675)	-0.1	(827)	-0.1	(951)	-0.1	(1,579)	-0.2	(2,648)	-0.2	(4,224)	-0.3	(6,754)	-0.6
Government grants.....	16	...	38	...	46	...	38	...	40	...	34	...	43	...	14	...	10	...	18	...
Gains(losses) on disposals of fixed assets	1,666	0.3	2,263	0.4	1,978	0.3	2,600	0.3	4,070	0.5	6,836	1.0	8,888	1.0	13,935	1.1	6,911	0.5	7,111	0.7
Fixed asset revaluations (writedowns)....	(1,669)	-0.3	(1,305)	-0.2	(2,584)	-0.4	(1,039)	-0.1	(1,552)	-0.2	(2,753)	-0.4	(1,137)	...	(1,012)	-0.1	(3,088)	-0.2	(8,741)	-0.8
Provisions and other extraordinary items	(1,827)	-0.3	(809)	-0.1	(2,808)	-0.4	(815)	-0.1	(1,029)	-0.1	(1,769)	-0.4	(3,233)	-0.4	(2,861)	-0.2	(6,589)	-0.5	(3,114)	-0.3
Cumulative effect of accounting changes	(59)	...	(1,365)	-0.2	(626)	-0.1	16	...	309	...	(21)	...	-	...	38	...	-	...	225	...
Net profit (loss) before tax	35,418	5.5	41,758	6.6	49,709	7.4	71,912	9.3	78,121	9.4	40,611	5.9	75,795	8.8	155,260	12.3	135,257	10.7	93,670	8.4
Taxation	(14,862)	-2.3	(15,826)	-2.5	(20,134)	-3.0	(29,310)	-3.8	(31,029)	-3.7	(15,844)	-2.3	(25,594)	-3.0	(62,039)	-4.9	(54,028)	-4.3	(38,880)	-3.5
Profit attributable to minorities.....	(984)	-0.2	(1,429)	-0.2	(1,906)	-0.3	(2,007)	-0.3	(2,177)	-0.3	(2,242)	-0.3	(4,164)	-0.5	(4,799)	-0.4	(5,608)	-0.4	(3,344)	-0.3
Net profit attributable to parent company	19,571	3.0	24,503	3.9	27,668	4.1	40,594	5.2	44,915	5.4	22,524	3.3	46,036	5.3	88,420	7.0	75,620	6.0	51,445	4.6
Research & development expenses (1).....	4,265	0.9	3,760	0.9	3,810	0.8	3,889	0.7	4,344	0.7	4,387	1.0	3,024	0.5	3,866	0.4	3,985	0.3	3,618	0.3
Dividends declared.....	15,173	2.3	15,898	2.5	17,513	2.6	19,710	2.5	23,340	2.8	29,951	4.4	27,657	3.2	35,375	2.8	38,749	3.1	31,474	2.8

(1) Figures cover 14 companies which in 2002 accounted for 85.6% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

OIL, ENERGY AND MINING

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%	<i>EUR m</i>	%
Cash.....	27,854	4.1	28,256	4.2	29,429	4.2	30,732	4.1	23,106	2.9	17,144	2.2	30,415	3.0	46,245	3.9	42,751	3.5	29,617	2.4
Marketable securities.....	29,740	4.4	32,632	4.8	32,494	4.7	30,312	4.0	27,289	3.4	24,991	3.2	25,294	2.5	32,224	2.8	26,561	2.1	32,684	2.7
Trade debtors.....	72,488	10.6	76,527	11.3	81,629	11.7	90,331	12.1	90,519	11.2	77,037	9.7	112,040	11.2	143,686	12.2	131,656	10.7	127,057	10.4
Inventories.....	54,981	8.1	53,000	7.8	53,960	7.7	58,297	7.8	57,117	7.1	50,329	6.4	67,370	6.7	79,008	6.7	71,309	5.8	72,772	5.9
Other current assets.....	30,242	4.4	29,923	4.4	32,277	4.6	34,424	4.6	36,892	4.6	38,879	4.9	52,526	5.2	72,961	6.2	73,259	6.0	79,802	6.5
Total current assets..... (a)	215,307	31.6	220,339	32.5	229,792	32.9	244,098	32.6	234,924	29.2	208,383	26.4	287,647	28.6	374,125	31.8	345,538	28.1	341,935	27.9
Short-term borrowings.....	51,573	7.6	46,413	6.9	41,292	5.9	48,370	6.5	47,251	5.9	51,212	6.5	72,370	7.2	64,457	5.5	77,754	6.3	78,080	6.4
Trade creditors.....	57,511	8.4	59,614	8.8	63,758	9.1	70,427	9.4	71,037	8.8	60,305	7.6	87,288	8.7	112,432	9.6	101,213	8.2	104,488	8.5
Other current liabilities.....	69,862	10.2	70,131	10.4	74,767	10.7	78,313	10.5	79,856	9.9	74,280	9.4	94,704	9.4	135,445	11.5	129,769	10.6	128,246	10.5
Total current liabilities..... (b)	178,947	26.3	176,159	26.0	179,819	25.8	197,111	26.4	198,145	24.7	185,798	23.5	254,363	25.3	312,336	26.5	308,738	25.1	310,814	25.4
Net current assets..... (a-b)=(c)	36,359	5.3	44,180	6.5	49,972	7.2	46,987	6.3	36,778	4.6	22,585	2.9	33,284	3.3	61,789	5.2	36,799	3.0	31,120	2.5
Gross tangible fixed assets.....	776,100	113.9	775,010	114.5	795,442	113.9	852,904	114.0	936,707	116.6	945,151	119.7	1,149,167	114.5	1,181,210	100.3	1,330,273	108.2	1,298,347	106.0
Accumulated depreciation.....	(398,544)	-58.5	(411,731)	-60.8	(429,656)	-61.5	(462,410)	-61.8	(511,087)	-63.6	(521,726)	-66.1	(632,108)	-63.0	(629,979)	-53.5	(703,313)	-57.2	(680,143)	-55.5
Net tangible fixed assets.....	377,555	55.4	363,278	53.7	365,786	52.4	390,494	52.2	425,619	53.0	423,425	53.6	517,059	51.5	551,230	46.8	626,959	51.0	618,204	50.5
Investments.....	48,444	7.1	50,193	7.4	55,328	7.9	59,733	8.0	79,279	9.9	85,005	10.8	100,926	10.1	124,160	10.6	110,664	9.0	102,042	8.3
Loans and other assets.....	25,432	3.7	27,371	4.0	30,307	4.4	34,439	4.6	38,987	4.8	42,628	5.4	55,048	5.5	64,567	5.5	68,773	5.6	63,738	5.2
Net fixed assets and investments..... (d)	451,433	66.2	440,843	65.1	451,422	64.7	484,667	64.8	543,886	67.7	551,058	69.8	673,034	67.1	739,959	62.9	806,397	65.6	783,986	64.0
Medium- and long-term borrowings.....	103,998	15.3	93,322	13.8	87,414	12.5	81,695	10.9	87,693	10.9	94,181	11.9	122,731	12.2	134,028	11.4	142,915	11.6	159,892	13.0
Other creditors.....	17,326	2.5	18,303	2.7	17,179	2.5	18,998	2.5	19,826	2.5	19,895	2.5	21,439	2.1	28,646	2.4	29,830	2.4	36,613	3.0
Employee benefits.....	38,364	5.6	39,232	5.8	41,159	5.9	41,921	5.6	43,016	5.4	45,246	5.7	57,390	5.7	58,638	5.0	61,505	5.0	69,142	5.6
Deferred taxation.....	40,696	6.0	37,570	5.5	38,911	5.6	43,582	5.8	49,573	6.2	46,618	5.9	59,825	6.0	62,782	5.3	72,356	5.9	84,694	6.9
Other provisions.....	54,877	8.1	61,834	9.1	69,459	9.9	71,392	9.5	76,083	9.5	79,467	10.1	84,674	8.4	90,869	7.7	90,669	7.4	94,724	7.7
Medium- and long-term liabilities..... (e)	255,263	37.5	250,263	37.0	254,124	36.4	257,591	34.4	276,194	34.4	285,409	36.1	346,062	34.5	374,966	31.9	397,278	32.3	445,067	36.3
Goodwill.....	5,963	0.9	7,587	1.1	7,533	1.1	8,032	1.1	11,199	1.4	13,297	1.7	18,082	1.8	33,449	2.8	45,858	3.8	66,525	5.4
Deferred expenses and other intangibles.....	8,886	1.3	8,377	1.3	9,401	1.3	11,183	1.5	13,293	1.7	16,812	2.1	24,805	2.5	29,537	2.5	31,027	2.5	33,103	2.7
Total intangibles..... (f)	14,849	2.2	15,964	2.4	16,934	2.4	19,216	2.6	24,493	3.1	30,109	3.8	42,888	4.3	62,987	5.3	76,885	6.3	99,628	8.1
Net worth..... (c+d-e+f)	247,379	36.3	250,724	37.0	264,205	37.8	293,279	39.2	328,964	41.0	318,344	40.3	403,144	40.2	489,769	41.6	522,804	42.5	469,668	38.3
<i>Represented by:</i>																				
Issued share capital.....	30,250	4.4	29,706	4.4	30,174	4.3	30,753	4.1	30,890	3.8	32,866	4.2	37,319	3.7	37,992	3.2	37,946	3.1	35,428	2.9
Reserves.....	219,406	32.2	220,985	32.6	229,079	32.8	257,451	34.4	288,881	36.0	278,256	35.2	351,916	35.1	440,916	37.5	476,686	38.8	431,579	35.2
Own shares.....	(20,517)	-3.0	(18,720)	-2.8	(18,031)	-2.6	(19,149)	-2.6	(15,920)	-2.0	(19,035)	-2.4	(18,669)	-1.9	(25,267)	-2.1	(31,499)	-2.6	(30,670)	-2.5
Total.....	229,139	33.6	231,971	34.3	241,223	34.6	269,055	36.0	303,851	37.8	292,088	37.0	370,568	36.9	453,642	38.5	483,133	39.3	436,338	35.6
Minority interests.....	15,791	2.3	16,184	2.4	19,712	2.8	21,200	2.8	21,833	2.7	23,121	2.9	31,723	3.2	34,794	3.0	38,657	3.1	32,962	2.7
Other items.....	2,447	0.4	2,568	0.4	3,270	0.5	3,024	0.4	3,279	0.4	3,134	0.4	852	0.1	1,332	0.1	1,013	0.1	367	...
Total assets..... (a+d+f)	681,590	100.0	677,147	100.0	698,149	100.0	747,982	100.0	803,304	100.0	789,552	100.0	1,003,569	100.0	1,177,072	100.0	1,228,821	100.0	1,225,550	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	84,531	118.9	97,389	110.8	114,920	97.4	296,840	107.2	124,295	98.1
New equity issues.....	2,432	3.4	1,546	1.7	1,703	1.4	5,681	2.0	(2,437)	-1.9
Increase (decrease) in borrowings	(15,836)	-22.3	(11,029)	-12.5	1,359	1.2	(25,506)	-9.2	4,879	3.8
Total sources	71,127	100.0	87,906	100.0	117,982	100.0	277,015	100.0	126,737	100.0
Capital expenditure.....	49,458	69.6	53,743	61.1	59,653	50.5	162,854	58.8	72,452	57.2
Dividends paid	14,434	20.3	16,032	18.2	19,187	16.3	49,653	17.9	21,965	17.3
Increase (decrease) in cash and marketable securities.....	3,294	4.6	1,035	1.2	(879)	-0.7	3,450	1.3	(10,649)	-8.4
Increase (decrease) in net current assets.....	(633)	-0.9	(364)	-0.4	4,971	4.2	3,974	1.4	(677)	-0.5
Other items (net).....	4,574	6.4	17,460	19.9	35,050	29.7	57,084	20.6	43,646	34.4
Total applications	71,127	100.0	87,906	100.0	117,982	100.0	277,015	100.0	126,737	100.0

OIL, ENERGY AND MINING

	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	87,792	88.6	125,898	61.7	337,985	78.6	207,181	98.1	207,580	90.6	169,452	94.6	584,213	94.4
New equity issues.....	869	0.9	28,504	14.0	26,936	6.3	529	0.3	(633)	-0.3	(7,741)	-4.3	(7,845)	-1.3
Increase (decrease) in borrowings	10,449	10.5	49,708	24.3	65,036	15.1	3,384	1.6	22,184	9.7	17,303	9.7	42,871	6.9
Total sources	99,110	100.0	204,110	100.0	429,957	100.0	211,094	100.0	229,131	100.0	179,014	100.0	619,239	100.0
Capital expenditure.....	71,424	72.1	71,686	35.1	215,562	50.1	73,266	34.7	97,933	42.7	91,400	51.1	262,599	42.4
Dividends paid	29,469	29.7	26,993	13.2	78,427	18.2	28,337	13.4	34,722	15.2	32,816	18.3	95,875	15.5
Increase (decrease) in cash and marketable securities.....	(8,260)	-8.3	13,574	6.7	(5,335)	-1.1	22,760	10.8	(9,157)	-4.0	(7,011)	-3.9	6,592	1.1
Increase (decrease) in net current assets.....	(1,975)	-2.0	18,284	9.0	15,632	3.6	(2,166)	-1.0	(2,536)	-1.1	1,655	0.9	(3,047)	-0.5
Other items (net).....	8,452	8.5	73,573	36.0	125,671	29.2	88,897	42.1	108,169	47.2	60,154	33.6	257,220	41.5
Total applications	99,110	100.0	204,110	100.0	429,957	100.0	211,094	100.0	229,131	100.0	179,014	100.0	619,239	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets.....	84.0	81.6	84.3	90.8
Net sales as % of net fixed assets.....	172.6	174.1	183.3	198.4
Capital expenditure as % of gross fixed assets	7.2	6.4	6.8	7.0
Depreciation charges as % of gross fixed assets.....	5.3	5.4	5.6	5.2
Accumulated depreciation as % of gross fixed assets	51.4	53.1	54.0	54.2
Interest charges as % of borrowings.....	9.0	8.5	9.0	8.0
Dividends declared as % of net profit.....	77.5	64.9	63.3	48.6
Trade debtors as % of sales.....	11.1	12.1	12.2	11.7
Inventories as % of sales	8.4	8.4	8.0	7.5
Balance of other current assets and liabilities (1) as % of sales.....	-14.9	-15.8	-15.8	-14.8
Total net working capital.....	4.6	4.7	4.4	4.4
Current assets as % of current liabilities.....	120.3	125.1	127.8	123.8
Net worth as % of total indebtedness	82.4	87.1	92.9	98.5
Net worth as % of total borrowings	159.0	179.4	205.3	225.5
Net worth less intangibles as % of total borrowings	149.5	168.0	192.1	210.7

OIL, ENERGY AND MINING

	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets.....	89.3	71.8	75.3	106.8	95.5	86.4
Net sales as % of net fixed assets.....	196.5	160.4	167.3	228.8	202.6	181.4
Capital expenditure as % of gross fixed assets	7.7	7.6	6.2	6.2	7.4	7.0
Depreciation charges as % of gross fixed assets.....	5.2	5.3	4.8	5.2	5.0	5.1
Accumulated depreciation as % of gross fixed assets	54.6	55.2	55.0	53.3	52.9	52.4
Interest charges as % of borrowings.....	8.0	7.3	7.4	8.3	7.6	7.6
Dividends declared as % of net profit.....	52.0	n.c.	60.1	40.0	51.2	61.2
Trade debtors as % of sales.....	10.8	11.3	13.0	11.4	10.4	11.3
Inventories as % of sales	6.8	7.4	7.8	6.3	5.6	6.5
Balance of other current assets and liabilities (1) as % of sales.....	-13.6	-14.1	-15.0	-13.9	-12.4	-13.6
Total net working capital.....	4.0	4.6	5.8	3.8	3.6	4.2
Current assets as % of current liabilities.....	118.6	112.2	113.1	119.8	111.9	110.0
Net worth as % of total indebtedness	107.6	106.2	101.2	103.1	108.6	92.6
Net worth as % of total borrowings	243.8	219.0	206.6	246.8	236.9	197.4
Net worth less intangibles as % of total borrowings	225.6	198.2	184.7	215.0	202.1	155.5

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Oil, energy and mining	718	0.5	585	0.4	694	0.4	826	0.5	2,147	1.2	1,945	1.1	1,442	0.8	5,134	2.3	5,944	2.6	4,358	2.0
Iron, steel and non-ferrous metals.....	101,996	64.6	108,471	64.9	117,071	65.0	109,625	64.6	120,206	65.6	122,355	67.9	134,954	73.6	175,589	77.3	175,128	76.0	165,196	77.2
Chemicals	7,780	4.9	8,370	5.0	8,912	5.0	8,945	5.3	9,840	5.4	10,590	5.9	7,373	4.0	8,439	3.7	7,724	3.3	7,784	3.6
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:																				
Automotive	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aerospace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Domestic appliances.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others engineering.....	13,608	8.6	18,220	10.9	18,151	10.1	17,911	10.5	16,945	9.3	15,038	8.3	11,901	6.5	13,393	5.9	13,421	5.8	14,244	6.7
Electronics	1,937	1.2	2,055	1.2	2,347	1.3	3,497	2.1	3,729	2.0	2,789	1.5	3,671	2.0	3,713	1.6	2,765	1.2	1,840	0.9
Building and civil engineering.....	10,242	6.5	5,043	3.0	4,576	2.5	4,610	2.7	4,071	2.2	5,278	2.9	6,775	3.7	5,134	2.3	4,526	2.0	3,690	1.7
Cement, glass and other bdg. products..	124	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Paper, printing and publishing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Food and drinks.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other mfg. industries.....	15,047	9.5	17,502	10.5	19,346	10.7	16,433	9.7	16,934	9.2	16,340	9.1	13,433	7.3	11,716	5.1	16,612	7.2	11,381	5.3
Service industries.....	6,451	4.1	6,918	4.1	8,943	5.0	7,791	4.6	9,317	5.1	5,936	3.3	7,745	2.1	4,045	1.8	4,375	1.9	5,562	2.6
Total.....	157,908	100.0	167,167	100.0	180,044	100.0	169,642	100.0	183,193	100.0	180,275	100.0	183,297	100.0	227,167	100.0	230,498	100.0	214,058	100.0
Intra-group sales	(8,578)	-	(8,910)	-	(9,150)	-	(8,123)	-	(7,186)	-	(5,471)	-	(3,897)	-	(2,269)	-	(2,421)	-	(2,769)	-
Consolidated.....	149,330		158,257		170,894		161,519		176,007		174,804		179,400		224,897		228,076		211,289	

IRON, STEEL AND NON-FERROUS METALS

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Net sales	149,330	100.0	158,257	100.0	170,894	100.0	161,519	100.0	176,007	100.0	174,804	100.0	179,400	100.0	224,897	100.0	228,076	100.0	211,289	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	8,845	5.9	14,414	9.1	20,620	12.0	15,167	9.4	18,958	10.7	17,231	9.9	16,864	9.4	27,621	12.3	23,407	10.3	20,768	9.9
Depreciation	(9,015)	-6.0	(9,093)	-5.7	(9,135)	-5.3	(8,612)	-5.3	(9,240)	-5.2	(9,541)	-5.5	(10,708)	-6.0	(12,635)	-5.6	(12,966)	-5.7	(12,414)	-5.9
Net operating margin.....	(169)	-0.1	5,321	3.4	11,486	6.7	6,555	4.1	9,719	5.5	7,691	4.4	6,157	3.4	14,986	6.7	10,441	4.6	8,356	4.0
Interest and financing charges	(5,516)	-3.7	(4,417)	-2.8	(3,751)	-2.2	(2,782)	-1.7	(2,944)	-1.7	(3,126)	-1.8	(3,278)	-1.8	(4,422)	-2.0	(4,621)	-2.0	(4,432)	-2.1
Interest received.....	1,542	1.0	1,143	0.7	1,116	0.7	1,167	0.7	1,290	0.7	1,413	0.8	975	0.5	1,169	0.5	1,218	0.5	1,845	0.9
Share of profits (losses) of related companies	(35)	...	345	0.2	390	0.2	310	0.2	278	0.2	298	0.2	204	0.1	472	0.2	(224)	-0.1	494	0.2
Current pre-tax profit.....	(4,180)	-2.8	2,392	1.5	9,240	5.4	5,250	3.3	8,342	4.7	6,275	3.6	4,057	2.2	12,205	5.4	6,813	3.0	6,262	3.0
Interest capitalized.....	28	...	21	...	15	...	15	...	32	...	42	...	101	...	197	0.1	107	...	85	...
Amortization of goodwill.....	(245)	-0.2	(903)	-0.6	(201)	-0.1	(240)	-0.1	(385)	-0.2	(418)	-0.2	(260)	-0.1	(424)	-0.2	(728)	-0.3	(1,330)	-0.6
Government grants.....	17	...	63	0.1	14	...	13	...	16	...	12	...	-	...	22	...	-	...	-	...
Gains(losses) on disposals of fixed assets	1,385	0.9	2,540	1.6	1,610	0.9	676	0.4	536	0.3	1,375	0.8	806	0.4	2,365	1.1	123	0.1	524	0.2
Fixed asset revaluations (writedowns)...	(149)	-0.1	(149)	-0.1	(373)	-0.2	(282)	-0.2	(276)	-0.2	(448)	-0.3	(623)	-0.3	(1,157)	-0.5	(2,738)	-1.2	100	...
Provisions and other extraordinary items	(1,710)	-1.0	(1,618)	-1.0	(916)	-0.5	(1,419)	-0.9	460	0.3	(2,062)	-1.2	(2,174)	-1.2	(2,826)	-1.3	(1,815)	-0.8	(887)	-0.4
Cumulative effect of accounting changes	(131)	-0.1	(118)	-0.1	(8)	...	-	...	-	...	-	...	-	13	...	(22)	...	(291)	-0.1	
Net profit (loss) before tax.....	(4,984)	-3.3	2,229	1.4	9,381	5.5	4,012	2.5	8,727	4.9	4,776	2.6	1,905	1.0	10,395	4.6	1,740	0.8	4,463	2.1
Taxation.....	(235)	-0.2	(1,136)	-0.7	(2,445)	-1.4	(1,660)	-1.0	(2,721)	-1.5	(937)	-0.5	(709)	-0.4	(2,992)	-1.3	(1,267)	-0.6	(2,590)	-1.2
Profit attributable to minorities.....	93	0.1	(49)	...	(1,180)	-0.7	(330)	-0.2	(787)	-0.4	(611)	-0.3	(615)	-0.3	(1,367)	-0.6	211	0.1	(205)	-0.1
Net profit attributable to parent company	(5,127)	-3.4	1,043	0.7	5,755	3.4	2,022	1.3	5,218	3.0	3,228	1.8	580	0.3	6,035	2.7	684	0.3	1,667	0.8
<i>Research & development expenses</i> (1).....	<i>2,009</i>	<i>1.5</i>	<i>1,829</i>	<i>1.3</i>	<i>1,817</i>	<i>1.2</i>	<i>1,839</i>	<i>1.3</i>	<i>1,833</i>	<i>1.2</i>	<i>1,840</i>	<i>1.2</i>	<i>1,972</i>	<i>1.2</i>	<i>2,182</i>	<i>1.2</i>	<i>1,835</i>	<i>1.0</i>	<i>1,966</i>	<i>1.2</i>
<i>Dividends declared.....</i>	<i>651</i>	<i>0.4</i>	<i>713</i>	<i>0.5</i>	<i>1,313</i>	<i>0.8</i>	<i>1,268</i>	<i>0.8</i>	<i>1,731</i>	<i>1.0</i>	<i>1,852</i>	<i>1.1</i>	<i>1,501</i>	<i>0.8</i>	<i>2,462</i>	<i>1.1</i>	<i>2,541</i>	<i>1.1</i>	<i>2,153</i>	<i>1.0</i>

IRON, STEEL AND NON-FERROUS METALS

(1) Figures cover 11 companies which in 2002 accounted for 74.8% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

IRON, STEEL AND NON-FERROUS METALS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	6,810	3.7	6,249	3.4	5,285	3.0	6,073	3.6	8,004	4.1	10,875	5.4	8,047	3.5	9,750	3.5	9,625	3.5	8,622	3.4
Marketable securities.....	9,242	5.1	9,163	5.0	8,373	4.7	8,063	4.7	8,595	4.5	8,733	4.4	4,141	1.8	726	0.3	762	0.3	933	0.4
Trade debtors.....	25,616	14.0	28,582	15.6	28,417	15.9	26,763	15.7	29,668	15.4	28,098	14.0	31,439	13.8	37,188	13.4	32,388	11.9	30,390	11.9
Inventories.....	28,352	15.5	28,462	15.6	30,414	17.1	27,502	16.1	30,608	15.9	31,366	15.7	34,973	15.4	40,552	14.6	39,176	14.3	36,900	14.4
Other current assets.....	5,532	3.1	5,833	3.2	6,064	3.4	6,172	3.6	7,050	3.6	7,532	3.8	8,161	3.6	10,216	3.7	11,462	4.2	11,306	4.4
Total current assets..... (a)	75,554	41.4	78,291	42.8	78,555	44.1	74,576	43.7	83,927	43.5	86,608	43.3	86,762	38.1	98,434	35.5	93,415	34.2	88,154	34.5
Short-term borrowings.....	28,837	15.8	28,271	15.5	25,688	14.4	23,402	13.7	25,762	13.4	26,711	13.3	30,488	13.4	33,599	12.1	30,884	11.3	28,150	11.0
Trade creditors.....	18,505	10.1	19,857	10.9	19,352	10.9	18,317	10.7	20,870	10.8	19,463	9.7	23,179	10.2	27,642	10.0	28,447	10.4	26,483	10.4
Other current liabilities.....	16,855	9.2	16,309	8.9	15,939	8.9	13,848	8.1	15,201	7.9	14,783	7.4	18,048	7.9	22,127	8.0	21,386	7.8	18,596	7.3
Total current liabilities..... (b)	64,199	35.1	64,438	35.3	60,980	34.2	55,568	32.6	61,834	32.1	60,959	30.5	71,717	31.4	83,369	30.1	80,718	29.5	73,230	28.6
Net current assets..... (a-b)=(c)	11,354	6.2	13,853	7.6	17,575	9.9	19,007	11.1	22,093	11.5	25,648	12.8	15,045	6.6	15,064	5.4	12,697	4.6	14,924	5.8
Gross tangible fixed assets.....	204,602	112.0	212,110	116.0	208,977	117.3	202,659	118.8	219,205	113.7	227,689	113.8	257,281	112.8	295,049	106.4	302,084	110.4	302,575	118.3
Accumulated depreciation.....	(122,771)	-67.2	(130,678)	-71.5	(131,143)	-73.6	(127,398)	-74.7	(135,380)	-70.2	(141,459)	-70.7	(150,069)	-65.8	(167,948)	-60.6	(174,813)	-63.9	(182,708)	-71.4
Net tangible fixed assets.....	81,831	44.8	81,432	44.5	77,834	43.7	75,260	44.1	83,824	43.5	86,229	43.1	107,212	47.0	127,101	45.8	127,270	46.5	119,867	46.9
Investments.....	10,812	5.9	9,251	5.1	9,353	5.2	8,559	5.0	10,071	5.2	9,959	5.0	9,929	4.3	9,851	3.6	12,495	4.6	11,521	4.5
Loans and other assets.....	9,282	5.1	9,495	5.2	8,194	4.6	7,699	4.5	9,181	4.8	10,596	5.3	15,652	6.9	23,739	8.6	22,755	8.3	20,562	8.0
Net fixed assets and investments..... (d)	101,927	55.8	100,178	54.8	95,383	53.5	91,519	53.6	103,077	53.5	106,784	53.4	132,794	58.2	160,691	58.0	162,521	59.4	151,950	59.4
Medium- and long-term borrowings.....	45,542	24.9	43,240	23.7	36,380	20.4	34,946	20.5	38,367	19.9	43,797	21.9	54,845	24.1	62,270	22.5	61,194	22.4	63,283	24.7
Other creditors.....	2,209	1.2	2,239	1.2	1,961	1.1	2,112	1.2	2,585	1.3	1,741	0.9	1,861	0.8	3,052	1.1	3,811	1.4	3,108	1.2
Employee benefits.....	13,856	7.6	13,982	7.6	13,631	7.6	13,286	7.8	13,883	7.2	13,958	7.0	15,103	6.6	18,074	6.5	19,071	7.0	20,349	8.0
Deferred taxation.....	2,034	1.1	2,071	1.1	2,483	1.4	2,547	1.5	3,469	1.8	3,514	1.8	4,548	2.0	7,319	2.6	7,181	2.6	5,733	2.2
Other provisions.....	9,508	5.2	8,006	4.4	9,225	5.2	9,103	5.3	9,584	5.0	9,287	4.6	8,089	3.5	10,527	3.8	9,955	3.6	10,476	4.1
Medium- and long-term liabilities..... (e)	73,151	40.0	69,541	38.0	63,680	35.7	61,996	36.3	67,889	35.2	72,300	36.1	84,448	37.0	101,244	36.5	101,215	37.0	102,951	40.2
Goodwill.....	4,006	2.2	2,969	1.6	2,805	1.6	3,070	1.8	4,198	2.2	5,320	2.6	6,159	2.7	14,624	5.3	15,281	5.6	13,484	5.2
Deferred expenses and other intangibles.....	1,195	0.6	1,347	0.8	1,465	0.8	1,490	0.9	1,669	0.8	1,394	0.7	2,327	1.0	3,468	1.2	2,208	0.8	2,250	0.9
Total intangibles..... (f)	5,201	2.8	4,316	2.4	4,271	2.4	4,560	2.7	5,868	3.0	6,715	3.3	8,486	3.7	18,092	6.5	17,489	6.4	15,735	6.1
Net worth..... (c+d-e+f)	45,332	24.8	48,807	26.7	53,548	30.0	53,091	31.1	63,150	32.7	66,847	33.4	71,877	31.5	92,604	33.4	91,492	33.5	79,659	31.1
<i>Represented by:</i>																				
Issued share capital.....	16,551	9.1	16,176	8.8	15,027	8.4	14,761	8.6	16,060	8.3	16,845	8.4	19,004	8.3	23,104	8.3	23,278	8.5	21,945	8.6
Reserves.....	23,114	12.7	26,658	14.6	31,771	17.8	32,102	18.8	37,713	19.6	41,629	20.8	44,274	19.4	60,313	21.8	62,095	22.7	55,864	21.8
Own shares.....	(31)	...	-	...	(112)	-0.1	(412)	-0.2	(899)	-0.5	(1,215)	-0.6	(1,331)	-0.6	(2,011)	-0.7	(3,307)	-1.2	(3,073)	-1.2
Total.....	39,635	21.7	42,835	23.4	46,686	26.2	46,452	27.2	52,874	27.4	57,260	28.6	61,948	27.2	81,406	29.4	82,066	30.0	74,737	29.2
Minority interests.....	5,475	3.0	5,844	3.2	6,964	3.9	6,707	3.9	10,254	5.3	9,703	4.8	10,497	4.6	11,197	4.0	9,426	3.4	4,921	1.9
Other items.....	221	0.1	127	0.1	(102)	-0.1	(68)	...	20	...	(116)	-0.1	(568)	-0.2	-	...	-	-	-	
Total assets..... (a+d+f)	182,683	100.0	182,786	100.0	178,209	100.0	170,656	100.0	192,874	100.0	200,107	100.0	228,043	100.0	277,218	100.0	273,426	100.0	255,840	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	11,485	122.9	18,375	179.8	13,862	135.1	43,722	146.6	17,582	75.3
New equity issues.....	726	7.8	1,288	12.6	117	1.2	2,131	7.2	(1)	...
Increase (decrease) in borrowings	(2,868)	-30.7	(9,443)	-92.4	(3,720)	-36.3	(16,031)	-53.8	5,781	24.7
Total sources	9,343	100.0	10,220	100.0	10,259	100.0	29,822	100.0	23,362	100.0
Capital expenditure.....	7,003	75.0	9,466	92.7	9,783	95.4	26,252	88.0	11,707	50.1
Dividends paid	503	5.4	757	7.4	1,460	14.2	2,720	9.1	1,549	6.6
Increase (decrease) in cash and marketable securities.....	(640)	-6.9	(1,754)	-17.2	478	4.7	(1,916)	-6.4	2,463	10.5
Increase (decrease) in net current assets.....	2,571	27.5	2,893	28.3	(1,332)	-13.0	4,132	13.9	2,983	12.8
Other items (net).....	(94)	-1.0	(1,142)	-11.2	(130)	-1.3	(1,366)	-4.6	4,660	20.0
Total applications	9,343	100.0	10,220	100.0	10,259	100.0	29,822	100.0	23,362	100.0

IRON, STEEL AND NON-FERROUS METALS

	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	15,816	65.0	14,765	44.3	48,163	59.5	24,840	62.1	19,779	122.8	18,676	99.5	63,295	84.6
New equity issues.....	2,127	8.8	3,721	11.2	5,847	7.2	4,593	11.5	121	0.7	726	3.9	5,440	7.3
Increase (decrease) in borrowings	6,379	26.2	14,825	44.5	26,985	33.3	10,536	26.4	(3,791)	-23.5	(645)	-3.4	6,100	8.1
Total sources	24,322	100.0	33,311	100.0	80,995	100.0	39,969	100.0	16,109	100.0	18,757	100.0	74,835	100.0
Capital expenditure.....	10,981	45.2	12,997	39.0	35,685	44.0	13,422	33.6	17,602	109.3	12,569	67.0	43,593	58.2
Dividends paid	1,852	7.6	1,608	4.8	5,009	6.2	2,039	5.1	2,707	16.8	2,260	12.0	7,006	9.4
Increase (decrease) in cash and marketable securities.....	3,009	12.4	(7,420)	-22.3	(1,948)	-2.4	(1,712)	-4.3	(89)	-0.6	(832)	-4.4	(2,633)	-3.5
Increase (decrease) in net current assets.....	1,495	6.1	596	1.8	5,074	6.3	4,841	12.1	(4,994)	-31.0	324	1.7	171	0.2
Other items (net).....	6,985	28.7	25,530	76.7	37,175	45.9	21,379	53.5	883	5.5	4,436	23.7	26,698	35.7
Total applications	24,322	100.0	33,311	100.0	80,995	100.0	39,969	100.0	16,109	100.0	18,757	100.0	74,835	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets.....	73.0	74.6	81.8	79.7
Net sales as % of net fixed assets.....	182.5	194.3	219.6	214.6
Capital expenditure as % of gross fixed assets	4.1	3.3	4.5	4.8
Depreciation charges as % of gross fixed assets.....	4.4	4.3	4.4	4.2
Accumulated depreciation as % of gross fixed assets	60.0	61.6	62.8	62.9
Interest charges as % of borrowings.....	7.4	6.2	6.0	4.8
Dividends declared as % of net profit.....	n.c.	68.4	22.8	62.7
Trade debtors as % of sales.....	17.2	18.1	16.6	16.6
Inventories as % of sales	19.0	18.0	17.8	17.0
Balance of other current assets and liabilities (1) as % of sales.....	-20.0	-19.2	-17.1	-16.1
Total net working capital.....	16.2	16.9	17.3	17.5
Current assets as % of current liabilities.....	117.7	121.5	128.8	134.2
Net worth as % of total indebtedness	40.5	44.4	53.9	57.3
Net worth as % of total borrowings	60.9	68.3	86.3	91.0
Net worth less intangibles as % of total borrowings	54.0	62.2	79.4	83.2

IRON, STEEL AND NON-FERROUS METALS

	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets.....	80.3	76.8	69.7	76.2	75.5	69.8
Net sales as % of net fixed assets.....	210.0	202.7	167.3	176.9	179.2	176.3
Capital expenditure as % of gross fixed assets	5.3	4.8	5.1	4.5	5.8	4.2
Depreciation charges as % of gross fixed assets.....	4.2	4.2	4.2	4.3	4.3	4.1
Accumulated depreciation as % of gross fixed assets	61.8	62.1	58.3	56.9	57.9	60.4
Interest charges as % of borrowings.....	4.6	4.4	3.8	4.6	5.0	4.8
Dividends declared as % of net profit.....	33.2	57.4	n.c.	40.8	n.c.	n.c.
Trade debtors as % of sales.....	16.9	16.1	17.5	16.5	14.2	14.4
Inventories as % of sales	17.4	17.9	19.5	18.0	17.2	17.5
Balance of other current assets and liabilities (1) as % of sales.....	-16.5	-15.3	-18.4	-17.6	-16.8	-16.0
Total net working capital.....	17.8	18.7	18.6	16.9	14.6	15.9
Current assets as % of current liabilities.....	135.7	142.1	121.0	118.1	115.7	120.4
Net worth as % of total indebtedness	61.4	62.8	56.0	62.3	62.8	57.1
Net worth as % of total borrowings	98.5	94.8	84.2	96.6	99.4	87.1
Net worth less intangibles as % of total borrowings	89.3	85.3	74.3	77.7	80.4	69.9

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Oil, energy and mining	14,544	3.8	14,492	3.7	14,660	3.5	18,257	4.1	21,397	4.3	5,634	1.2	4,687	0.8	6,563	1.0	7,365	1.1	6,520	1.0
Iron, steel and non-ferrous metals.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals.....	336,616	87.8	349,222	88.3	372,880	89.1	394,542	88.8	448,557	89.1	448,991	91.8	521,499	92.6	598,952	93.3	646,723	93.8	591,734	94.1
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:																				
Automotive	1,470	0.4	1,636	0.4	1,981	0.5	2,031	0.5	2,127	0.4	2,396	0.5	2,617	0.5	2,951	0.4	3,158	0.5	2,979	0.5
Aerospace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Domestic appliances.....	497	0.1	501	0.1	516	0.1	561	0.1	632	0.1	784	0.2	892	0.2	935	0.1	887	0.1	879	0.1
Others engineering.....	2,948	0.8	3,068	0.8	2,957	0.7	3,017	0.7	3,216	0.6	3,178	0.6	3,658	0.6	2,410	0.4	2,290	0.3	2,049	0.3
Electronics.....	4,331	1.1	4,174	1.1	431	0.1	410	0.1	433	0.1	489	0.1	2,733	0.5	2,962	0.5	2,453	0.4	2,399	0.4
Building and civil engineering.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cement, glass and other bdg. products..	2,892	0.8	3,080	0.8	2,965	0.7	3,140	0.7	2,966	0.6	2,769	0.6	4,020	0.7	4,049	0.6	3,537	0.5	3,087	0.5
Paper, printing and publishing.....	7,465	1.9	7,268	1.8	7,905	1.9	9,038	2.0	10,289	2.1	10,395	2.1	11,668	2.1	13,297	2.1	13,660	2.0	11,340	1.8
Food and drinks.....	6,731	1.8	6,411	1.6	7,719	1.8	5,511	1.2	5,731	1.1	5,713	1.2	4,360	0.8	4,980	0.8	4,696	0.7	3,624	0.6
Textiles and clothing.....	70	...	86	...	753	0.2	859	0.2	872	0.2	624	0.1	-	-	-	-	-	-	-	-
Other mfg. industries.....	5,338	1.4	5,134	1.3	5,112	1.2	6,038	1.4	5,524	1.1	6,748	1.4	5,839	1.0	3,626	0.6	4,266	0.6	3,558	0.6
Service industries	579	0.1	553	0.1	717	0.2	953	0.2	1,476	0.3	1,191	0.2	1,141	0.2	1,257	0.2	379	...	407	0.1
Total.....	383,487	100.0	395,631	100.0	418,603	100.0	444,365	100.0	503,225	100.0	488,916	100.0	563,118	100.0	641,986	100.0	689,417	100.0	628,579	100.0
Intra-group sales	(468)	-	(449)	-	(705)	-	(363)	-	(479)	-	(122)	-	(116)	-	(510)	-	(530)	-	(356)	-
Consolidated.....	383,019		395,181		417,897		444,001		502,745		488,794		563,002		641,475		688,887		628,223	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Net sales	383,019	100.0	395,181	100.0	417,897	100.0	444,001	100.0	502,745	100.0	488,794	100.0	563,002	100.0	641,475	100.0	688,887	100.0	628,223	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	65,519	17.1	75,208	19.0	83,380	19.9	88,240	19.9	104,757	20.8	101,731	20.8	123,771	21.9	142,100	22.2	142,511	20.7	137,717	22.0
Depreciation	(21,920)	-5.7	(22,523)	-5.7	(21,928)	-5.2	(22,423)	-5.1	(26,206)	-5.2	(26,085)	-5.3	(30,556)	-5.4	(35,106)	-5.5	(37,734)	-5.5	(33,781)	-5.4
Net operating margin.....	43,600	11.4	52,686	13.3	61,453	14.7	65,818	14.8	78,552	15.6	75,647	15.5	93,215	16.5	106,995	16.7	104,778	15.2	103,938	16.6
Interest and financing charges	(7,898)	-2.1	(8,241)	-2.1	(9,691)	-2.3	(9,381)	-2.1	(10,569)	-2.1	(11,714)	-2.4	(10,791)	-1.9	(14,112)	-2.2	(15,171)	-2.2	(13,132)	-2.1
Interest received.....	6,112	1.6	6,012	1.5	6,681	1.6	6,376	1.4	6,945	1.4	7,653	1.6	6,289	1.1	10,686	1.7	10,921	1.6	8,612	1.4
Share of profits (losses) of related companies	426	0.1	964	0.3	1,139	0.3	1,941	0.5	2,278	0.5	3,697	0.7	3,448	0.6	4,036	0.6	2,423	0.4	2,546	0.4
Current pre-tax profit.....	42,239	11.0	51,420	13.0	59,581	14.3	64,754	14.6	77,207	15.4	75,283	15.4	92,162	16.3	107,604	16.8	102,951	15.0	101,963	16.3
Interest capitalized.....	406	0.1	307	...	356	0.1	368	0.1	401	0.1	443	0.1	413	0.1	441	0.1	608	0.1	472	0.1
Amortization of goodwill.....	(372)	-0.1	(435)	-0.1	(653)	-0.3	(1,023)	-0.2	(1,979)	-0.4	(1,739)	-0.4	(2,259)	-0.4	(3,235)	-0.5	(4,196)	-0.6	(8,154)	-1.3
Government grants.....	17	...	11	...	9	...	9	...	15	...	4	...	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	1,372	0.3	1,219	0.3	3,359	0.8	3,509	0.8	3,453	0.7	5,798	1.2	13,588	2.4	6,762	1.1	23,116	3.4	9,517	1.5
Fixed asset revaluations (writedowns)...	(1,934)	-0.5	(127)	...	173	...	(267)	-0.2	(2,500)	-0.5	(893)	-0.2	(799)	-0.1	(353)	-0.1	(1,259)	-0.2	(2,469)	-0.4
Provisions and other extraordinary items	(4,771)	-1.2	(3,524)	-0.9	(4,690)	-1.1	(2,648)	-0.6	(7,592)	-1.5	(4,608)	-0.9	(12,523)	-2.2	(10,705)	-1.7	(10,799)	-1.6	(8,028)	-1.3
Cumulative effect of accounting changes	(1,239)	-0.3	-	...	430	0.1	-	...	(2)	...	-	...	(3)	...	622	0.1	300	...	(3,489)	-0.6
Net profit (loss) before tax	35,716	9.3	48,871	12.3	58,567	13.9	64,701	14.5	69,002	13.8	74,288	15.2	90,579	16.1	101,137	15.8	110,721	16.1	89,810	14.3
Taxation	(10,736)	-2.8	(15,852)	-4.0	(18,996)	-4.5	(20,638)	-4.6	(23,882)	-4.8	(21,934)	-4.5	(26,564)	-4.7	(31,931)	-5.0	(28,935)	-4.2	(26,154)	-4.2
Profit attributable to minorities.....	(1,152)	-0.3	(1,365)	-0.3	(1,438)	-0.3	(1,547)	-0.3	(1,310)	-0.3	(926)	-0.2	(999)	-0.2	(1,165)	-0.2	(1,329)	-0.2	(1,430)	-0.2
Net profit attributable to parent company	23,827	6.2	31,652	8.0	38,132	9.1	42,516	9.6	43,808	8.7	51,427	10.5	63,015	11.2	68,040	10.6	80,456	11.7	62,226	9.9
<i>Research & development expenses</i> (1).....	28,108	7.4	28,128	7.2	29,697	7.2	31,960	7.3	36,931	7.4	38,681	8.0	47,775	8.5	54,052	8.4	58,923	8.6	54,924	8.7
<i>Dividends declared</i>	14,410	3.8	15,264	3.9	16,579	4.0	18,383	4.1	22,127	4.4	23,010	4.7	27,617	4.9	34,248	5.3	35,578	5.2	33,291	5.3

(1) Figures cover 39 companies which in 2002 accounted for 100% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

CHEMICALS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	29,293	6.8	28,207	6.1	35,357	7.3	35,740	7.1	35,913	6.2	32,395	5.4	44,429	6.3	47,160	6.1	55,404	6.4	49,232	6.2
Marketable securities.....	31,162	7.3	32,376	7.1	29,416	6.1	25,107	5.0	24,749	4.3	29,149	4.9	40,132	5.7	46,033	5.9	54,295	6.3	49,926	6.3
Trade debtors.....	63,162	14.7	68,109	14.9	69,138	14.4	72,302	14.3	81,287	14.0	82,072	13.7	100,236	14.2	110,067	14.1	109,219	12.6	97,711	12.4
Inventories.....	56,095	13.1	57,992	12.6	61,455	12.8	62,984	12.4	69,264	12.0	69,673	11.7	79,516	11.3	85,242	11.0	87,803	10.1	80,260	10.1
Other current assets.....	23,174	5.4	25,501	5.6	26,988	5.6	28,906	5.7	36,179	6.2	37,241	6.2	46,194	6.6	49,582	6.4	50,883	5.9	49,517	6.3
Total current assets..... (a)	202,888	47.3	212,187	46.3	222,356	46.2	225,040	44.5	247,394	42.7	250,531	41.9	310,510	44.1	338,087	43.5	357,606	41.3	326,649	41.3
Short-term borrowings.....	31,575	7.4	34,877	7.6	38,521	8.0	36,364	7.2	50,350	8.7	54,002	9.0	67,489	9.6	70,862	9.1	71,021	8.2	59,785	7.6
Trade creditors.....	28,495	6.6	32,558	7.1	33,838	7.0	35,561	7.0	40,522	7.0	40,822	6.8	49,761	7.1	56,874	7.3	56,499	6.5	50,491	6.4
Other current liabilities.....	52,732	12.3	59,720	13.0	61,105	12.7	63,133	12.5	76,599	13.2	71,256	11.9	88,179	12.5	98,834	12.7	110,684	12.8	100,041	12.7
Total current liabilities..... (b)	112,803	26.3	127,157	27.7	133,466	27.7	135,059	26.7	167,472	28.9	166,082	27.8	205,430	29.2	226,570	29.1	238,205	27.5	210,318	26.6
Net current assets..... (a-b)=(c)	90,084	21.0	85,030	18.5	88,889	18.5	89,981	17.8	79,922	13.8	84,449	14.1	105,079	14.9	111,517	14.3	119,401	13.8	116,330	14.7
Gross tangible fixed assets.....	345,380	80.5	359,457	78.4	367,723	76.4	384,152	76.0	419,188	72.3	407,155	68.1	451,056	64.2	489,818	62.9	522,994	60.4	483,844	61.2
Accumulated depreciation.....	(184,524)	-43.0	(197,660)	-43.1	(203,593)	-42.3	(210,646)	-41.7	(223,975)	-38.6	(217,038)	-36.3	(238,943)	-34.0	(258,309)	-33.2	(274,883)	-31.7	(258,602)	-32.7
Net tangible fixed assets.....	160,856	37.5	161,796	35.3	164,129	34.1	173,506	34.3	195,213	33.7	190,117	31.8	212,113	30.2	231,508	29.7	248,110	28.7	225,242	28.5
Investments.....	20,439	4.8	18,815	4.1	21,912	4.5	23,816	4.7	28,420	4.9	33,739	5.7	31,689	4.5	33,352	4.3	48,714	5.6	39,965	5.1
Loans and other assets.....	17,044	4.0	19,762	4.3	21,057	4.4	24,066	4.8	30,209	5.2	34,100	5.7	44,373	6.3	52,716	6.8	72,745	8.4	71,278	9.0
Net fixed assets and investments..... (d)	198,339	46.3	200,374	43.7	207,099	43.0	221,389	43.8	253,843	43.8	257,957	43.2	288,176	41.0	317,577	40.8	369,570	42.7	336,485	42.6
Medium- and long-term borrowings.....	54,311	12.7	62,460	13.6	66,580	13.8	65,288	12.9	77,896	13.4	82,932	13.9	91,684	13.0	100,842	13.0	123,219	14.2	118,503	15.0
Other creditors.....	5,797	1.4	6,512	1.4	7,225	1.5	8,353	1.7	8,272	1.4	8,613	1.4	10,643	1.5	13,890	1.8	14,753	1.7	16,090	2.0
Employee benefits.....	31,792	7.4	33,048	7.2	33,684	7.0	35,332	7.0	38,539	6.6	39,645	6.6	43,408	6.2	45,284	5.8	48,849	5.6	53,156	6.7
Deferred taxation.....	8,237	1.9	9,697	2.1	10,531	2.2	10,876	2.2	12,711	2.2	12,072	2.0	15,844	2.3	17,935	2.3	23,424	2.7	24,067	3.0
Other provisions.....	23,842	5.6	25,255	5.5	29,149	6.1	28,285	5.6	31,106	5.4	33,458	5.6	37,768	5.4	39,590	5.1	38,967	4.5	36,765	4.7
Medium- and long-term liabilities..... (e)	123,982	28.9	136,975	29.9	147,172	30.6	148,137	29.3	168,525	29.1	176,722	29.6	199,349	28.3	217,543	28.0	249,214	28.8	248,584	31.5
Goodwill.....	19,001	4.4	30,184	6.6	32,960	6.8	36,173	7.2	49,472	8.5	56,621	9.5	62,009	8.8	75,215	9.7	84,476	9.7	75,452	9.6
Deferred expenses and other intangibles.....	8,619	2.0	15,757	3.4	19,175	4.0	22,893	4.5	29,062	5.0	32,273	5.4	43,057	6.1	47,132	6.0	54,206	6.3	51,680	6.5
Total intangibles..... (f)	27,621	6.4	45,941	10.0	52,136	10.8	59,066	11.7	78,535	13.5	88,894	14.9	105,067	14.9	122,347	15.7	138,682	16.0	127,132	16.1
Net worth..... (c+d-e+f)	192,063	44.8	194,371	42.4	200,953	41.7	222,300	44.0	243,775	42.0	254,578	42.6	298,974	42.5	333,898	42.9	378,439	43.7	331,364	41.9
<i>Represented by:</i>																				
Issued share capital.....	25,802	6.0	25,932	5.7	25,565	5.3	27,832	5.5	25,576	4.4	26,219	4.4	34,109	4.8	37,616	4.8	41,374	4.8	37,204	4.7
Reserves.....	169,449	39.5	172,787	37.7	188,447	39.1	201,681	39.9	234,918	40.5	249,483	41.8	308,796	43.9	349,432	44.9	399,671	46.2	360,820	45.7
Own shares.....	(14,522)	-3.4	(15,458)	-3.4	(24,966)	-5.2	(20,774)	-4.1	(28,391)	-4.9	(34,299)	-5.7	(56,881)	-8.1	(70,908)	-9.1	(82,969)	-9.6	(84,052)	-10.6
Total.....	180,729	42.1	183,262	40.0	189,046	39.3	208,739	41.3	232,103	40.0	241,403	40.4	286,025	40.6	316,140	40.6	358,076	41.4	313,973	39.7
Minority interests.....	10,375	2.4	10,266	2.2	10,837	2.3	12,146	2.4	10,105	1.7	11,865	2.0	11,472	1.6	17,748	2.3	19,221	2.2	16,437	2.1
Other items.....	958	0.2	841	0.2	1,068	0.2	1,414	0.3	1,566	0.3	1,309	0.2	1,476	0.2	9	...	1,142	0.1	953	0.1
Total assets..... (a+d+f)	428,849	100.0	458,503	100.0	481,591	100.0	505,496	100.0	579,773	100.0	597,383	100.0	703,754	100.0	778,012	100.0	865,860	100.0	790,267	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

CHEMICALS

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	73,943	84.1	81,509	96.9	87,177	105.6	242,629	95.3	103,413	82.0	101,368	98.6	122,718	86.0	327,499	88.1	142,710	96.1	140,685	92.4	135,744	134.7	419,139	104.4
New equity issues.....	2,564	2.9	(5,176)	-6.2	(1,184)	-1.4	(3,796)	-1.5	(3,901)	-3.1	(7,291)	-7.1	(2,308)	-1.6	(13,500)	-3.6	(6,734)	-4.5	(10,927)	-7.2	(19,027)	-18.9	(36,688)	-9.1
Increase (decrease) in borrowings	11,451	13.0	7,764	9.3	(3,449)	-4.2	15,766	6.2	26,594	21.1	8,688	8.5	22,239	15.6	57,521	15.5	12,531	8.4	22,536	14.8	(15,952)	-15.8	19,115	4.7
Total sources	87,958	100.0	84,097	100.0	82,544	100.0	254,599	100.0	126,106	100.0	102,765	100.0	142,649	100.0	371,520	100.0	148,507	100.0	152,294	100.0	100,765	100.0	401,566	100.0
Capital expenditure.....	27,172	30.9	29,559	35.2	32,493	39.4	89,224	35.0	37,450	29.7	37,426	36.4	39,882	28.0	114,758	30.9	43,122	29.0	44,153	29.0	38,648	38.3	125,923	31.4
Dividends paid	14,363	16.3	15,560	18.5	17,206	20.8	47,129	18.5	21,054	16.7	22,019	21.4	26,075	18.3	69,148	18.6	32,248	21.7	35,784	23.5	32,807	32.6	100,839	25.1
Increase (decrease) in cash and marketable securities.....	128	0.1	4,190	5.0	(3,926)	-4.8	392	0.2	(185)	-0.1	882	0.9	23,017	16.1	23,714	6.4	8,632	5.8	16,506	10.9	(10,541)	-10.5	14,597	3.6
Increase (decrease) in net current assets.....	(1,880)	-2.1	3,314	3.9	2,860	3.5	4,294	1.7	4,111	3.2	7,299	7.1	11,098	7.8	22,508	6.1	1,177	0.8	(8,461)	-5.6	(3,766)	-3.7	(11,050)	-2.8
Other items (net).....	48,175	54.8	31,474	37.4	33,911	41.1	113,560	44.6	63,676	50.5	35,139	34.2	42,577	29.8	141,392	38.0	63,328	42.7	64,312	42.2	43,617	43.3	171,257	42.7
Total applications	87,958	100.0	84,097	100.0	82,544	100.0	254,599	100.0	126,106	100.0	102,765	100.0	142,649	100.0	371,520	100.0	148,507	100.0	152,294	100.0	100,765	100.0	401,566	100.0

TABLE II.5 – FINANCIAL RATIOS

CHEMICALS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets.....	110.9	109.9	113.6	115.6	119.9	120.1	124.8	131.0	131.7	129.8
Net sales as % of net fixed assets.....	238.1	244.2	254.6	255.9	257.5	257.1	265.4	277.1	277.7	278.9
Capital expenditure as % of gross fixed assets	8.9	7.6	8.0	8.5	8.9	9.2	8.8	8.8	8.4	8.0
Depreciation charges as % of gross fixed assets.....	6.3	6.3	6.0	5.8	6.3	6.4	6.8	7.2	7.2	7.0
Accumulated depreciation as % of gross fixed assets	53.4	55.0	55.4	54.8	53.4	53.3	53.0	52.7	52.6	53.4
Interest charges as % of borrowings.....	9.2	8.5	9.2	9.2	8.2	8.6	6.8	8.2	7.8	7.4
Dividends declared as % of net profit.....	60.5	48.2	43.5	43.2	50.5	44.7	43.8	50.3	44.2	53.5
Trade debtors as % of sales.....	16.5	17.2	16.5	16.3	16.2	16.8	17.8	17.2	15.9	15.6
Inventories as % of sales	14.6	14.7	14.7	14.2	13.8	14.3	14.1	13.3	12.7	12.8
Balance of other current assets and liabilities (1) as % of sales.....	-15.2	-16.9	-16.3	-15.7	-16.1	-15.3	-16.3	-16.5	-16.9	-16.1
Total net working capital.....	15.9	15.0	14.9	14.8	13.9	15.8	15.6	14.0	11.7	12.3
Current assets as % of current liabilities.....	179.9	166.9	166.6	166.6	147.7	150.8	151.2	149.2	150.1	155.3
Net worth as % of total indebtedness	111.1	99.1	97.0	106.5	96.1	98.8	97.1	97.8	100.6	96.1
Net worth as % of total borrowings	223.6	199.7	191.2	218.7	190.1	185.9	187.8	194.5	194.8	185.9
Net worth less intangibles as % of total borrowings	191.5	152.5	141.6	160.6	128.8	121.0	121.8	123.2	123.4	114.6

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Oil, energy and mining	-		-		-		-		-		-		-		-		-		-
Iron, steel and non-ferrous metals.....	-		-		-		-		-		-		-		-		-		-	
Chemicals.....	1,443	3.4	1,393	3.2	1,386	3.1	1,437	3.1	1,628	3.2	1,473	2.8	1,648	2.6	1,214	1.8	1,176	1.7	894	1.4
Rubber and cables	40,981	96.5	42,121	96.7	42,998	96.7	44,457	96.7	48,911	96.6	48,235	92.4	57,280	90.5	62,429	91.3	63,846	92.5	59,154	91.5
Mechanical engineering:																				
Automotive	-		-		-		-		-		2,330	4.5	4,243	6.7	-		-		-	
Aerospace	-		-		-		-		-		-		-		-		-		-	
Domestic appliances.....	-		-		-		-		-		-		-		-		-		-	
Others engineering.....	-		-		-		-		-		-		-		4,376	6.4	3,986	5.8	4,568	7.1
Electronics	-		-		-		-		-		-		-		-		-		-	
Building and civil engineering.....	-		-		-		-		-		-		-		-		-		-	
Cement, glass and other bdg. products..	-		-		-		-		-		-		-		-		-		-	
Paper, printing and publishing.....	-		-		-		-		-		-		-		-		-		-	
Food and drinks.....	-		-		-		-		-		-		-		-		-		-	
Textiles and clothing.....	-		-		-		-		-		-		-		-		-		-	
Other mfg. industries.....	-		-		-		-		-		-		-		-		-		-	
Service industries	56	0.1	64	0.1	99	0.2	103	0.2	81	0.2	162	0.3	121	0.2	360	0.5	4	...	(13)	...
Total	42,481	100.0	43,579	100.0	44,484	100.0	45,997	100.0	50,621	100.0	52,206	100.0	63,300	100.0	68,384	100.0	69,034	100.0	64,629	100.0
Intra-group sales	-		-		-		-		-		-		(871)		(1,190)		-		-	
Consolidated	42,480		43,579		44,484		45,997		50,620		52,206		62,429		67,194		69,034		64,629	

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TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Net sales	42,480	100.0	43,579	100.0	44,484	100.0	45,997	100.0	50,620	100.0	52,206	100.0	62,429	100.0	67,194	100.0	69,034	100.0	64,629	100.0
Purchases and sundry operating expenses .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin	4,602	10.8	5,111	11.8	5,453	12.2	5,921	12.9	6,548	12.9	6,888	13.2	7,860	12.6	7,566	11.2	6,622	9.6	7,117	11.0
Depreciation	(2,397)	-5.6	(2,293)	-5.3	(2,267)	-5.1	(2,281)	-5.0	(2,410)	-4.8	(2,590)	-5.0	(3,366)	-5.4	(3,654)	-5.4	(3,919)	-5.7	(3,400)	-5.3
Net operating margin	2,206	5.2	2,819	6.5	3,187	7.1	3,641	7.9	4,140	8.1	4,299	8.2	4,494	7.2	3,913	5.8	2,703	3.9	3,718	5.7
Interest and financing charges	(1,591)	-3.7	(1,350)	-3.1	(1,149)	-2.6	(1,007)	-2.2	(980)	-1.9	(993)	-1.9	(1,190)	-1.9	(1,402)	-2.1	(1,437)	-2.1	(1,610)	-2.5
Interest received.....	607	1.4	637	1.4	474	1.1	475	1.0	469	0.9	474	0.9	509	0.8	361	0.5	384	0.6	641	1.0
Share of profits (losses) of related companies	25	...	34	0.1	39	0.1	24	0.1	49	0.1	20	0.1	4	...	(25)	...	(74)	-0.1	(157)	-0.2
Current pre-tax profit	1,245	2.9	2,139	4.9	2,551	5.7	3,131	6.8	3,675	7.2	3,801	7.3	3,817	6.1	2,845	4.2	1,575	2.3	2,591	4.0
Interest capitalized.....	4	...	4	...	3	...	4	...	5	...	5	...	11	...	12	...	6	...	7	...
Amortization of goodwill.....	(65)	-0.2	(53)	-0.1	(54)	-0.1	(59)	-0.1	(756)	-1.6	(82)	-0.2	(203)	-0.3	(194)	-0.3	(193)	-0.3	(106)	-0.2
Government grants.....	-		-		-		-		-		-		-		-		-		-	
Gains(losses) on disposals of fixed assets	35	0.1	41	0.1	1	...	174	0.4	56	0.1	171	0.4	408	0.7	123	0.2	536	0.7	157	0.3
Fixed asset revaluations (writedowns)....	(11)	...	(22)	-0.1	(22)	...	(633)	-1.5	(6)	...	(43)	-0.1	(1)	...	(1)	...	(14)	...	(178)	-0.3
Provisions and other extraordinary items	(473)	-1.1	(105)	-0.2	(15)	...	(478)	-1.0	(273)	-0.5	(9)	...	(575)	-0.9	3,380	5.0	(2,717)	-3.9	(592)	-0.9
Cumulative effect of accounting changes	(126)	-0.3	-		-		-		-		-		-		-		(6)	...	-	
Net profit (loss) before tax	608	1.4	2,004	4.6	2,464	5.6	2,138	4.6	2,700	5.2	3,844	7.4	3,458	5.6	6,166	9.1	(812)	-1.2	1,880	2.9
Taxation	(600)	-1.4	(904)	-2.1	(814)	-1.8	(683)	-1.5	(781)	-1.5	(1,364)	-2.6	(1,543)	-2.5	(1,626)	-2.4	845	1.2	(2,242)	-3.5
Profit attributable to minorities	12	...	(82)	-0.2	(112)	-0.3	(155)	-0.3	(174)	-0.3	(141)	-0.3	(126)	-0.2	(92)	-0.1	2	...	(137)	-0.2
Net profit attributable to parent company	20	...	1,016	2.3	1,537	3.5	1,299	2.8	1,744	3.4	2,338	4.5	1,788	2.9	4,447	6.6	35	0.1	(499)	-0.8
Research & development expenses (1).....	1,004	3.4	1,041	3.4	1,081	3.4	1,122	3.5	1,239	3.5	1,324	3.7	1,606	3.8	1,730	3.6	1,824	3.6	1,776	3.8
Dividends declared	181	0.4	223	0.5	302	0.7	379	0.8	478	0.9	524	1.0	609	1.0	781	1.2	574	0.8	410	0.6

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(1) Figures cover 4 companies which in 2002 accounted for 72% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

RUBBER AND CABLES

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	823	2.0	1,368	3.4	1,407	3.5	1,963	4.8	2,499	5.7	2,300	4.7	2,544	4.2	6,019	8.5	4,983	6.7	4,094	6.5
Marketable securities.....	535	1.3	609	1.5	695	1.7	680	1.7	633	1.4	1,053	2.2	755	1.2	1,642	2.3	1,016	1.4	616	1.0
Trade debtors.....	8,123	19.5	8,047	19.9	8,159	20.6	7,873	19.5	8,443	19.3	8,780	18.0	11,169	18.7	12,346	17.5	12,252	16.5	10,477	16.5
Inventories.....	6,895	16.6	6,362	15.7	7,113	17.9	7,372	18.2	7,770	17.7	8,928	18.3	10,752	18.0	12,393	17.5	11,164	15.1	9,699	15.3
Other current assets.....	2,658	6.4	2,455	6.1	2,441	6.2	2,817	7.0	3,290	7.5	3,255	6.7	3,632	6.1	5,050	7.1	5,782	7.8	4,948	7.8
Total current assets..... (a)	19,037	45.8	18,842	46.6	19,818	49.9	20,707	51.2	22,637	51.6	24,317	49.9	28,855	48.2	37,451	52.9	35,199	47.5	29,836	47.1
Short-term borrowings.....	5,752	13.8	4,911	12.1	4,920	12.4	5,017	12.4	4,428	10.1	4,886	10.0	6,729	11.2	9,119	12.9	7,956	10.7	5,067	8.0
Trade creditors.....	3,599	8.7	3,867	9.6	4,182	10.5	3,905	9.7	4,584	10.5	5,848	12.0	7,260	12.1	7,788	11.0	7,268	9.8	7,005	11.1
Other current liabilities.....	5,352	12.9	5,289	13.1	5,309	13.4	5,664	14.0	6,551	14.9	5,683	11.7	6,604	11.0	8,524	12.0	7,746	10.4	7,133	11.3
Total current liabilities..... (b)	14,704	35.4	14,068	34.8	14,412	36.3	14,586	36.1	15,563	35.5	16,418	33.7	20,594	34.4	25,432	35.9	22,970	31.0	19,206	30.3
Net current assets..... (a-b)=(c)	4,332	10.4	4,773	11.8	5,406	13.6	6,120	15.1	7,074	16.1	7,898	16.2	8,260	13.8	12,018	17.0	12,229	16.5	10,630	16.8
Gross tangible fixed assets.....	38,617	93.0	39,295	97.1	37,917	95.5	38,831	96.0	41,913	95.5	45,256	92.9	55,434	92.7	58,929	83.2	60,389	81.4	54,353	85.8
Accumulated depreciation.....	(21,029)	-50.6	(22,554)	-55.7	(22,350)	-56.3	(23,261)	-57.5	(24,929)	-56.8	(26,552)	-54.5	(31,664)	-52.9	(34,133)	-48.2	(35,840)	-48.3	(33,205)	-52.4
Net tangible fixed assets.....	17,588	42.4	16,741	41.4	15,566	39.2	15,569	38.5	16,983	38.7	18,704	38.4	23,770	39.8	24,796	35.0	24,548	33.1	21,148	33.4
Investments.....	787	1.9	824	2.0	776	2.0	747	1.8	703	1.6	774	1.6	955	1.6	1,022	1.5	4,714	6.4	4,490	7.1
Loans and other assets.....	1,375	3.3	1,313	3.2	1,334	3.4	1,287	3.2	1,864	4.3	1,864	3.8	2,349	3.9	3,118	4.4	6,755	9.1	4,977	7.8
Net fixed assets and investments..... (d)	19,750	47.6	18,879	46.6	17,676	44.6	17,604	43.5	19,551	44.6	21,343	43.8	27,075	45.3	28,936	40.9	36,018	48.6	30,615	48.3
Medium- and long-term borrowings.....	9,302	22.4	8,447	20.9	7,406	18.7	6,134	15.2	5,057	11.5	7,317	15.0	9,022	15.1	9,620	13.6	14,383	19.4	11,597	18.3
Other creditors.....	118	0.3	47	0.1	47	0.1	107	0.3	126	0.3	136	0.3	444	0.7	581	0.8	968	1.3	583	0.9
Employee benefits.....	5,448	13.1	5,338	13.2	4,674	11.8	4,901	12.1	5,315	12.1	5,646	11.6	6,981	11.7	8,711	12.3	9,940	13.4	10,520	16.6
Deferred taxation.....	102	0.2	103	0.3	111	0.3	131	0.3	231	0.5	302	0.6	530	0.9	549	0.8	894	1.2	956	1.5
Other provisions.....	1,881	4.5	1,581	3.9	1,607	4.1	1,749	4.3	1,851	4.2	1,927	4.0	1,969	3.3	2,060	2.9	2,106	2.8	1,927	3.0
Medium- and long-term liabilities..... (e)	16,854	40.6	15,518	38.4	13,847	34.9	13,024	32.2	12,582	28.7	15,329	31.5	18,947	31.7	21,523	30.4	28,294	38.2	25,585	40.4
Goodwill.....	2,048	4.9	1,952	4.8	1,400	3.5	1,139	2.8	448	1.0	1,895	3.9	2,305	3.9	2,378	3.3	2,619	3.5	2,432	3.8
Deferred expenses and other intangibles.....	698	1.7	786	2.0	776	2.0	1,004	2.5	1,221	2.8	1,182	2.4	1,578	2.6	2,028	2.9	314	0.4	475	0.8
Total intangibles..... (f)	2,747	6.6	2,739	6.8	2,176	5.5	2,143	5.3	1,669	3.8	3,078	6.3	3,883	6.5	4,407	6.2	2,933	3.9	2,908	4.6
Net worth..... (c+d-e+f)	9,977	24.0	10,874	26.9	11,412	28.8	12,843	31.7	15,712	35.8	16,991	34.9	20,272	33.9	23,839	33.7	22,887	30.9	18,568	29.3
<i>Represented by:</i>																				
Issued share capital.....	1,957	4.7	1,983	4.9	2,028	5.1	2,060	5.1	2,322	5.3	2,564	5.3	3,000	5.0	2,964	4.2	2,903	3.9	2,843	4.5
Reserves.....	7,249	17.5	8,183	20.2	8,954	22.6	9,907	24.5	12,479	28.5	14,044	28.8	17,449	29.2	19,529	27.6	18,590	25.1	14,698	23.2
Own shares.....	(21)	-0.1	(21)	-0.1	(22)	-0.1	(2)	...	(13)	...	(191)	-0.4	(438)	-0.7	(559)	-0.8	(468)	-0.6	(440)	-0.7
Total.....	9,185	22.1	10,145	25.1	10,960	27.6	11,966	29.6	14,788	33.7	16,418	33.7	20,011	33.5	21,935	31.0	21,025	28.4	17,101	27.0
Minority interests.....	899	2.2	957	2.4	974	2.5	1,145	2.8	1,224	2.8	1,271	2.6	1,867	3.1	1,903	2.7	1,861	2.5	1,466	2.3
Other items.....	(107)	-0.3	(228)	-0.6	(523)	-1.3	(268)	-0.7	(300)	-0.7	(697)	-1.4	(1,606)	-2.7	-	-	-	-	-	-
Total assets..... (a+d+f)	41,536	100.0	40,461	100.0	39,671	100.0	40,455	100.0	43,858	100.0	48,739	100.0	59,814	100.0	70,795	100.0	74,151	100.0	63,360	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	4,432	152.4	4,818	114.2	5,412	118.4	14,662	125.3	6,085	104.5
New equity issues.....	173	5.9	433	10.3	335	7.3	941	8.1	1,402	24.1
Increase (decrease) in borrowings	(1,696)	-58.3	(1,032)	-24.5	(1,175)	-25.7	(3,903)	-33.4	(1,666)	-28.6
Total sources	2,909	100.0	4,219	100.0	4,572	100.0	11,700	100.0	5,821	100.0
Capital expenditure.....	1,935	66.5	2,278	54.0	2,731	59.7	6,944	59.3	3,293	56.5
Dividends paid	184	6.3	257	6.1	349	7.7	790	6.8	453	7.8
Increase (decrease) in cash and marketable securities.....	619	21.3	125	2.9	541	11.8	1,285	11.0	489	8.4
Increase (decrease) in net current assets.....	(1,017)	-35.0	514	12.2	271	5.9	(232)	-2.0	(125)	-2.1
Other items (net).....	1,188	40.9	1,045	24.8	680	14.9	2,913	24.9	1,711	29.4
Total applications	2,909	100.0	4,219	100.0	4,572	100.0	11,700	100.0	5,821	100.0

RUBBER AND CABLES

	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	6,391	68.4	7,183	66.6	19,659	75.8	6,499	69.5	5,494	58.5	5,991	840.2	17,984	92.5
New equity issues.....	235	2.5	48	0.5	1,685	6.5	(144)	-1.5	301	3.2	397	55.7	554	2.8
Increase (decrease) in borrowings	2,718	29.1	3,548	32.9	4,600	17.7	2,988	32.0	3,600	38.3	(5,675)	-795.9	913	4.7
Total sources	9,344	100.0	10,779	100.0	25,944	100.0	9,343	100.0	9,395	100.0	713	100.0	19,451	100.0
Capital expenditure.....	4,287	45.9	4,757	44.1	12,337	47.6	4,433	47.5	4,310	45.9	3,082	432.3	11,825	60.8
Dividends paid	535	5.7	620	5.8	1,608	6.2	672	7.2	796	8.5	475	66.6	1,943	10.0
Increase (decrease) in cash and marketable securities.....	221	2.4	(54)	-0.5	656	2.5	4,362	46.7	(1,662)	-17.7	(1,289)	-180.8	1,411	7.2
Increase (decrease) in net current assets.....	1,064	11.4	2,257	20.9	3,196	12.3	1,788	19.1	707	7.5	(3,198)	-448.5	(703)	-3.6
Other items (net).....	3,237	34.6	3,199	29.7	8,147	31.4	(1,912)	-20.5	5,244	55.8	1,643	230.4	4,975	25.6
Total applications	9,344	100.0	10,779	100.0	25,944	100.0	9,343	100.0	9,395	100.0	713	100.0	19,451	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets.....	110.0	110.9	117.3	118.5
Net sales as % of net fixed assets.....	241.5	260.3	285.8	295.4
Capital expenditure as % of gross fixed assets	6.0	4.9	6.0	7.0
Depreciation charges as % of gross fixed assets.....	6.2	5.8	6.0	5.9
Accumulated depreciation as % of gross fixed assets	54.5	57.4	58.9	59.9
Interest charges as % of borrowings.....	10.6	10.1	9.3	9.0
Dividends declared as % of net profit.....	n.c.	21.9	19.6	29.2
Trade debtors as % of sales.....	19.1	18.5	18.3	17.1
Inventories as % of sales	16.2	14.6	16.0	16.0
Balance of other current assets and liabilities (1) as % of sales.....	-14.8	-15.4	-15.8	-14.7
Total net working capital.....	20.5	17.7	18.5	18.4
Current assets as % of current liabilities.....	129.5	133.9	137.5	142.0
Net worth as % of total indebtedness	41.4	48.2	52.2	61.7
Net worth as % of total borrowings	66.3	81.4	92.6	115.2
Net worth less intangibles as % of total borrowings	48.0	60.9	74.9	96.0

RUBBER AND CABLES

	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets.....	120.8	115.4	112.6	114.0	114.3	118.9
Net sales as % of net fixed assets.....	298.1	279.1	262.6	271.0	281.2	305.6
Capital expenditure as % of gross fixed assets	7.9	9.5	8.6	7.5	7.1	5.7
Depreciation charges as % of gross fixed assets.....	5.8	5.7	6.1	6.2	6.5	6.3
Accumulated depreciation as % of gross fixed assets	59.5	58.7	57.1	57.9	59.3	61.1
Interest charges as % of borrowings.....	10.3	8.1	7.6	7.5	6.4	9.7
Dividends declared as % of net profit.....	27.4	22.4	34.1	17.6	n.c.	n.c.
Trade debtors as % of sales.....	16.7	16.8	17.9	18.4	17.7	16.2
Inventories as % of sales	15.3	17.1	17.2	18.4	16.2	15.0
Balance of other current assets and liabilities (1) as % of sales.....	-15.5	-15.9	-16.4	-16.8	-13.4	-14.2
Total net working capital.....	16.5	18.0	18.7	20.0	20.5	17.0
Current assets as % of current liabilities.....	145.5	148.1	140.1	147.3	153.2	155.3
Net worth as % of total indebtedness	75.7	71.2	67.4	66.9	59.7	59.2
Net worth as % of total borrowings	165.7	139.2	128.7	127.2	102.5	111.4
Net worth less intangibles as % of total borrowings	148.1	114.0	104.1	103.7	89.3	94.0

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Oil, energy and mining	-		-		-		-	
Iron, steel and non-ferrous metals.....	273	...	360	0.1	402	0.1	423	...
Chemicals.....	1,170	0.2	1,299	0.2	1,439	0.2	1,557	0.2
Rubber and cables	-		-		-		-	
Mechanical engineering:								
Automotive	594,066	80.0	633,164	80.9	663,119	81.7	704,292	82.2
Aerospace	89,549	12.1	83,903	10.7	80,416	9.9	87,263	10.2
Domestic appliances.....	453	0.1	427	0.1	457	0.1	356	...
Others engineering.....	26,238	3.5	25,219	3.2	26,208	3.2	26,337	3.1
Electronics	10,454	1.4	12,761	1.6	13,385	1.7	9,938	1.2
Building and civil engineering.....	3,215	0.4	1,083	0.1	1,133	0.1	1,036	0.1
Cement, glass and other bdg. products..	-		-		-		-	
Paper, printing and publishing.....	2,566	0.4	2,620	0.3	2,800	0.3	2,902	0.3
Food and drinks.....	425	0.1	2,412	0.3	2,006	0.2	216	...
Textiles and clothing.....	-		-		-		-	
Other mfg. industries.....	9,222	1.2	10,968	1.4	11,035	1.4	11,731	1.4
Service industries	4,528	0.6	8,433	1.1	9,121	1.1	11,105	1.3
Total.....	742,165	100.0	782,653	100.0	811,526	100.0	857,162	100.0
Intra-group sales	(812)		(217)		(384)		(528)	
Consolidated.....	741,353		782,436		811,142		856,633	

AUTOMOTIVE ENGINEERING

	1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Oil, energy and mining	-		-		-		-		-		-	
Iron, steel and non-ferrous metals.....	501	0.1	599	0.1	1,211	0.1	1,420	0.1	1,429	0.1	1,411	0.1
Chemicals.....	1,460	0.2	-		-		-		-		-	
Rubber and cables	-		-		-		-		-		-	
Mechanical engineering:												
Automotive	778,516	80.9	805,993	80.9	963,346	80.8	1,033,664	80.1	1,039,230	78.9	1,001,730	80.0
Aerospace	111,649	11.6	107,664	10.8	133,432	11.2	141,700	11.0	155,570	11.8	131,169	10.5
Domestic appliances.....	409	...	421	...	455	...	482	...	496	...	573	...
Others engineering.....	29,325	3.0	32,205	3.2	35,956	3.0	38,090	2.9	37,778	2.9	34,928	2.8
Electronics	10,730	1.1	15,088	1.5	23,556	2.0	27,787	2.2	29,744	2.3	28,626	2.3
Building and civil engineering.....	735	0.1	585	0.1	769	0.1	-		-		-	
Cement, glass and other bdg. products..	-		-		-		-		-		-	
Paper, printing and publishing.....	3,340	0.3	3,666	0.4	3,914	0.3	3,909	0.3	3,815	0.3	3,631	0.3
Food and drinks.....	7	...	-		-		-		-		-	
Textiles and clothing.....	-		-		-		-		-		-	
Other mfg. industries.....	13,091	1.4	6,437	0.6	7,382	0.6	11,070	0.9	13,614	1.0	11,650	0.9
Service industries	12,886	1.3	24,284	2.4	22,333	1.9	32,333	2.5	35,980	2.7	38,693	3.1
Total.....	962,653	100.0	996,946	100.0	1,192,358	100.0	1,290,458	100.0	1,317,659	100.0	1,252,412	100.0
Intra-group sales	(882)		(653)		(591)		(1,893)		(1,403)		(1,087)	
Consolidated.....	961,770		996,292		1,191,766		1,288,564		1,316,255		1,251,325	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	741,353	100.0	782,436	100.0	811,142	100.0	856,633	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...
Gross operating margin.....	51,077	6.9	70,277	9.0	66,869	8.3	71,672	8.3
Depreciation	(37,125)	-5.0	(38,636)	-4.9	(39,876)	-4.9	(38,884)	-4.5
Net operating margin.....	13,952	1.9	31,643	4.1	26,995	3.4	32,789	3.8
Interest and financing charges	(15,851)	-2.1	(13,911)	-1.8	(12,997)	-1.6	(12,098)	-1.4
Interest received.....	13,194	1.7	12,639	1.6	13,120	1.6	11,575	1.3
Share of profits (losses) of related companies	1,553	0.2	2,355	0.3	2,548	0.3	6,700	0.8
Current pre-tax profit.....	12,847	1.7	32,724	4.2	29,665	3.7	38,967	4.5
Interest capitalized.....	441	0.1	170	...	167	...	107	...
Amortization of goodwill.....	(340)	...	(297)	...	(419)	-0.1	(323)	...
Government grants.....	33	...	47	...	36	...	29	-0.1
Gains(losses) on disposals of fixed assets	2,944	0.4	3,687	0.4	1,316	0.2	2,169	0.2
Fixed asset revaluations (writedowns)...	(735)	-0.1	(629)	-0.1	(786)	-0.1	(392)	...
Provisions and other extraordinary items	(374)	-0.1	(199)	...	(2,583)	-0.3	(1,016)	-0.1
Cumulative effect of accounting changes	(7,915)	-1.1	(645)	-0.1	(115)	...	-	...
Net profit (loss) before tax	6,902	0.9	34,857	4.4	27,280	3.4	39,541	4.5
Taxation	(3,342)	-0.5	(12,893)	-1.6	(10,688)	-1.3	(13,122)	-1.5
Profit attributable to minorities.....	(270)	...	(368)	...	(407)	-0.1	(412)	...
Net profit attributable to parent company	3,288	0.4	21,594	2.8	16,184	2.0	26,007	3.0
Research & development expenses (1).....	29,662	5.4	29,371	5.1	31,810	5.4	33,978	5.4
Dividends declared	6,106	0.8	6,823	0.9	6,300	0.8	7,274	0.8

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	1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	961,770	100.0	996,292	100.0	1,191,766	100.0	1,288,564	100.0	1,316,255	100.0	1,251,325	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	94,925	9.9	111,610	11.2	109,811	9.2	111,384	8.6	103,968	7.8	113,476	9.1
Depreciation	(48,700)	-5.1	(47,580)	-4.8	(54,299)	-4.6	(58,563)	-4.5	(61,014)	-4.6	(57,378)	-4.6
Net operating margin.....	46,226	4.8	64,030	6.4	55,514	4.6	52,821	4.1	42,955	3.2	56,099	4.5
Interest and financing charges	(12,720)	-1.3	(13,406)	-1.3	(16,025)	-1.3	(19,312)	-1.5	(19,024)	-1.4	(16,032)	-1.3
Interest received.....	13,350	1.4	11,184	1.1	13,458	1.1	13,710	1.0	11,906	0.9	9,315	0.7
Share of profits (losses) of related companies	2,824	0.3	1,653	0.2	5,485	0.5	7,410	0.6	3,599	0.3	5,118	0.4
Current pre-tax profit.....	49,678	5.2	63,461	6.4	58,430	4.9	54,628	4.2	39,435	3.0	54,499	4.3
Interest capitalized.....	118	...	279	...	251	...	346	...	451	...	279	...
Amortization of goodwill.....	(914)	-0.1	(1,306)	-0.1	(1,238)	-0.1	(3,146)	-0.2	(4,455)	-0.3	(6,303)	-0.5
Government grants.....	72	...	66	...	77	...	9	-0.1	80	...	62	...
Gains(losses) on disposals of fixed assets	6,260	0.7	2,852	0.3	6,190	0.5	11,709	0.9	5,082	0.4	1,766	0.1
Fixed asset revaluations (writedowns)...	(558)	-0.1	(271)	...	(556)	...	(471)	...	(7,686)	-0.6	(2,581)	-0.2
Provisions and other extraordinary items	(9,428)	-1.0	(1,013)	-0.1	(3,997)	-0.3	(4,208)	-0.3	(5,659)	-0.4	(6,698)	-0.5
Cumulative effect of accounting changes	-	...	-	...	(3,507)	-0.4	(87)	...	1	...	(247)	...
Net profit (loss) before tax	45,228	4.7	64,068	6.5	55,650	4.6	58,780	4.5	27,249	2.1	40,776	3.2
Taxation	(12,590)	-1.3	(19,470)	-2.0	(24,204)	-2.0	(19,892)	-1.5	(9,128)	-0.7	(15,109)	-1.2
Profit attributable to minorities.....	(742)	-0.1	(787)	-0.1	(297)	...	(187)	...	388	...	(336)	...
Net profit attributable to parent company	31,895	3.3	43,809	4.4	31,148	2.6	38,701	3.0	18,509	1.4	25,330	2.0
Research & development expenses (1).....	36,570	5.0	35,312	4.7	39,605	4.4	44,282	4.5	45,947	4.5	41,538	4.4
Dividends declared	9,101	0.9	12,730	1.3	11,584	1.0	13,225	1.0	11,535	0.9	9,931	0.8

(1) Figures cover 22 companies which in 2002 accounted for 75.3% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

AUTOMOTIVE ENGINEERING

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	47,095	6.5	55,936	7.4	53,232	7.0	60,229	7.2	61,494	6.5	59,312	5.9	72,769	5.8	70,657	5.0	80,882	5.3	79,789	5.5
Marketable securities.....	45,607	6.3	51,487	6.8	45,733	6.0	51,999	6.3	62,472	6.7	66,123	6.6	70,714	5.6	57,241	4.1	61,759	4.1	63,156	4.4
Trade debtors.....	89,581	12.4	95,539	12.7	104,426	13.7	103,668	12.5	108,713	11.6	110,392	11.1	137,379	10.9	149,312	10.7	139,887	9.2	131,742	9.2
Inventories.....	92,306	12.7	92,049	12.2	94,295	12.4	98,108	11.8	105,863	11.3	106,036	10.6	123,218	9.8	137,406	9.8	142,121	9.4	130,608	9.1
Other current assets.....	68,492	9.4	75,104	9.9	77,965	10.3	82,310	9.9	102,088	10.9	126,863	12.7	162,686	12.9	185,635	13.2	217,049	14.3	214,548	14.9
Total current assets..... (a)	343,083	47.3	370,118	49.0	375,652	49.4	396,316	47.7	440,633	47.0	468,727	46.9	566,768	45.0	600,254	42.8	641,699	42.3	619,844	43.1
Short-term borrowings.....	90,119	12.4	92,215	12.2	97,843	12.9	100,151	12.0	115,256	12.3	131,634	13.2	170,230	13.5	179,489	12.8	198,366	13.1	168,686	11.7
Trade creditors.....	87,797	12.1	97,526	12.9	96,038	12.6	104,831	12.6	116,132	12.4	120,205	12.0	153,468	12.2	160,855	11.5	163,969	10.8	150,033	10.4
Other current liabilities.....	99,267	13.7	104,746	13.9	111,985	14.7	127,019	15.3	149,670	16.0	148,646	14.9	178,517	14.2	217,221	15.5	233,393	15.4	212,003	14.7
Total current liabilities..... (b)	277,183	38.2	294,488	39.0	305,866	40.2	332,002	39.9	381,059	40.6	400,486	40.1	502,216	39.9	557,565	39.8	595,728	39.3	530,723	36.9
Net current assets..... (a-b)=(c)	65,900	9.1	75,630	10.0	69,786	9.2	64,313	7.7	59,573	6.4	68,241	6.8	64,552	5.1	42,688	3.0	45,971	3.0	89,121	6.2
Gross tangible fixed assets.....	470,363	64.8	487,240	64.5	496,901	65.4	518,879	62.3	573,513	61.1	618,937	61.9	739,391	58.8	770,793	55.0	806,472	53.2	741,494	51.6
Accumulated depreciation.....	(252,542)	-34.8	(262,336)	-34.7	(272,054)	-35.8	(283,052)	-34.0	(313,668)	-33.4	(335,845)	-33.6	(394,875)	-31.4	(406,533)	-29.0	(426,064)	-28.1	(395,657)	-27.5
Net tangible fixed assets.....	217,821	30.0	224,903	29.8	224,847	29.6	235,826	28.3	259,844	27.7	283,092	28.3	344,516	27.4	364,260	26.0	380,407	25.1	345,837	24.1
Investments.....	46,259	6.4	46,500	6.1	43,302	5.7	52,467	6.3	57,046	6.1	52,835	5.3	81,968	6.5	100,457	7.2	109,738	7.2	98,014	6.8
Loans and other assets.....	91,477	12.6	89,608	11.9	93,875	12.3	114,614	13.8	144,888	15.4	153,746	15.4	201,471	16.0	253,896	18.1	276,809	18.3	281,002	19.5
Net fixed assets and investments..... (d)	355,558	49.0	361,012	47.8	362,025	47.6	402,908	48.4	461,780	49.2	489,674	49.0	627,956	49.9	718,614	51.3	766,955	50.6	724,854	50.4
Medium- and long-term borrowings.....	109,416	15.1	106,788	14.1	97,638	12.8	105,219	12.6	125,251	13.4	142,521	14.3	185,594	14.7	215,776	15.4	263,890	17.4	266,879	18.6
Other creditors.....	11,884	1.6	12,147	1.6	12,769	1.7	15,411	1.9	17,970	1.9	22,663	2.3	32,088	2.5	47,171	3.4	52,685	3.5	57,377	4.0
Employee benefits.....	108,464	15.0	93,529	12.4	90,363	11.9	99,401	12.0	106,265	11.3	106,842	10.7	111,470	8.9	120,160	8.6	141,457	9.3	166,149	11.6
Deferred taxation.....	8,029	1.1	9,173	1.2	8,615	1.1	7,584	0.9	7,272	0.8	12,141	1.2	20,371	1.6	23,944	1.7	21,030	1.4	15,900	1.1
Other provisions.....	37,158	5.1	41,260	5.5	42,778	5.6	53,232	6.4	62,662	6.7	68,398	6.8	92,844	7.4	89,599	6.4	95,655	6.3	96,853	6.7
Medium- and long-term liabilities..... (e)	274,954	37.9	262,900	34.8	252,165	33.2	280,849	33.8	319,422	34.1	352,567	35.3	442,369	35.1	496,653	35.4	574,720	37.9	603,161	42.0
Goodwill.....	5,643	0.8	6,218	0.8	5,657	0.8	14,735	1.8	19,285	2.1	22,824	2.3	50,867	4.0	68,711	4.9	77,283	5.1	61,645	4.3
Deferred expenses and other intangibles.....	21,085	2.9	18,357	2.4	16,760	2.2	17,835	2.1	16,236	1.7	17,906	1.8	13,887	1.1	13,999	1.0	30,306	2.0	31,387	2.2
Total intangibles..... (f)	26,729	3.7	24,576	3.2	22,417	3.0	32,570	3.9	35,521	3.8	40,730	4.1	64,754	5.1	82,711	5.9	107,590	7.1	93,032	6.5
Net worth..... (c+d-e+f)	173,233	23.9	198,319	26.2	202,064	26.6	218,943	26.3	237,453	25.3	246,079	24.6	314,894	25.0	347,360	24.8	345,796	22.8	303,847	21.1
<i>Represented by:</i>																				
Issued share capital.....	19,220	2.6	22,711	3.0	23,600	3.1	46,757	5.6	28,652	3.1	30,842	3.1	38,930	3.1	39,419	2.8	40,195	2.7	36,914	2.6
Reserves.....	148,916	20.5	172,463	22.8	177,317	23.3	173,001	20.8	211,203	22.5	215,861	21.6	281,749	22.4	318,603	22.7	319,376	21.1	282,654	19.7
Own shares.....	(1,978)	-0.3	(1,499)	-0.2	(2,425)	-0.3	(5,698)	-0.7	(9,359)	-1.0	(6,640)	-0.7	(11,369)	-0.9	(19,698)	-1.4	(22,785)	-1.5	(25,304)	-1.8
Total.....	166,158	22.9	193,676	25.6	198,492	26.1	214,061	25.7	230,496	24.6	240,063	24.0	309,311	24.6	338,325	24.1	336,787	22.2	294,264	20.5
Minority interests.....	8,051	1.1	7,622	1.0	6,516	0.9	6,497	0.8	8,185	0.9	8,724	0.9	9,252	0.7	8,594	0.6	9,009	0.6	9,582	0.7
Other items.....	(977)	-0.1	(2,979)	-0.4	(2,944)	-0.4	(1,615)	-0.2	(1,229)	-0.1	(2,707)	-0.3	(3,668)	-0.3	440	...	–	–	–	–
Total assets..... (a+d+f)	725,371	100.0	755,707	100.0	760,096	100.0	831,796	100.0	937,935	100.0	999,132	100.0	1,259,480	100.0	1,401,579	100.0	1,516,245	100.0	1,437,731	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	71,360	91.0	69,541	105.9	77,851	90.2	218,752	95.0	98,378	76.5
New equity issues.....	7,608	9.7	(337)	-0.5	(1,477)	-1.7	5,794	2.5	(4,898)	-3.8
Increase (decrease) in borrowings	(532)	-0.7	(3,522)	-5.4	9,889	11.5	5,835	2.5	35,137	27.3
Total sources	78,436	100.0	65,682	100.0	86,263	100.0	230,381	100.0	128,617	100.0
Capital expenditure.....	41,339	52.7	46,874	71.4	55,641	64.5	143,854	62.4	63,228	49.2
Dividends paid	4,684	6.0	6,330	9.6	6,990	8.1	18,004	7.8	8,525	6.6
Increase (decrease) in cash and marketable securities.....	14,721	18.8	(8,458)	-12.9	13,263	15.4	19,526	8.5	11,738	9.1
Increase (decrease) in net current assets.....	(2,895)	-3.7	8,243	12.6	(16,427)	-19.0	(11,079)	-4.8	(1,374)	-1.1
Other items (net).....	20,587	26.2	12,693	19.3	26,796	31.0	60,076	26.1	46,500	36.2
Total applications	78,436	100.0	65,682	100.0	86,263	100.0	230,381	100.0	128,617	100.0

AUTOMOTIVE ENGINEERING

	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	111,041	72.8	112,729	56.7	322,148	67.1	113,191	71.6	100,449	61.9	111,877	132.8	325,517	80.5
New equity issues.....	7,758	5.1	4,468	2.2	7,328	1.5	5,357	3.4	(5,051)	-3.1	(918)	-1.1	(612)	-0.2
Increase (decrease) in borrowings	33,648	22.1	81,669	41.1	150,454	31.4	39,441	25.0	66,991	41.2	(26,691)	-31.7	79,741	19.7
Total sources	152,447	100.0	198,866	100.0	479,930	100.0	157,989	100.0	162,389	100.0	84,268	100.0	404,646	100.0
Capital expenditure.....	75,412	49.5	89,149	44.8	227,789	47.5	92,529	58.6	96,334	59.3	88,080	104.5	276,943	68.4
Dividends paid	16,393	10.7	11,241	5.6	36,159	7.5	20,339	12.9	12,945	8.0	9,664	11.5	42,948	10.6
Increase (decrease) in cash and marketable securities.....	1,469	1.0	18,048	9.1	31,255	6.5	(15,585)	-9.9	14,743	9.1	304	0.4	(538)	-0.1
Increase (decrease) in net current assets.....	23,578	15.5	16,858	8.5	39,062	8.1	2,979	1.9	7,418	4.6	13,167	15.6	23,564	5.8
Other items (net).....	35,595	23.3	63,570	32.0	145,665	30.4	57,727	36.5	30,949	19.0	(26,947)	-32.0	61,729	15.3
Total applications	152,447	100.0	198,866	100.0	479,930	100.0	157,989	100.0	162,389	100.0	84,268	100.0	404,646	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets	157.6	160.6	163.2	165.1
Net sales as % of net fixed assets.....	340.3	347.9	360.8	363.2
Capital expenditure as % of gross fixed assets	8.8	8.5	9.4	10.7
Depreciation charges as % of gross fixed assets.....	7.9	7.9	8.0	7.5
Accumulated depreciation as % of gross fixed assets	53.7	53.8	54.8	54.6
Interest charges as % of borrowings.....	7.9	7.0	6.6	5.9
Dividends declared as % of net profit.....	n.c.	31.6	38.9	28.0
Trade debtors as % of sales.....	12.1	12.2	12.9	12.1
Inventories as % of sales	12.5	11.8	11.6	11.5
Balance of other current assets and liabilities (1) as % of sales.....	-16.0	-16.3	-16.0	-17.5
Total net working capital.....	8.6	7.7	8.5	6.1
Current assets as % of current liabilities.....	123.8	125.7	122.8	119.4
Net worth as % of total indebtedness	43.5	48.0	48.5	48.4
Net worth as % of total borrowings	86.8	99.7	103.4	106.6
Net worth less intangibles as % of total borrowings	73.4	87.3	91.9	90.7

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	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	167.7	161.0	161.2	167.2	163.2	168.8
Net sales as % of net fixed assets.....	370.1	351.9	345.9	353.7	346.0	361.8
Capital expenditure as % of gross fixed assets	11.0	12.2	12.1	12.0	11.9	11.9
Depreciation charges as % of gross fixed assets.....	8.5	7.7	7.3	7.6	7.6	7.7
Accumulated depreciation as % of gross fixed assets	54.7	54.3	53.4	52.7	52.8	53.4
Interest charges as % of borrowings.....	5.3	4.9	4.5	4.9	4.1	3.7
Dividends declared as % of net profit.....	28.5	29.1	37.2	34.2	62.3	39.2
Trade debtors as % of sales.....	11.3	11.1	11.5	11.6	10.6	10.5
Inventories as % of sales	11.0	10.6	10.3	10.7	10.8	10.4
Balance of other current assets and liabilities (1) as % of sales.....	-17.0	-14.3	-14.2	-14.9	-13.7	-11.8
Total net working capital.....	5.3	7.4	7.6	7.4	7.7	9.1
Current assets as % of current liabilities.....	115.6	117.0	112.9	107.7	107.7	116.8
Net worth as % of total indebtedness	45.3	43.5	43.7	42.3	37.9	35.5
Net worth as % of total borrowings	98.7	89.8	88.5	87.9	74.8	69.8
Net worth less intangibles as % of total borrowings	84.0	74.9	70.3	67.0	51.5	48.4

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Oil, energy and mining	163	0.1	180	0.1	229	0.1	-	-
Iron, steel and non-ferrous metals.....	1,311	0.5	1,202	0.5	1,551	0.5	1,279	0.4
Chemicals.....	9,418	3.6	9,813	3.7	10,930	3.8	11,192	3.7
Rubber and cables	-	-	-	-	-	-	-	-
Mechanical engineering:								
Automotive	8,900	3.4	9,025	3.4	8,738	3.1	8,599	2.9
Aerospace	9,103	3.4	7,950	3.0	7,568	2.6	8,109	2.7
Domestic appliances.....	12,208	4.6	13,152	4.9	14,744	5.2	15,101	5.1
Others engineering.....	176,996	66.8	180,405	67.7	196,916	68.8	209,117	69.8
Electronics	23,142	8.7	19,982	7.5	20,580	7.2	21,798	7.3
Building and civil engineering.....	-	-	-	-	-	-	-	-
Cement, glass and other bdg. products..	2,195	0.8	1,851	0.7	2,102	0.7	3,054	1.0
Paper, printing and publishing.....	492	0.2	508	0.2	551	0.2	661	0.2
Food and drinks.....	-	-	-	-	-	-	-	-
Textiles and clothing.....	-	-	-	-	-	-	-	-
Other mfg. industries.....	5,172	1.9	6,406	2.4	6,736	2.4	6,211	2.1
Service industries	15,994	6.0	15,837	5.9	15,522	5.4	14,359	4.8
Total.....	265,098	100.0	266,317	100.0	286,172	100.0	299,486	100.0
Intra-group sales	(6,544)		(6,967)		(6,894)		(7,103)	
Consolidated.....	258,554		259,350		279,278		292,382	

OTHER MECHANICAL ENGINEERING

	1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Oil, energy and mining	-	-	-	-	-	-	76	...	306	0.1	569	0.1
Iron, steel and non-ferrous metals.....	1,550	0.5	1,577	0.5	1,880	0.5	1,608	0.3	1,561	0.3	1,417	0.3
Chemicals.....	11,999	3.6	11,512	3.2	13,284	3.2	16,582	3.4	15,792	3.0	14,273	3.0
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:												
Automotive	9,029	2.7	7,886	2.2	9,233	2.3	8,336	1.7	9,177	1.8	9,120	1.9
Aerospace	10,192	3.0	11,432	3.2	15,786	3.8	17,370	3.6	18,353	3.5	15,002	3.2
Domestic appliances.....	16,898	5.0	15,202	4.3	17,223	4.2	19,074	3.9	20,276	3.9	22,642	4.8
Others engineering.....	238,431	71.2	263,477	73.9	301,884	73.4	363,490	74.6	388,633	75.0	351,721	74.1
Electronics	24,001	7.2	26,752	7.5	37,245	9.1	43,506	8.9	47,999	9.3	42,761	9.0
Building and civil engineering.....	-	-	-	-	-	-	-	-	-	-	-	-
Cement, glass and other bdg. products..	3,221	1.0	710	0.2	-	-	801	0.2	704	0.1	570	0.1
Paper, printing and publishing.....	694	0.2	775	0.2	848	0.2	953	0.2	923	0.2	964	0.2
Food and drinks.....	-	-	-	-	134	...	130	...	-	-	-	-
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-
Other mfg. industries.....	5,490	1.6	3,353	0.9	3,476	0.9	4,039	0.8	4,200	0.8	4,801	1.0
Service industries	13,230	4.0	13,763	3.9	10,043	2.4	11,617	2.4	10,358	2.0	10,619	2.3
Total.....	334,739	100.0	356,444	100.0	411,039	100.0	487,587	100.0	518,287	100.0	474,462	100.0
Intra-group sales	(7,330)		(6,672)		(2,340)		(1,276)		(1,101)		(1,233)	
Consolidated.....	327,409		349,771		408,699		486,311		517,186		473,228	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	258,554	100.0	259,350	100.0	279,278	100.0	292,382	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...
Gross operating margin.....	23,260	9.0	23,610	9.2	29,028	10.3	31,199	10.7
Depreciation	(10,361)	-4.0	(10,004)	-3.9	(10,456)	-3.7	(10,686)	-3.7
Net operating margin.....	12,900	5.0	13,607	5.3	18,572	6.6	20,515	7.0
Interest and financing charges	(5,052)	-2.0	(4,397)	-1.7	(4,252)	-1.5	(4,134)	-1.4
Interest received.....	4,415	1.7	4,219	1.6	3,825	1.4	3,480	1.2
Share of profits (losses) of related companies	1,793	0.7	2,294	0.9	2,664	0.9	2,921	1.0
Current pre-tax profit.....	14,054	5.4	15,722	6.1	20,808	7.4	22,780	7.8
Interest capitalized.....	85	...	59	...	53	...	52	...
Amortization of goodwill.....	(645)	-0.2	(789)	-0.3	(962)	-0.3	(1,206)	-0.4
Government grants.....	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	2,519	1.0	1,317	0.5	1,108	0.4	2,038	0.7
Fixed asset revaluations (writedowns)...	(582)	-0.2	(417)	-0.3	(413)	-0.1	(283)	-0.1
Provisions and other extraordinary items	(1,430)	-0.6	(85)	...	(462)	-0.2	(571)	-0.2
Cumulative effect of accounting changes	(1,677)	-0.6	(102)	...	12	...	9	...
Net profit (loss) before tax	12,324	4.8	15,704	6.0	20,145	7.2	22,819	7.8
Taxation	(4,305)	-1.7	(5,493)	-2.1	(6,223)	-2.2	(6,931)	-2.4
Profit attributable to minorities	(584)	-0.2	(595)	-0.2	(803)	-0.3	(929)	-0.3
Net profit attributable to parent company	7,434	2.9	9,614	3.7	13,117	4.7	14,958	5.1
<i>Research & development expenses</i> (1).....	<i>12,282</i>	<i>4.9</i>	<i>11,756</i>	<i>4.7</i>	<i>12,346</i>	<i>4.6</i>	<i>12,809</i>	<i>4.6</i>
<i>Dividends declared</i>	<i>4,520</i>	<i>1.7</i>	<i>4,918</i>	<i>1.9</i>	<i>5,515</i>	<i>2.0</i>	<i>6,072</i>	<i>2.1</i>

OTHER MECHANICAL ENGINEERING

	1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	327,409	100.0	349,771	100.0	408,699	100.0	486,311	100.0	517,186	100.0	473,228	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	37,134	11.3	39,644	11.3	48,604	12.0	62,119	12.8	56,951	11.0	51,435	10.9
Depreciation	(12,348)	-3.8	(13,756)	-3.9	(14,932)	-3.7	(17,151)	-3.5	(18,598)	-3.6	(17,004)	-3.6
Net operating margin.....	24,787	7.5	25,889	7.4	33,673	8.3	44,969	9.3	38,354	7.4	34,431	7.3
Interest and financing charges	(4,551)	-1.4	(5,862)	-1.7	(6,497)	-1.6	(7,908)	-1.6	(7,665)	-1.5	(5,595)	-1.2
Interest received.....	3,207	1.0	4,412	1.3	3,886	1.0	4,919	1.0	4,420	0.9	2,877	0.6
Share of profits (losses) of related companies	3,520	1.1	3,813	1.1	5,048	1.2	6,009	1.2	6,608	1.3	4,416	0.9
Current pre-tax profit.....	26,962	8.2	28,251	8.1	36,108	8.9	47,989	9.9	41,716	8.1	36,129	7.6
Interest capitalized.....	42	...	47	...	55	...	50	...	60	...	47	...
Amortization of goodwill.....	(1,089)	-0.3	(1,494)	-0.4	(2,077)	-0.5	(3,652)	-0.8	(5,384)	-1.0	(5,871)	-1.2
Government grants.....	-	-	-	-	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	5,136	1.5	497	0.2	2,912	0.7	10,143	2.1	4,499	0.9	132	...
Fixed asset revaluations (writedowns)...	(134)	...	(411)	-0.1	(377)	-0.1	(607)	...	(2,845)	-0.7	(678)	...
Provisions and other extraordinary items	(3,431)	-1.0	(2,020)	-0.6	(3,233)	-0.8	(4,406)	-0.9	(6,412)	-1.2	(3,736)	-0.8
Cumulative effect of accounting changes	-	-	-	-	-	-	(102)	...	(583)	-0.1	-	-
Net profit (loss) before tax	27,485	8.4	24,870	7.2	33,387	8.2	49,413	10.3	31,049	6.0	26,022	5.6
Taxation	(7,476)	-2.3	(7,871)	-2.3	(10,141)	-2.5	(12,420)	-2.6	(9,796)	-1.9	(7,427)	-1.6
Profit attributable to minorities	(632)	-0.2	(670)	-0.2	(945)	-0.2	(1,248)	-0.3	(512)	-0.1	(837)	-0.2
Net profit attributable to parent company	19,376	5.9	16,328	4.7	22,301	5.5	35,744	7.4	20,739	4.0	17,757	3.8
<i>Research & development expenses</i> (1).....	<i>14,250</i>	<i>4.7</i>	<i>15,308</i>	<i>4.7</i>	<i>17,821</i>	<i>4.7</i>	<i>19,044</i>	<i>4.1</i>	<i>20,986</i>	<i>4.3</i>	<i>18,523</i>	<i>4.2</i>
<i>Dividends declared</i>	<i>8,186</i>	<i>2.5</i>	<i>7,263</i>	<i>2.1</i>	<i>9,823</i>	<i>2.4</i>	<i>14,774</i>	<i>3.0</i>	<i>12,094</i>	<i>2.3</i>	<i>11,423</i>	<i>2.4</i>

(1) Figures cover 25 companies which in 2002 accounted for 94% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

OTHER MECHANICAL ENGINEERING

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	15,374	6.3	15,886	6.5	15,567	6.0	13,966	5.2	13,825	4.5	14,921	4.4	19,286	4.8	30,335	6.1	40,877	7.5	32,211	6.6
Marketable securities.....	21,713	8.9	24,721	10.1	24,602	9.6	22,468	8.4	21,142	7.0	20,567	6.1	23,710	5.8	24,132	4.9	14,241	2.6	14,400	2.9
Trade debtors.....	44,238	18.0	44,436	18.2	48,012	18.6	50,310	18.8	55,780	18.4	66,788	19.9	77,134	19.1	92,698	18.7	88,589	16.4	80,511	16.3
Inventories.....	32,106	13.1	32,157	13.1	35,665	13.9	36,598	13.7	41,261	13.6	46,560	13.9	49,449	12.2	58,382	11.7	66,585	12.3	56,809	11.5
Other current assets.....	17,948	7.3	17,809	7.3	19,330	7.5	18,538	7.0	22,766	7.5	25,433	7.6	25,848	6.4	36,962	7.4	39,166	7.2	32,738	6.7
Total current assets..... (a)	131,380	53.6	135,012	55.2	143,178	55.6	141,882	53.1	154,775	51.0	174,271	51.9	195,428	48.3	242,512	48.8	249,459	46.0	216,672	44.0
Short-term borrowings.....	20,733	8.5	18,173	7.4	18,709	7.3	18,106	6.8	22,409	7.4	25,540	7.6	29,867	7.4	31,932	6.4	29,234	5.4	26,489	5.4
Trade creditors.....	23,941	9.8	26,104	10.7	29,702	11.5	29,608	11.1	34,408	11.3	39,585	11.8	46,936	11.6	59,896	12.1	60,848	11.2	54,754	11.1
Other current liabilities.....	41,267	16.8	38,026	15.6	39,503	15.3	42,744	16.0	49,655	16.4	60,649	18.1	68,749	17.0	84,657	17.0	117,536	21.7	96,769	19.6
Total current liabilities..... (b)	85,942	35.0	82,303	33.7	87,915	34.1	90,459	33.8	106,474	35.1	125,776	37.5	145,553	36.0	176,487	35.5	207,619	38.3	178,014	36.1
Net current assets..... (a-b)=(c)	45,438	18.5	52,708	21.6	55,262	21.5	51,423	19.2	48,301	15.9	48,495	14.4	49,874	12.3	66,024	13.3	41,840	7.7	38,658	7.8
Gross tangible fixed assets.....	133,348	54.4	134,168	54.9	140,896	54.7	145,580	54.4	159,200	52.5	167,552	49.8	192,027	47.4	219,105	44.1	235,355	43.4	208,939	42.3
Accumulated depreciation.....	(72,978)	-29.8	(75,189)	-30.8	(79,844)	-31.0	(82,232)	-30.7	(89,547)	-29.5	(96,150)	-28.6	(109,018)	-26.9	(123,436)	-24.8	(134,338)	-24.8	(123,865)	-25.1
Net tangible fixed assets.....	60,369	24.6	58,978	24.1	61,052	23.7	63,348	23.7	69,652	23.0	71,402	21.2	83,009	20.5	95,669	19.3	101,017	18.6	85,074	17.2
Investments.....	18,443	7.5	16,119	6.6	18,589	7.2	20,124	7.5	22,822	7.5	24,734	7.4	28,011	7.0	38,789	7.8	50,127	9.3	49,328	10.0
Loans and other assets.....	17,558	7.2	17,256	7.1	16,531	6.4	19,238	7.2	24,088	7.9	28,930	8.6	40,899	10.1	45,414	9.1	59,392	11.0	58,077	11.8
Net fixed assets and investments..... (d)	96,371	39.3	92,355	37.8	96,172	37.3	102,712	38.4	116,563	38.4	125,067	37.2	151,919	37.6	179,872	36.2	210,537	38.9	192,479	39.0
Medium- and long-term borrowings.....	24,152	9.8	21,829	8.9	22,042	8.6	21,769	8.1	23,446	7.7	24,276	7.2	36,418	9.0	47,899	9.6	61,562	11.4	58,022	11.8
Other creditors.....	5,201	2.1	5,674	2.3	5,348	2.1	5,214	1.9	5,804	1.9	4,199	1.3	3,594	0.9	6,566	1.3	6,230	1.1	4,218	0.9
Employee benefits.....	24,020	9.8	24,539	10.0	25,839	10.0	26,263	9.8	28,088	9.3	29,453	8.8	34,354	8.5	40,182	8.1	35,662	6.6	38,003	7.7
Deferred taxation.....	3,449	1.4	3,539	1.4	4,341	1.7	4,609	1.7	4,354	1.4	5,710	1.7	7,440	1.8	9,451	1.9	8,696	1.6	7,898	1.6
Other provisions.....	24,268	9.9	25,301	10.3	25,719	10.0	25,008	9.4	27,036	8.9	33,009	9.8	37,592	9.3	41,118	8.3	34,478	6.4	34,079	6.9
Medium- and long-term liabilities..... (e)	81,092	33.1	80,884	33.1	83,291	32.3	82,864	31.0	88,730	29.2	96,649	28.8	119,400	29.5	145,217	29.2	146,630	27.1	142,223	28.9
Goodwill.....	14,699	6.0	14,637	6.0	15,841	6.2	20,156	7.5	28,708	9.5	33,851	10.1	54,159	13.4	69,790	14.1	74,409	13.7	72,450	14.7
Deferred expenses and other intangibles.....	2,811	1.1	2,484	1.0	2,375	0.9	2,702	1.0	3,368	1.1	2,581	0.8	3,042	0.7	4,572	0.9	7,576	1.4	11,371	2.3
Total intangibles..... (f)	17,510	7.1	17,121	7.0	18,216	7.1	22,858	8.5	32,077	10.6	36,433	10.9	57,201	14.1	74,363	15.0	81,986	15.1	83,822	17.0
Net worth..... (c+d-e+f)	78,228	31.9	81,301	33.3	86,360	33.5	94,130	35.2	108,212	35.7	113,346	33.8	139,595	34.5	175,043	35.2	187,732	34.6	172,736	35.0
<i>Represented by:</i>																				
Issued share capital.....	11,641	4.7	12,023	4.9	13,028	5.1	13,470	5.0	14,951	4.9	16,267	4.8	19,411	4.8	21,110	4.2	24,388	4.5	23,700	4.8
Reserves.....	66,195	27.0	69,192	28.3	76,042	29.5	88,105	32.9	108,498	35.8	115,287	34.3	146,221	36.1	184,660	37.2	200,023	36.9	182,040	36.9
Own shares.....	(6,659)	-2.7	(6,898)	-2.8	(9,058)	-3.5	(12,638)	-4.7	(19,705)	-6.5	(23,320)	-6.9	(31,849)	-7.9	(38,553)	-7.8	(46,781)	-8.6	(39,069)	-7.9
Total.....	71,177	29.0	74,319	30.4	80,012	31.1	88,936	33.3	103,745	34.2	108,234	32.2	133,783	33.1	167,218	33.7	177,630	32.8	166,672	33.8
Minority interests.....	7,016	2.9	6,834	2.8	6,233	2.4	5,146	1.9	4,510	1.5	5,176	1.5	5,688	1.4	7,710	1.6	9,897	1.8	5,938	1.2
Other items.....	34	...	147	0.1	114	...	47	...	(43)	...	(64)	...	122	...	115	...	205	...	126	...
Total assets..... (a+d+f)	245,263	100.0	244,489	100.0	257,567	100.0	267,453	100.0	303,417	100.0	335,772	100.0	404,549	100.0	496,748	100.0	541,983	100.0	492,974	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	25,726	113.9	31,264	98.4	33,466	106.8	90,456	105.5	39,310	94.5
New equity issues.....	1,740	7.7	(238)	-0.7	(1,253)	-4.0	249	0.3	(3,706)	-8.9
Increase (decrease) in borrowings	(4,883)	-21.6	749	2.3	(876)	-2.8	(5,010)	-5.8	5,980	14.4
Total sources	22,583	100.0	31,775	100.0	31,337	100.0	85,695	100.0	41,584	100.0
Capital expenditure.....	11,999	53.1	13,328	41.9	15,079	48.1	40,406	47.1	16,079	38.6
Dividends paid	4,649	20.6	5,199	16.4	5,978	19.1	15,826	18.5	6,864	16.5
Increase (decrease) in cash and marketable securities.....	3,520	15.6	(438)	-1.4	(3,735)	-11.9	(653)	-0.8	(1,467)	-3.5
Increase (decrease) in net current assets.....	1,188	5.3	3,530	11.1	(708)	-2.3	4,010	4.7	2,650	6.4
Other items (net).....	1,227	5.4	10,156	32.0	14,723	47.0	26,106	30.5	17,458	42.0
Total applications	22,583	100.0	31,775	100.0	31,337	100.0	85,695	100.0	41,584	100.0

OTHER MECHANICAL ENGINEERING

	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	42,007	94.4	51,040	77.7	132,357	87.2	65,140	85.2	60,314	81.8	53,133	109.6	178,587	89.9
New equity issues.....	(1,481)	-3.3	(1,803)	-2.7	(6,990)	-4.6	(2,234)	-2.9	2,476	3.3	1,661	3.4	1,903	0.9
Increase (decrease) in borrowings	3,961	8.9	16,469	25.0	26,410	17.4	13,546	17.7	10,965	14.9	(6,285)	-13.0	18,226	9.2
Total sources	44,487	100.0	65,706	100.0	151,777	100.0	76,452	100.0	73,755	100.0	48,509	100.0	198,716	100.0
Capital expenditure.....	19,252	43.3	19,831	30.2	55,162	36.4	22,587	29.5	26,946	36.5	17,329	35.7	66,862	33.7
Dividends paid	9,407	21.1	8,976	13.6	25,247	16.6	11,147	14.6	15,970	21.6	11,121	22.9	38,238	19.2
Increase (decrease) in cash and marketable securities.....	521	1.2	7,508	11.4	6,562	4.3	11,471	15.0	651	0.9	(8,507)	-17.5	3,615	1.8
Increase (decrease) in net current assets.....	2,803	6.3	(1,801)	-2.7	3,652	2.4	6,743	8.8	(27,533)	-37.3	2,579	5.3	(18,211)	-9.2
Other items (net).....	12,504	28.1	31,192	47.5	61,154	40.3	24,504	32.1	57,721	78.3	25,987	53.6	108,212	54.5
Total applications	44,487	100.0	65,706	100.0	151,777	100.0	76,452	100.0	73,755	100.0	48,509	100.0	198,716	100.0

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996
Net sales as % of gross fixed assets	193.9	193.3	198.2	200.8
Net sales as % of net fixed assets.....	428.3	439.7	457.4	461.5
Capital expenditure as % of gross fixed assets	8.5	8.9	9.5	10.4
Depreciation charges as % of gross fixed assets.....	7.8	7.5	7.4	7.3
Accumulated depreciation as % of gross fixed assets	54.7	56.0	56.7	56.5
Interest charges as % of borrowings.....	11.3	11.0	10.4	10.4
Dividends declared as % of net profit.....	60.8	51.2	42.0	40.6
Trade debtors as % of sales.....	17.1	17.1	17.2	17.2
Inventories as % of sales	12.4	12.4	12.8	12.5
Balance of other current assets and liabilities (1) as % of sales.....	-18.3	-17.9	-17.9	-18.4
Total net working capital.....	11.2	11.6	12.1	11.3
Current assets as % of current liabilities.....	152.9	164.0	162.9	156.8
Net worth as % of total indebtedness	67.9	74.0	74.9	80.2
Net worth as % of total borrowings	174.3	203.2	211.9	236.1
Net worth less intangibles as % of total borrowings	135.3	160.4	167.2	178.7

OTHER MECHANICAL ENGINEERING

	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	205.7	208.8	212.8	222.0	219.7	226.5
Net sales as % of net fixed assets.....	470.1	489.9	492.4	508.3	512.0	556.3
Capital expenditure as % of gross fixed assets	10.1	11.5	10.3	10.3	11.4	8.3
Depreciation charges as % of gross fixed assets.....	7.8	8.2	7.8	7.8	7.9	8.1
Accumulated depreciation as % of gross fixed assets	56.2	57.4	56.8	56.3	57.1	59.3
Interest charges as % of borrowings.....	9.9	11.8	9.8	9.9	8.4	6.6
Dividends declared as % of net profit.....	42.2	44.5	44.0	41.3	58.3	64.3
Trade debtors as % of sales.....	17.0	19.1	18.9	19.1	17.1	17.0
Inventories as % of sales	12.6	13.3	12.1	12.0	12.9	12.0
Balance of other current assets and liabilities (1) as % of sales.....	-18.7	-21.4	-22.0	-22.1	-26.9	-25.1
Total net working capital.....	10.9	11.0	9.0	9.0	3.1	3.9
Current assets as % of current liabilities.....	145.4	138.6	134.3	137.4	120.2	121.7
Net worth as % of total indebtedness	79.7	73.5	75.2	75.8	68.2	71.9
Net worth as % of total borrowings	236.0	227.5	210.6	219.3	206.8	204.4
Net worth less intangibles as % of total borrowings	166.0	154.4	124.3	126.1	116.5	105.2

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002		
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	
Oil, energy and mining	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Iron, steel and non-ferrous metals.....	20,509	3.3	13,142	2.0	12,670	1.8	12,110	1.7	12,320	1.5	11,923	1.4	15,896	1.5	16,601	1.3	13,474	1.2	12,219	1.2	
Chemicals.....	4,686	0.7	-	-	-	-	-	-	-	-	-	-	5,716	0.5	6,951	0.6	10,000	0.9	9,322	0.9	
Rubber and cables	5,153	0.8	6,099	0.9	6,481	0.9	5,593	0.8	7,317	0.9	2,958	0.4	3,574	0.3	4,620	0.4	7,435	0.7	3,472	0.4	
Mechanical engineering:																					
Automotive	-	-	-	-	-	-	-	-	-	-	-	-	13,911	1.3	15,416	1.2	14,331	1.2	12,403	1.3	
Aerospace	5,224	0.8	5,498	0.8	5,294	0.8	5,343	0.7	6,211	0.8	6,608	0.8	7,657	0.7	6,845	0.5	8,452	0.7	9,671	1.0	
Domestic appliances.....	11,648	1.9	12,902	2.0	12,118	1.8	12,304	1.7	13,818	1.7	13,883	1.7	15,652	1.4	21,950	1.8	18,945	1.6	18,152	1.8	
Others engineering.....	53,073	8.5	53,433	8.1	53,349	7.7	52,795	7.4	53,663	6.6	49,403	6.0	56,562	5.2	62,724	5.0	50,694	4.4	46,049	4.7	
Electronics	474,454	76.1	500,406	75.7	530,880	76.6	578,900	80.6	675,373	82.4	696,782	84.2	922,073	84.1	1,060,278	84.6	987,832	85.5	829,784	84.3	
Building and civil engineering.....	1,533	0.2	2,310	0.3	2,242	0.3	2,464	0.3	2,749	0.3	1,763	0.2	2,643	0.2	-	-	1,362	0.1	1,036	0.1	
Cement, glass and other bdg. products..	404	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Paper, printing and publishing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Food and drinks.....	-	-	-	-	-	-	-	-	109	...	233	...	260	...	269	...	-	-	-	-	
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other mfg. industries.....	12,347	2.0	13,278	2.0	15,349	2.2	16,748	2.3	11,196	1.4	11,849	1.4	10,544	1.0	5,113	0.4	5,422	0.5	5,515	0.6	
Service industries	34,634	5.6	54,152	8.2	54,630	7.9	32,137	4.5	36,381	4.4	31,858	3.9	41,451	3.8	52,300	4.2	37,146	3.2	36,580	3.7	
Total	623,669	100.0	661,223	100.0	693,018	100.0	718,396	100.0	819,141	100.0	827,263	100.0	1,095,944	100.0	1,253,071	100.0	1,155,096	100.0	984,209	100.0	
Intra-group sales	(13,403)	-	(24,520)	-	(25,920)	-	(24,848)	-	(29,343)	-	(26,180)	-	(36,593)	-	(41,137)	-	(28,108)	-	(27,371)	-	
Consolidated	610,266	-	636,703	-	667,097	-	693,547	-	789,798	-	801,082	-	1,059,350	-	1,211,934	-	1,126,987	-	956,837	-	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	610,266	100.0	636,703	100.0	667,097	100.0	693,547	100.0	789,798	100.0	801,082	100.0	1,059,350	100.0	1,211,934	100.0	1,126,987	100.0	956,837	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin	61,146	10.0	75,723	11.9	78,498	11.8	79,090	11.4	99,582	12.5	91,585	11.4	123,335	11.7	150,889	12.5	84,708	7.5	86,825	9.1
Depreciation	(35,222)	-5.8	(35,134)	-5.5	(35,346)	-5.3	(34,137)	-4.9	(40,615)	-5.1	(42,336)	-5.3	(56,192)	-5.3	(59,180)	-4.9	(62,971)	-5.6	(54,246)	-5.7
Net operating margin	25,926	4.2	40,590	6.4	43,153	6.5	44,954	6.5	58,969	7.4	49,249	6.1	67,144	6.4	91,710	7.6	21,737	1.9	32,580	3.4
Interest and financing charges	(13,003)	-2.1	(10,531)	-1.7	(8,755)	-1.3	(8,112)	-1.2	(8,727)	-1.1	(8,812)	-1.1	(10,525)	-1.0	(12,079)	-1.0	(12,438)	-1.1	(9,508)	-1.0
Interest received.....	9,378	1.5	7,503	1.2	6,407	0.9	6,207	0.9	7,165	0.9	7,099	0.9	8,483	0.8	9,854	0.8	8,462	0.7	5,638	0.5
Share of profits (losses) of related companies	(206)	...	684	0.1	708	0.1	1,070	0.2	557	0.1	475	0.1	1,228	0.1	5,017	0.4	639	0.1	(6,176)	-0.6
Current pre-tax profit	22,092	3.6	38,246	6.0	41,512	6.2	44,118	6.4	57,962	7.3	48,010	6.0	66,330	6.3	94,501	7.8	18,401	1.6	22,532	2.3
Interest capitalized.....	189	0.1	102	...	177	...	92	...	79	...	78	...	83	...	105	...	152	...	144	...
Amortization of goodwill.....	(1,267)	-0.2	(3,477)	-0.5	(3,029)	-0.5	(1,332)	-0.2	(1,837)	-0.2	(2,052)	-0.3	(3,370)	-0.3	(6,316)	-0.5	(11,887)	-1.1	(9,934)	-1.0
Government grants.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	1,640	0.3	571	0.1	32	...	2,003	0.3	4,313	0.6	9,179	1.1	13,843	1.3	22,267	1.8	292	...	1,828	0.1
Fixed asset revaluations (writedowns)...	(83)	...	(278)	...	36	...	(704)	-0.1	(1,279)	-0.2	(965)	-0.1	(39)	...	(2,001)	-0.2	(13,079)	-1.2	(9,867)	-1.0
Provisions and other extraordinary items	(5,192)	-0.9	(2,304)	-0.5	(4,883)	-0.6	(1,575)	-0.2	(4,131)	-0.5	(9,034)	-1.1	(3,868)	-0.4	(2,549)	-0.2	(22,520)	-2.0	(14,821)	-1.5
Cumulative effect of accounting changes	(14,818)	-2.4	(58)	...	138	...	-	...	13	...	70	...	2,071	0.2	(1,071)	-0.1	(1,563)	...	-	...
Net profit (loss) before tax	2,558	0.5	32,801	5.1	33,984	5.1	42,603	6.2	55,120	7.0	45,286	5.6	75,050	7.1	104,934	8.6	(30,205)	-2.7	(10,118)	-1.1
Taxation	(4,849)	-0.8	(15,178)	-2.4	(17,190)	-2.6	(17,145)	-2.5	(21,768)	-2.8	(17,042)	-2.1	(26,388)	-2.5	(33,887)	-2.8	(686)	-0.1	(12,679)	-1.3
Profit attributable to minorities.....	(435)	-0.1	(888)	-0.1	(899)	-0.1	(1,234)	-0.2	(1,162)	-0.1	(320)	...	(785)	-0.1	(1,573)	-0.1	949	0.1	2	...
Net profit attributable to parent company	(2,726)	-0.4	16,734	2.6	15,893	2.4	24,223	3.5	32,189	4.1	27,922	3.5	47,876	4.5	69,473	5.7	(29,942)	-2.7	(22,796)	-2.4
<i>Research & development expenses</i> (1).....	<i>43,460</i>	<i>7.2</i>	<i>42,501</i>	<i>6.7</i>	<i>44,477</i>	<i>6.7</i>	<i>45,949</i>	<i>6.7</i>	<i>52,755</i>	<i>6.8</i>	<i>55,273</i>	<i>7.0</i>	<i>70,028</i>	<i>6.7</i>	<i>78,852</i>	<i>6.7</i>	<i>81,228</i>	<i>7.4</i>	<i>67,554</i>	<i>7.2</i>
<i>Dividends declared</i>	<i>6,532</i>	<i>1.1</i>	<i>6,371</i>	<i>1.0</i>	<i>5,911</i>	<i>0.9</i>	<i>5,230</i>	<i>0.8</i>	<i>6,380</i>	<i>0.8</i>	<i>6,736</i>	<i>0.8</i>	<i>8,427</i>	<i>0.8</i>	<i>9,800</i>	<i>0.8</i>	<i>8,397</i>	<i>0.7</i>	<i>7,070</i>	<i>0.7</i>

(1) Figures cover 38 companies which in 2002 accounted for 97.7% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

ELECTRONICS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	68,725	10.0	75,421	10.7	72,423	10.0	74,556	10.7	80,757	10.2	76,813	9.4	98,525	9.0	102,097	8.1	124,447	10.0	123,968	11.2
Marketable securities.....	29,611	4.3	28,552	4.0	25,754	3.6	28,212	4.1	32,567	4.1	28,559	3.5	42,258	3.9	37,772	3.0	28,300	2.3	36,126	3.3
Trade debtors.....	138,660	20.1	145,723	20.6	156,538	21.7	153,775	22.1	170,019	21.4	171,201	20.8	220,424	20.2	258,932	20.5	218,221	17.5	181,656	16.4
Inventories.....	94,286	13.7	97,400	13.8	105,110	14.6	100,042	14.4	110,562	13.9	109,875	13.4	131,647	12.1	156,357	12.3	126,902	10.1	94,425	8.5
Other current assets.....	50,886	7.4	55,107	7.8	55,933	7.7	46,391	6.7	55,080	7.0	62,663	7.6	76,995	7.0	91,107	7.2	91,656	7.3	77,681	7.0
Total current assets..... (a)	382,171	55.5	402,205	56.9	415,760	57.6	402,977	58.0	448,987	56.6	449,114	54.7	569,852	52.2	646,266	51.1	589,527	47.2	513,858	46.4
Short-term borrowings.....	93,036	13.5	93,498	13.2	102,417	14.2	91,332	13.1	95,018	12.0	82,753	10.1	97,015	8.9	106,197	8.4	102,499	8.2	75,322	6.8
Trade creditors.....	71,148	10.3	78,271	11.1	85,166	11.8	81,879	11.8	92,217	11.6	93,393	11.4	129,283	11.8	158,193	12.5	130,558	10.4	118,227	10.7
Other current liabilities.....	105,246	15.3	111,020	15.7	114,451	15.9	112,752	16.2	128,144	16.1	131,749	16.0	173,014	15.9	195,893	15.5	200,473	16.0	176,910	16.0
Total current liabilities..... (b)	269,431	39.1	282,791	40.0	302,035	41.8	285,964	41.1	315,381	39.7	307,896	37.5	399,313	36.6	460,285	36.4	433,531	34.7	370,460	33.5
Net current assets..... (a-b)=(c)	112,740	16.4	119,413	16.9	113,724	15.8	117,013	16.8	133,606	16.8	141,217	17.2	170,538	15.6	185,981	14.7	155,995	12.5	143,397	12.9
Gross tangible fixed assets.....	394,803	57.3	405,345	57.4	407,527	56.4	390,636	56.2	436,394	55.0	451,233	54.9	572,950	52.5	621,628	49.1	610,785	48.8	538,920	48.6
Accumulated depreciation.....	(230,378)	-33.4	(239,685)	-33.9	(240,434)	-33.3	(229,903)	-33.1	(254,600)	-32.1	(267,992)	-32.6	(345,145)	-31.6	(366,966)	-29.0	(362,916)	-29.0	(332,349)	-30.0
Net tangible fixed assets.....	164,424	23.9	165,659	23.5	167,092	23.1	160,733	23.1	181,793	22.9	183,241	22.3	227,805	20.9	254,662	20.1	247,868	19.8	206,570	18.6
Investments.....	44,781	6.5	44,981	6.4	42,390	5.9	41,673	6.0	45,497	5.7	55,210	6.8	90,664	8.3	78,688	6.2	74,719	6.0	52,792	4.8
Loans and other assets.....	51,588	7.5	52,576	7.4	53,959	7.5	52,807	7.6	66,345	8.4	77,366	9.4	114,041	10.5	159,339	12.6	190,387	15.2	170,711	15.4
Net fixed assets and investments..... (d)	260,794	37.9	263,217	37.3	263,442	36.5	255,213	36.7	293,637	37.0	315,818	38.5	432,510	39.7	492,689	38.9	512,975	41.0	430,074	38.8
Medium- and long-term borrowings.....	112,422	16.3	105,755	15.0	98,722	13.7	92,055	13.2	109,544	13.8	126,443	15.4	159,846	14.6	182,955	14.5	207,975	16.6	182,614	16.5
Other creditors.....	6,225	0.9	6,307	0.9	6,799	0.9	9,199	1.3	13,163	1.7	13,495	1.6	23,232	2.1	25,892	2.0	29,554	2.4	33,634	3.0
Employee benefits.....	35,004	5.1	35,404	5.0	35,123	4.9	35,149	5.1	40,978	5.2	45,338	5.5	56,890	5.2	71,806	5.7	80,816	6.5	108,640	9.8
Deferred taxation.....	7,159	1.0	9,303	1.3	10,840	1.5	7,244	1.0	9,070	1.1	8,310	1.0	14,670	1.3	16,189	1.3	12,891	1.0	6,730	0.6
Other provisions.....	28,243	4.1	28,770	4.1	30,488	4.2	25,942	3.7	26,915	3.4	23,197	2.8	24,833	2.3	17,834	1.4	17,627	1.4	19,623	1.8
Medium- and long-term liabilities..... (e)	189,055	27.4	185,540	26.3	181,974	25.2	169,590	24.4	199,672	25.2	216,784	26.4	279,474	25.6	314,677	24.9	348,865	27.9	351,243	31.7
Goodwill.....	21,524	3.1	15,277	2.1	16,783	2.3	18,932	2.7	32,039	4.0	35,264	4.3	57,429	5.2	87,296	6.9	97,736	7.8	119,574	10.8
Deferred expenses and other intangibles.....	24,240	3.5	25,967	3.7	25,874	3.6	17,807	2.6	18,919	2.4	20,955	2.5	31,320	2.9	39,834	3.1	49,438	4.0	43,891	4.0
Total intangibles..... (f)	45,765	6.6	41,244	5.8	42,657	5.9	36,739	5.3	50,958	6.4	56,219	6.8	88,749	8.1	127,131	10.0	147,175	11.8	163,466	14.8
Net worth..... (c+d-e+f)	230,243	33.4	238,335	33.7	237,849	32.9	239,375	34.4	278,529	35.1	296,470	36.1	412,325	37.8	491,125	38.8	467,281	37.4	385,696	34.8
<i>Represented by:</i>																				
Issued share capital.....	34,801	5.1	35,275	5.0	34,156	4.7	33,977	4.9	39,400	5.0	49,919	6.1	67,439	6.2	79,626	6.3	88,528	7.1	79,498	7.2
Reserves.....	179,771	26.1	186,515	26.4	188,650	26.1	192,329	27.7	226,272	28.5	235,374	28.7	336,612	30.9	408,940	32.3	386,135	30.9	318,063	28.7
Own shares.....	(3,833)	-0.6	(3,810)	-0.5	(3,617)	-0.5	(5,330)	-0.8	(6,979)	-0.9	(8,162)	-1.0	(15,597)	-1.4	(27,037)	-2.1	(40,131)	-3.2	(36,076)	-3.3
Total.....	210,740	30.6	217,980	30.8	219,189	30.4	220,976	31.8	258,694	32.6	277,132	33.7	388,455	35.6	461,529	36.5	434,532	34.8	361,485	32.6
Minority interests.....	19,078	2.8	20,200	2.9	18,604	2.6	18,217	2.6	19,128	2.4	20,052	2.4	25,806	2.4	29,595	2.3	30,218	2.4	22,608	2.0
Other items.....	425	0.1	154	...	56	...	182	...	705	0.1	(714)	-0.1	(1,936)	-0.2	-	-	2,529	0.2	1,601	0.1
Total assets..... (a+d+f)	688,730	100.0	706,667	100.0	721,860	100.0	694,931	100.0	793,582	100.0	821,152	100.0	1,091,112	100.0	1,266,088	100.0	1,249,678	100.0	1,107,399	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

ELECTRONICS

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	73,380	103.6	76,858	98.9	78,255	133.1	228,493	110.2	98,577	84.8	90,346	99.2	122,522	70.5	311,445	81.7	153,681	79.9	81,372	67.6	76,778	269.0	311,831	91.4
New equity issues.....	3,688	5.2	(1,000)	-1.3	(1,722)	-2.9	966	0.4	(3,524)	-3.0	(3,884)	-4.3	3,508	2.0	(3,900)	-1.0	6,393	3.3	17,733	14.7	4,303	15.1	28,429	8.3
Increase (decrease) in borrowings	(6,205)	-8.8	1,886	2.4	(17,752)	-30.2	(22,071)	-10.6	21,175	18.2	4,634	5.1	47,665	27.5	73,474	19.3	32,291	16.8	21,322	17.7	(52,538)	-184.1	1,075	0.3
Total sources	70,863	100.0	77,744	100.0	58,781	100.0	207,388	100.0	116,228	100.0	91,096	100.0	173,695	100.0	381,019	100.0	192,365	100.0	120,427	100.0	28,543	100.0	341,335	100.0
Capital expenditure	42,427	59.9	49,309	63.5	47,516	80.8	139,252	67.2	53,774	46.3	48,584	53.3	60,118	34.6	162,476	42.6	81,978	42.6	74,151	61.6	47,721	167.2	203,850	59.7
Dividends paid	6,849	9.7	5,927	7.6	4,928	8.4	17,704	8.5	5,906	5.1	6,289	6.9	7,976	4.6	20,171	5.3	9,175	4.8	9,427	7.8	7,164	25.1	25,766	7.6
Increase (decrease) in cash and marketable securities.....	5,637	7.9	(5,796)	-7.5	4,591	7.8	4,432	2.1	10,556	9.1	(7,952)	-8.7	35,411	20.4	38,015	10.0	(914)	-0.5	12,878	10.7	7,347	25.7	19,311	5.7
Increase (decrease) in net current assets.....	1,501	2.1	9,025	11.6	(12,387)	-21.1	(1,861)	-0.9	9,723	8.3	3,297	3.6	8,172	4.7	21,192	5.6	25,541	13.3	(46,562)	-38.7	(47,123)	-165.1	(68,144)	-20.0
Other items (net).....	14,449	20.4	19,279	24.8	14,133	24.1	47,861	23.1	36,269	31.2	40,878	44.9	62,018	35.7	139,165	36.5	76,585	39.8	70,533	58.6	13,434	47.1	160,552	47.0
Total applications	70,863	100.0	77,744	100.0	58,781	100.0	207,388	100.0	116,228	100.0	91,096	100.0	173,695	100.0	381,019	100.0	192,365	100.0	120,427	100.0	28,543	100.0	341,335	100.0

TABLE II.5 – FINANCIAL RATIOS

ELECTRONICS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	154.6	157.1	163.7	177.5	181.0	177.5	184.9	195.0	184.5	177.5
Net sales as % of net fixed assets.....	371.2	384.3	399.2	431.5	434.4	437.2	465.0	475.9	454.7	463.2
Capital expenditure as % of gross fixed assets	9.5	10.5	12.1	12.2	12.3	10.8	10.5	13.2	12.1	8.9
Depreciation charges as % of gross fixed assets.....	8.9	8.7	8.7	8.7	9.3	9.4	9.8	9.5	10.3	10.1
Accumulated depreciation as % of gross fixed assets	58.4	59.1	59.0	58.9	58.3	59.4	60.2	59.0	59.4	61.7
Interest charges as % of borrowings.....	6.3	5.3	4.4	4.4	4.3	4.2	4.1	4.2	4.0	3.7
Dividends declared as % of net profit.....	n.c.	38.1	37.2	21.6	19.8	24.1	17.6	14.1	n.c.	n.c.
Trade debtors as % of sales.....	22.7	22.9	23.5	22.2	21.5	21.4	20.8	21.4	19.4	19.0
Inventories as % of sales	15.4	15.3	15.8	14.4	14.0	13.7	12.4	12.9	11.3	9.9
Balance of other current assets and liabilities (1) as % of sales.....	-20.6	-21.1	-21.5	-21.4	-20.9	-20.3	-21.3	-21.7	-21.2	-22.7
Total net working capital.....	17.5	17.1	17.8	15.2	14.6	14.8	11.9	12.6	9.5	6.2
Current assets as % of current liabilities.....	141.8	142.2	137.7	140.9	142.4	145.9	142.7	140.4	136.0	138.7
Net worth as % of total indebtedness	59.3	60.4	58.4	61.8	63.6	66.2	70.8	73.4	69.6	65.7
Net worth as % of total borrowings	112.1	119.6	118.3	130.5	136.2	141.7	160.5	169.9	150.5	149.5
Net worth less intangibles as % of total borrowings	89.8	98.9	97.0	110.5	111.2	114.8	126.0	125.9	103.1	86.2

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

PAPER

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Oil, energy and mining	157	0.2	173	0.2	179	0.2	184	0.2	195	0.2	192	0.2	153	0.1	39	...	-	-	-	-
Iron, steel and non-ferrous metals.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chemicals.....	461	0.6	471	0.6	520	0.6	565	0.6	688	0.7	639	0.7	1,451	1.3	1,523	1.1	1,178	0.8	567	0.5
Rubber and cables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mechanical engineering:																				
Automotive	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aerospace	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Domestic appliances.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others engineering.....	1,178	1.6	1,466	1.9	1,764	1.9	1,772	2.0	-	-	-	-	-	-	-	-	-	-	-	-
Electronics	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Building and civil engineering.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cement, glass and other bdg. products..	6,543	8.8	6,432	8.4	5,918	6.3	6,171	6.8	6,786	7.0	6,541	7.2	8,687	8.0	8,553	6.4	7,998	5.6	6,727	5.3
Paper, printing and publishing.....	55,011	74.2	58,441	76.3	73,300	78.4	69,355	76.7	74,919	76.8	72,324	79.4	86,678	79.4	111,482	82.9	119,684	84.5	108,769	85.8
Food and drinks.....	1,678	2.3	1,345	1.8	1,138	1.2	1,141	1.3	1,308	1.3	1,214	1.3	1,165	1.1	-	-	-	-	-	-
Textiles and clothing.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other mfg. industries.....	6,276	8.5	5,436	7.1	6,761	7.2	7,393	8.2	8,516	8.7	4,905	5.4	4,148	3.8	4,903	3.7	4,972	3.5	4,458	3.5
Service industries	2,803	3.8	2,844	3.7	3,922	4.2	3,774	4.2	5,175	5.3	5,323	5.8	6,895	6.3	7,935	5.9	7,899	5.6	6,216	4.9
Total.....	74,111	100.0	76,612	100.0	93,505	100.0	90,358	100.0	97,590	100.0	91,140	100.0	109,178	100.0	134,437	100.0	141,733	100.0	126,738	100.0
Intra-group sales	(1,454)	-	(1,888)	-	(3,021)	-	(3,148)	-	(3,308)	-	(486)	-	(385)	-	(11)	-	-	-	-	-
Consolidated.....	72,657		74,723		90,483		87,209		94,282		90,653		108,793		134,425		141,733		126,738	

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

PAPER

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	72,657	100.0	74,723	100.0	90,483	100.0	87,209	100.0	94,282	100.0	90,653	100.0	108,793	100.0	134,425	100.0	141,733	100.0	126,738	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	9,719	13.4	11,093	14.9	16,550	18.3	12,706	14.6	12,680	13.5	14,021	15.4	18,165	16.6	22,638	16.8	21,560	15.2	18,454	14.5
Depreciation	(4,340)	-6.0	(4,176)	-5.6	(4,611)	-5.1	(4,967)	-5.7	(5,634)	-6.0	(5,988)	-6.6	(6,679)	-6.1	(7,585)	-5.6	(8,473)	-6.0	(8,428)	-6.6
Net operating margin.....	5,380	7.4	6,917	9.3	11,940	13.2	7,739	8.9	7,048	7.5	8,034	8.8	11,487	10.5	15,054	11.2	13,088	9.2	10,027	7.9
Interest and financing charges	(3,358)	-4.6	(2,727)	-3.6	(2,889)	-3.2	(2,769)	-3.2	(3,008)	-3.2	(2,820)	-3.1	(2,722)	-2.5	(3,883)	-2.9	(5,111)	-3.6	(4,267)	-3.4
Interest received.....	694	0.9	541	0.7	516	0.5	480	0.6	559	0.6	524	0.6	445	0.4	677	0.5	834	0.6	838	0.7
Share of profits (losses) of related companies	45	0.1	162	0.2	446	0.5	200	0.2	512	0.5	350	0.4	625	0.6	951	0.7	978	0.7	533	0.4
Current pre-tax profit.....	2,759	3.8	4,892	6.6	10,013	11.0	5,650	6.5	5,110	5.4	6,088	6.7	9,834	9.0	12,798	9.5	9,788	6.9	7,131	5.6
Interest capitalized.....	68	0.1	82	0.1	105	0.1	110	0.1	104	0.1	74	...	63	0.1	85	0.1	79	0.1	82	...
Amortization of goodwill.....	(163)	-0.2	(160)	-0.2	(180)	-0.2	(206)	-0.2	(230)	-0.2	(399)	-0.4	(316)	-0.3	(623)	-0.5	(1,104)	-0.8	(3,231)	-2.5
Government grants.....	-	-	-	-	-	-	477	0.5	154	0.2	-	-	-	-	-	-	-	-	-	-
Gains(losses) on disposals of fixed assets	302	0.4	499	0.7	243	0.2	241	0.3	506	0.5	1,020	1.1	1,075	1.0	2,097	1.6	911	0.6	525	0.4
Fixed asset revaluations (writedowns)...	(48)	-0.1	(40)	-0.1	(395)	-0.4	(308)	-0.4	(545)	-0.6	(298)	-0.3	(267)	-0.2	-	-	(1,008)	-0.7	(118)	-0.1
Provisions and other extraordinary items	(402)	-0.6	(287)	-0.4	(1,384)	-1.5	(250)	-0.3	528	0.6	(619)	-0.7	(1,146)	-1.1	(2,054)	-1.5	(2,438)	-1.7	(1,194)	-0.9
Cumulative effect of accounting changes	19	0.1	(109)	-0.1	-	-	-	-	(54)	-0.1	7	...	(88)	-0.1	-	-	(5)	...	(10)	...
Net profit (loss) before tax	2,536	3.5	4,876	6.6	8,401	9.2	5,713	6.5	5,573	5.9	5,872	6.4	9,154	8.4	12,303	9.2	6,222	4.4	3,184	2.5
Taxation	(928)	-1.3	(1,499)	-2.0	(2,823)	-3.1	(1,926)	-2.2	(1,997)	-2.1	(1,821)	-2.0	(2,851)	-2.6	(3,765)	-2.8	(2,099)	-1.5	(1,068)	-0.8
Profit attributable to minorities.....	(74)	-0.1	(192)	-0.3	(301)	-0.3	(296)	-0.3	(374)	-0.4	(295)	-0.3	(310)	-0.3	(479)	-0.4	(313)	-0.2	(223)	-0.2
Net profit attributable to parent company	1,533	2.1	3,184	4.3	5,277	5.8	3,489	4.0	3,202	3.4	3,755	4.1	5,992	5.5	8,058	6.0	3,808	2.7	1,892	1.5
<i>Research & development expenses</i> (1).....	<i>401</i>	<i>1.1</i>	<i>390</i>	<i>1.0</i>	<i>407</i>	<i>0.9</i>	<i>413</i>	<i>0.9</i>	<i>451</i>	<i>0.9</i>	<i>440</i>	<i>0.9</i>	<i>467</i>	<i>0.9</i>	<i>554</i>	<i>0.9</i>	<i>567</i>	<i>0.9</i>	<i>480</i>	<i>0.8</i>
<i>Dividends declared</i>	<i>1,106</i>	<i>1.5</i>	<i>1,262</i>	<i>1.7</i>	<i>1,650</i>	<i>1.8</i>	<i>1,885</i>	<i>2.2</i>	<i>2,213</i>	<i>2.3</i>	<i>2,090</i>	<i>2.3</i>	<i>2,479</i>	<i>2.3</i>	<i>2,954</i>	<i>2.2</i>	<i>3,176</i>	<i>2.2</i>	<i>2,815</i>	<i>2.2</i>

(1) Figures cover 6 companies which in 2002 accounted for 47.4% of total net sales of the sample.

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	2,799	3.2	3,591	4.1	2,781	2.9	2,629	2.5	2,886	2.5	2,728	2.5	2,614	2.0	3,624	2.0	3,995	2.2	2,936	1.8
Marketable securities.....	2,048	2.3	1,543	1.8	1,469	1.5	1,869	1.7	3,521	3.0	1,355	1.2	2,539	1.9	1,595	0.9	1,442	0.8	366	0.2
Trade debtors.....	9,343	10.7	10,552	12.0	11,617	12.0	11,546	10.8	12,964	11.2	11,551	10.4	15,616	11.8	18,638	10.2	16,363	8.9	14,980	9.0
Inventories.....	8,624	9.8	8,650	9.8	10,707	11.1	10,509	9.8	10,920	9.4	10,521	9.5	12,575	9.5	15,621	8.5	15,179	8.3	13,931	8.4
Other current assets.....	1,794	2.1	1,603	1.8	2,077	2.1	2,115	2.0	2,584	2.2	2,685	2.4	3,112	2.3	4,311	2.3	5,383	2.9	5,720	3.4
Total current assets..... (a)	24,610	28.1	25,942	29.5	28,653	29.6	28,671	26.8	32,878	28.3	28,842	26.0	36,457	27.5	43,791	23.9	42,364	23.1	37,935	22.8
Short-term borrowings.....	8,250	9.4	8,391	9.6	7,416	7.7	10,427	9.7	9,370	8.1	7,930	7.2	9,384	7.1	14,179	7.7	10,958	6.0	6,009	3.6
Trade creditors.....	6,461	7.4	7,353	8.4	7,216	7.4	7,122	6.7	7,057	6.1	6,717	6.1	8,773	6.6	10,907	5.9	10,293	5.6	9,659	5.8
Other current liabilities.....	6,160	7.0	6,224	7.1	7,956	8.2	7,576	7.1	9,608	8.3	8,632	7.8	10,222	7.7	13,670	7.5	14,082	7.7	12,496	7.5
Total current liabilities..... (b)	20,871	23.8	21,969	25.0	22,589	23.3	25,126	23.5	26,037	22.4	23,280	21.0	28,380	21.4	38,757	21.1	35,334	19.3	28,166	16.9
Net current assets..... (a-b)=(c)	3,738	4.3	3,972	4.5	6,064	6.3	3,545	3.3	6,841	5.9	5,562	5.0	8,077	6.1	5,034	2.7	7,029	3.8	9,769	5.9
Gross tangible fixed assets.....	83,964	95.8	81,532	92.8	87,831	90.6	100,657	94.0	108,285	93.1	106,482	96.1	129,597	97.8	157,378	85.8	162,673	88.7	157,912	94.9
Accumulated depreciation.....	(32,679)	-37.3	(32,354)	-36.8	(33,423)	-34.5	(37,107)	-34.7	(42,226)	-36.3	(42,974)	-38.8	(58,101)	-43.8	(63,472)	-34.6	(70,749)	-38.6	(71,039)	-42.7
Net tangible fixed assets.....	51,285	58.5	49,178	56.0	54,407	56.1	63,549	59.3	66,058	56.8	63,508	57.3	71,495	54.0	93,905	51.2	91,923	50.1	86,873	52.2
Investments.....	3,960	4.5	5,500	6.3	5,537	5.7	5,019	4.7	6,205	5.3	7,237	6.6	8,500	6.4	9,168	5.0	8,156	4.5	5,158	3.1
Loans and other assets.....	2,947	3.3	2,714	3.1	2,814	2.9	3,051	2.9	3,979	3.4	4,226	3.8	5,485	4.1	9,677	5.2	10,938	6.0	8,506	5.1
Net fixed assets and investments..... (d)	58,193	66.3	57,393	65.4	62,759	64.7	71,620	66.9	76,243	65.5	74,971	67.7	85,481	64.5	112,751	61.4	111,019	60.6	100,538	60.4
Medium- and long-term borrowings.....	25,104	28.6	22,628	25.8	24,982	25.8	25,528	23.8	28,003	24.1	29,070	26.2	32,765	24.7	54,583	29.8	53,553	29.2	57,401	34.5
Other creditors.....	2,160	2.5	1,736	2.0	1,135	1.2	1,421	1.3	1,542	1.3	1,410	1.3	1,741	1.3	2,892	1.6	5,662	3.1	5,171	3.1
Employee benefits.....	3,460	3.9	3,511	4.0	3,981	4.1	4,038	3.8	4,062	3.5	3,246	2.9	3,421	2.6	3,732	2.0	3,433	1.9	5,212	3.1
Deferred taxation.....	5,189	5.9	5,282	6.0	6,122	6.3	7,699	7.2	8,532	7.3	8,907	8.0	10,922	8.2	16,054	8.8	14,977	8.2	10,826	6.5
Other provisions.....	1,240	1.4	845	1.0	1,085	1.1	1,175	1.1	1,642	1.4	1,998	1.8	2,447	1.8	3,984	2.2	5,218	2.8	5,682	3.4
Medium- and long-term liabilities..... (e)	37,156	42.4	34,005	38.7	37,306	38.5	39,864	37.2	43,783	37.6	44,632	40.3	51,299	38.7	81,247	44.3	82,845	45.2	84,294	50.6
Goodwill.....	3,856	4.4	3,526	4.0	3,821	3.9	5,072	4.7	5,877	5.1	6,004	5.4	9,632	7.3	26,410	14.4	29,212	15.9	26,621	16.0
Deferred expenses and other intangibles.....	1,043	1.2	960	1.1	1,697	1.8	1,721	1.6	1,324	1.1	987	0.9	965	0.7	496	0.3	752	0.4	1,403	0.8
Total intangibles..... (f)	4,899	5.6	4,487	5.1	5,518	5.7	6,794	6.3	7,201	6.2	6,992	6.3	10,598	8.0	26,906	14.7	29,965	16.3	28,025	16.8
Net worth..... (c+d-e+f)	29,675	33.8	31,847	36.3	37,035	38.2	42,096	39.3	46,502	40.0	42,892	38.7	52,857	39.9	63,445	34.6	65,169	35.5	54,038	32.5
<i>Represented by:</i>																				
Issued share capital.....	2,948	3.4	3,109	3.5	3,017	3.1	3,088	2.9	3,467	3.0	4,080	3.7	4,385	3.3	4,901	2.7	5,089	2.8	4,466	2.7
Reserves.....	25,347	28.9	27,043	30.8	30,580	31.5	35,794	33.4	40,248	34.6	36,967	33.4	46,666	35.2	58,412	31.8	60,634	33.1	50,741	30.5
Own shares.....	(314)	-0.4	(256)	-0.3	(354)	-0.4	(464)	-0.4	(855)	-0.7	(1,818)	-1.6	(1,934)	-1.5	(3,056)	-1.7	(3,404)	-1.9	(3,721)	-2.2
Total.....	27,982	31.9	29,896	34.0	33,244	34.3	38,418	35.9	42,861	36.8	39,229	35.4	49,117	37.1	60,258	32.8	62,320	34.0	51,486	30.9
Minority interests.....	1,512	1.7	1,826	2.1	3,652	3.8	3,677	3.4	3,641	3.1	3,663	3.3	3,739	2.8	3,187	1.7	2,238	1.2	2,023	1.2
Other items.....	180	0.2	125	0.1	138	0.1	-	-	-	-	-	-	-	-	610	0.3	528	0.3	-	-
Total assets..... (a+d+f)	87,703	100.0	87,823	100.0	96,932	100.0	107,086	100.0	116,323	100.0	110,805	100.0	132,536	100.0	183,450	100.0	183,349	100.0	166,499	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

PAPER

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	9,068	119.8	14,624	89.5	10,617	69.4	34,309	87.5	10,744	87.6	12,076	114.3	16,513	66.2	39,333	82.3	20,383	39.5	18,261	126.2	15,559	106.4	54,203	67.2
New equity issues.....	835	11.1	329	2.0	1,125	7.4	2,289	5.9	97	0.8	(1,137)	-10.8	3,305	13.2	2,265	4.7	4,591	8.9	458	3.2	163	1.1	5,212	6.5
Increase (decrease) in borrowings	(2,335)	-30.9	1,379	8.5	3,557	23.2	2,601	6.6	1,418	11.6	(373)	-3.5	5,149	20.6	6,194	13.0	26,613	51.6	(4,251)	-29.4	(1,101)	-7.5	21,261	26.3
Total sources	7,568	100.0	16,332	100.0	15,299	100.0	39,199	100.0	12,259	100.0	10,566	100.0	24,967	100.0	47,792	100.0	51,587	100.0	14,468	100.0	14,621	100.0	80,676	100.0
Capital expenditure.....	5,776	76.3	7,310	44.8	8,870	58.0	21,956	56.0	7,577	61.8	6,330	59.9	6,930	27.8	20,837	43.6	9,804	19.0	11,941	82.6	6,292	43.0	28,037	34.8
Dividends paid	1,105	14.6	1,375	8.4	1,833	12.0	4,313	11.0	1,987	16.2	1,975	18.7	2,308	9.2	6,270	13.1	2,967	5.8	3,101	21.4	2,839	19.4	8,907	11.0
Increase (decrease) in cash and marketable securities.....	287	3.8	(884)	-5.4	248	1.6	(349)	-0.9	1,909	15.6	(2,324)	-22.0	1,070	4.3	655	1.4	66	0.1	218	1.5	(2,135)	-14.6	(1,851)	-2.3
Increase (decrease) in net current assets.....	88	1.2	2,001	12.2	243	1.6	2,332	6.0	331	2.7	(395)	-3.7	2,900	11.6	2,836	5.9	1,685	3.3	(1,443)	-10.0	(74)	-0.5	168	0.2
Other items (net).....	312	4.1	6,530	40.0	4,105	26.8	10,947	27.9	455	3.7	4,980	47.1	11,759	47.1	17,194	36.0	37,065	71.8	651	4.5	7,699	52.7	45,415	56.3
Total applications	7,568	100.0	16,332	100.0	15,299	100.0	39,199	100.0	12,259	100.0	10,566	100.0	24,967	100.0	47,792	100.0	51,587	100.0	14,468	100.0	14,621	100.0	80,676	100.0

TABLE II.5 – FINANCIAL RATIOS

PAPER

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	86.5	91.6	103.0	86.6	87.1	85.1	83.9	85.4	87.1	80.3
Net sales as % of net fixed assets.....	141.7	151.9	166.3	137.2	142.7	142.7	152.2	143.1	154.2	145.9
Capital expenditure as % of gross fixed assets	6.4	7.1	8.3	8.8	7.0	5.9	5.3	6.2	7.3	4.0
Depreciation charges as % of gross fixed assets.....	5.2	5.1	5.2	4.9	5.2	5.6	5.2	4.8	5.2	5.3
Accumulated depreciation as % of gross fixed assets	38.9	39.7	38.1	36.9	39.0	40.4	44.8	40.3	43.5	45.0
Interest charges as % of borrowings.....	10.1	8.8	8.9	7.7	8.0	7.6	6.5	5.6	7.9	6.7
Dividends declared as % of net profit.....	72.1	39.6	31.3	54.0	69.1	55.7	41.4	36.7	83.4	n.c.
Trade debtors as % of sales.....	12.9	14.1	12.8	13.2	13.8	12.7	14.4	13.9	11.5	11.8
Inventories as % of sales	11.9	11.6	11.8	12.1	11.6	11.6	11.6	11.6	10.7	11.0
Balance of other current assets and liabilities (1) as % of sales.....	-14.9	-16.0	-14.5	-14.4	-14.9	-14.0	-14.6	-15.1	-13.4	-13.0
Total net working capital.....	9.9	9.7	10.1	10.9	10.5	10.3	11.4	10.4	8.8	9.8
Current assets as % of current liabilities.....	117.9	118.1	126.8	114.1	126.3	123.9	128.5	113.0	119.9	134.7
Net worth as % of total indebtedness	61.6	68.7	76.0	80.8	83.7	79.8	84.1	65.9	68.9	59.6
Net worth as % of total borrowings	89.0	102.7	114.3	117.1	124.4	115.9	125.4	92.3	101.0	85.2
Net worth less intangibles as % of total borrowings	74.3	88.2	97.3	98.2	105.2	97.0	100.3	53.1	54.6	41.0

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – SALES BREAKDOWN BY INDUSTRY

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Oil, energy and mining	-		512	0.2	577	0.2	929	0.3	1,300	0.4	1,314	0.4	1,468	0.4	2,582	0.6	3,931	0.8	4,158	1.0
Iron, steel and non-ferrous metals.....	-		-		-		-		-		-		-		-		-		-	
Chemicals.....	22,418	7.9	23,244	8.0	23,512	7.9	25,572	8.1	25,659	7.5	23,496	7.0	27,191	7.0	30,160	7.1	30,538	6.5	27,686	6.7
Rubber and cables	-		-		-		-		-		-		-		-		-		-	
Mechanical engineering:																				
Automotive	-		-		-		-		-		-		-		-		-		-	
Aerospace	-		-		-		-		-		-		-		-		-		-	
Domestic appliances.....	-		-		-		-		-		-		-		-		-		-	
Others engineering.....	-		-		-		-		-		-		-		-		-		-	
Electronics	-		-		-		-		-		-		-		-		-		-	
Building and civil engineering.....	1,265	0.4	1,070	0.4	1,057	0.4	1,099	0.4	897	0.3	1,197	0.4	1,060	0.3	764	0.2	350	0.1	269	0.1
Cement, glass and other bldg. products..	-		-		-		-		-		-		-		-		-		-	
Paper, printing and publishing.....	275	0.1	337	0.1	221	0.1	277	0.1	316	0.1	356	0.1	412	0.1	435	0.1	937	0.2	972	0.3
Food and drinks.....	226,425	79.2	230,479	79.3	234,853	79.1	246,758	78.4	277,326	81.5	273,140	81.5	310,341	80.5	339,519	79.9	375,743	79.9	330,983	80.5
Textiles and clothing.....	5,444	1.9	5,282	1.8	5,581	1.9	5,948	1.9	6,783	2.0	6,246	1.9	7,405	1.9	8,165	1.9	8,813	1.9	6,155	1.5
Other mfg. industries.....	16,888	5.9	16,850	5.8	18,354	6.2	20,404	6.5	24,281	7.1	26,400	7.9	34,540	9.0	39,663	9.4	46,456	9.9	34,659	8.4
Service industries	13,047	4.6	12,675	4.4	12,569	4.2	13,625	4.3	3,846	1.1	2,773	0.8	3,213	0.8	3,544	0.8	3,618	0.7	6,172	1.5
Total.....	285,764	100.0	290,452	100.0	296,727	100.0	314,615	100.0	340,411	100.0	334,926	100.0	385,633	100.0	424,834	100.0	470,388	100.0	411,057	100.0
Intra-group sales	(588)		(421)		(490)		(509)		(520)		(392)		(332)		(287)		(347)		(448)	
Consolidated.....	285,175		290,031		296,237		314,105		339,890		334,533		385,300		424,546		470,040		410,609	

FOOD AND DRINK

TABLE II.2 – PROFIT AND LOSS ACCOUNTS

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Net sales	285,175	100.0	290,031	100.0	296,237	100.0	314,105	100.0	339,890	100.0	334,533	100.0	385,300	100.0	424,546	100.0	470,040	100.0	410,609	100.0
Purchases and sundry operating expenses	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin.....	39,231	13.8	41,535	14.3	42,572	14.3	45,307	14.4	51,888	15.3	52,529	15.7	61,565	16.0	68,886	16.2	79,371	16.8	72,736	17.7
Depreciation	(8,643)	-3.0	(8,816)	-3.0	(8,990)	-3.0	(9,528)	-3.0	(10,763)	-3.2	(10,993)	-3.3	(12,648)	-3.3	(13,908)	-3.3	(14,591)	-3.1	(13,748)	-3.3
Net operating margin.....	30,588	10.8	32,719	11.3	33,583	11.3	35,780	11.4	41,126	12.1	41,537	12.4	48,918	12.7	54,979	12.9	64,781	13.7	58,989	14.4
Interest and financing charges	(6,241)	-2.2	(5,813)	-2.0	(6,259)	-2.1	(6,145)	-2.0	(6,471)	-1.9	(6,424)	-1.9	(7,233)	-1.9	(8,810)	-2.1	(10,522)	-2.2	(8,878)	-2.2
Interest received.....	1,773	0.6	1,865	0.7	1,787	0.6	1,877	0.6	2,446	0.7	2,759	0.8	2,853	0.8	3,265	0.8	3,318	0.7	2,666	0.7
Share of profits (losses) of related companies	251	0.1	378	0.1	589	0.2	491	0.2	1,365	0.4	803	0.3	817	0.2	1,069	0.3	1,852	0.4	1,839	0.4
Current pre-tax profit.....	26,371	9.3	29,149	10.1	29,699	10.0	32,001	10.2	38,465	11.3	38,675	11.6	45,354	11.8	50,502	11.9	59,429	12.6	54,615	13.3
Interest capitalized.....	81	...	63	...	66	...	107	...	106	...	76	...	70	...	128	...	135	...	35	...
Amortization of goodwill.....	(1,025)	-0.4	(1,030)	-0.4	(997)	-0.3	(996)	-0.3	(1,065)	-0.3	(915)	-0.3	(1,576)	-0.4	(2,334)	-0.5	(3,796)	-0.8	(3,596)	-0.9
Government grants.....	1	...	2	...	2	...	-	...	-	...	-	...	-	...	-	...	-	...	-	...
Gains(losses) on disposals of fixed assets	(91)	...	(141)	...	1,334	0.5	572	0.2	7,562	2.2	1,522	0.5	2,185	0.6	959	0.2	4,295	0.9	9,251	2.2
Fixed asset revaluations (writedowns)...	(892)	-0.3	(298)	-0.1	(314)	-0.1	(104)	...	(266)	-0.1	(419)	-0.1	(830)	-0.3	(1,115)	-0.3	(1,135)	-0.2	(514)	-0.1
Provisions and other extraordinary items	(1,685)	-0.6	(1,114)	-0.4	(986)	-0.3	(243)	-0.1	(2,547)	-0.7	(5,855)	-1.8	(1,440)	-0.4	(1,846)	-0.4	(3,941)	-0.8	(6,250)	-1.5
Cumulative effect of accounting changes	(659)	-0.2	(90)	...	(418)	-0.1	-	...	(36)	...	-	...	(49)	...	(56)	...	(56)	...	3	...
Net profit (loss) before tax	22,100	7.8	26,539	9.2	28,386	9.7	31,337	10.0	42,219	12.4	33,084	9.9	43,478	11.3	46,529	10.9	54,930	11.7	53,545	13.0
Taxation	(8,489)	-3.0	(9,569)	-3.3	(9,941)	-3.4	(11,103)	-3.5	(13,772)	-4.1	(11,491)	-3.4	(15,342)	-4.0	(16,501)	-3.9	(18,168)	-3.9	(17,018)	-4.1
Profit attributable to minorities.....	56	...	(437)	-0.2	(1,045)	-0.4	(912)	-0.3	(1,430)	-0.4	(1,190)	-0.4	(1,019)	-0.3	(1,034)	-0.2	(1,537)	-0.3	(1,768)	-0.4
Net profit attributable to parent company	13,667	4.8	16,532	5.7	17,400	5.9	19,322	6.2	27,015	7.9	20,402	6.1	27,115	7.0	28,993	6.8	35,225	7.5	34,757	8.5
Research & development expenses (1).....	1,870	1.1	1,868	1.1	1,927	1.1	1,986	1.1	2,163	1.1	2,182	1.1	2,654	1.2	3,026	1.2	3,228	1.2	3,098	1.3
Dividends declared	7,001	2.5	7,588	2.6	7,859	2.7	8,990	2.9	11,116	3.3	18,449	5.5	14,194	3.7	15,109	3.6	16,993	3.6	15,790	3.8

FOOD AND DRINK

(1) Figures cover 13 companies which in 2002 accounted for 58.3% of total net sales of the sample.

TABLE II.3 – FINANCIAL STATEMENTS

FOOD AND DRINK

	1993		1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	8,723	3.6	10,633	4.3	12,144	4.8	12,639	4.8	22,954	7.8	24,533	8.2	22,678	6.7	18,611	4.5	20,736	4.5	19,294	4.6
Marketable securities.....	8,305	3.4	7,234	3.0	6,981	2.8	7,479	2.8	13,946	4.8	14,008	4.7	9,832	2.9	12,182	3.0	14,139	3.1	17,158	4.1
Trade debtors.....	28,935	11.8	30,232	12.4	30,940	12.4	32,389	12.3	34,041	11.6	34,056	11.4	38,823	11.5	42,967	10.5	45,507	10.0	39,275	9.4
Inventories.....	34,990	14.3	36,426	14.9	37,054	14.8	39,254	14.8	40,965	14.0	40,380	13.6	46,015	13.7	50,036	12.2	51,797	11.3	43,645	10.5
Other current assets.....	9,386	3.8	9,171	3.8	10,146	4.1	11,130	4.2	11,898	4.1	12,581	4.2	14,666	4.4	16,732	4.1	19,446	4.3	17,308	4.2
Total current assets..... (a)	90,341	36.9	93,699	38.4	97,266	38.9	102,893	38.9	123,806	42.3	125,560	42.1	132,017	39.2	140,530	34.3	151,627	33.2	136,681	32.8
Short-term borrowings.....	25,455	10.4	20,371	8.4	21,980	8.8	21,418	8.1	24,689	8.4	33,102	11.1	34,125	10.1	63,931	15.6	56,775	12.4	47,791	11.5
Trade creditors.....	25,829	10.6	27,303	11.2	26,702	10.7	27,808	10.5	27,107	9.3	27,537	9.2	32,543	9.7	37,743	9.2	36,915	8.1	31,100	7.5
Other current liabilities.....	30,958	12.6	30,586	12.5	31,762	12.7	33,885	12.8	38,963	13.3	39,415	13.2	46,495	13.8	49,833	12.2	57,052	12.5	52,622	12.6
Total current liabilities..... (b)	82,243	33.6	78,262	32.1	80,445	32.2	83,111	31.4	90,761	31.0	100,055	33.5	113,164	33.6	151,507	37.0	150,743	33.0	131,515	31.6
Net current assets..... (a-b)=(c)	8,097	3.3	15,437	6.3	16,821	6.7	19,781	7.5	33,044	11.3	25,504	8.6	18,852	5.6	(10,977)	-2.7	883	0.2	5,166	1.2
Gross tangible fixed assets.....	146,954	60.0	150,352	61.6	153,907	61.5	164,694	62.2	170,762	58.4	164,357	55.1	188,544	56.0	204,664	50.0	220,162	48.3	195,498	47.0
Accumulated depreciation.....	(61,937)	-25.3	(66,125)	-27.1	(69,401)	-27.7	(74,879)	-28.3	(80,230)	-27.4	(76,489)	-25.6	(88,264)	-26.2	(96,553)	-23.6	(104,296)	-22.9	(94,373)	-22.7
Net tangible fixed assets.....	85,016	34.7	84,227	34.5	84,506	33.8	89,814	33.9	90,532	31.0	87,867	29.5	100,280	29.8	108,111	26.4	115,865	25.4	101,125	24.3
Investments.....	11,056	4.5	9,928	4.1	11,878	4.7	12,341	4.7	14,310	4.9	16,688	5.6	21,333	6.4	24,816	6.1	25,208	5.5	24,067	5.8
Loans and other assets.....	11,387	4.7	12,053	5.0	11,246	4.5	12,065	4.5	14,129	4.8	15,619	5.2	18,912	5.6	23,592	5.8	27,972	6.2	27,786	6.7
Net fixed assets and investments..... (d)	107,459	43.9	106,208	43.6	107,631	43.0	114,221	43.1	118,972	40.7	120,175	40.3	140,526	41.8	156,520	38.3	169,046	37.1	152,980	36.8
Medium- and long-term borrowings.....	50,285	20.5	47,869	19.6	47,839	19.1	50,666	19.1	50,371	17.2	50,989	17.1	59,518	17.7	81,898	20.0	99,320	21.8	90,822	21.8
Other creditors.....	2,595	1.1	2,810	1.2	2,656	1.1	3,028	1.1	3,132	1.1	3,096	1.0	4,135	1.2	3,468	0.8	3,909	0.9	5,527	1.3
Employee benefits.....	8,493	3.5	8,744	3.6	9,073	3.6	9,151	3.5	9,467	3.2	9,526	3.2	11,802	3.5	14,144	3.5	15,680	3.4	13,061	3.1
Deferred taxation.....	5,836	2.4	5,372	2.2	5,056	2.0	6,074	2.3	6,690	2.3	6,852	2.3	9,613	2.9	10,205	2.5	15,648	3.4	14,512	3.5
Other provisions.....	11,930	4.9	12,626	5.2	12,413	5.0	12,240	4.6	14,313	4.9	14,410	4.8	14,657	4.4	16,791	4.1	19,152	4.2	18,479	4.4
Medium- and long-term liabilities..... (e)	79,142	32.3	77,422	31.8	77,039	30.8	81,161	30.7	83,976	28.7	84,874	28.5	99,727	29.6	126,508	30.9	153,712	33.7	142,402	34.2
Goodwill.....	32,711	13.4	30,865	12.7	29,490	11.8	30,333	11.5	32,445	11.1	33,529	11.2	44,804	13.3	94,574	23.1	107,559	23.6	87,462	21.0
Deferred expenses and other intangibles.....	14,259	5.8	13,058	5.3	15,752	6.3	17,198	6.5	17,388	5.9	19,025	6.4	19,230	5.7	17,611	4.3	28,135	6.1	39,194	9.4
Total intangibles..... (f)	46,970	19.2	43,924	18.0	45,243	18.1	47,531	18.0	49,834	17.0	52,554	17.6	64,034	19.0	112,186	27.4	135,694	29.7	126,657	30.4
Net worth..... (c+d-e+f)	83,385	34.1	88,148	36.2	92,655	37.0	100,372	37.9	117,874	40.3	113,359	38.0	123,686	36.7	131,220	32.1	151,912	33.3	142,400	34.2
<i>Represented by:</i>																				
Issued share capital.....	11,869	4.8	12,231	5.0	12,016	4.8	13,918	5.3	16,323	5.6	15,551	5.2	16,762	5.0	19,427	4.7	20,719	4.5	18,332	4.4
Reserves.....	78,890	32.2	84,087	34.5	89,962	36.0	100,470	38.0	121,331	41.5	119,209	40.0	140,555	41.8	156,124	38.2	171,501	37.6	168,375	40.4
Own shares.....	(13,296)	-5.4	(14,888)	-6.1	(17,564)	-7.0	(23,256)	-8.8	(30,133)	-10.3	(32,188)	-10.8	(45,135)	-13.4	(53,038)	-13.0	(53,750)	-11.8	(54,918)	-13.2
Total.....	77,463	31.6	81,430	33.4	84,414	33.7	91,133	34.4	107,522	36.7	102,573	34.4	112,182	33.3	122,513	29.9	138,470	30.3	131,790	31.7
Minority interests.....	5,880	2.4	6,710	2.8	8,232	3.3	9,228	3.5	10,343	3.5	10,781	3.6	11,498	3.4	8,707	2.1	13,441	2.9	10,443	2.5
Other items.....	41	...	7	...	8	...	10	...	9	...	5	...	4	...	-	...	-	...	166	...
Total assets..... (a+d+f)	244,771	100.0	243,832	100.0	250,141	100.0	264,645	100.0	292,612	100.0	298,290	100.0	336,578	100.0	409,237	100.0	456,368	100.0	416,318	100.0

TABLE II.4 – SOURCES AND APPLICATIONS OF FUNDS

	1994		1995		1996		TOTAL 1994-96		1997		1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
	Cash flow	37,965	123.6	38,689	101.2	41,529	105.0	118,183	109.0	49,228	101.3	49,668	88.8	58,002	96.1	156,898	95.1	64,410	57.1	74,020	88.3	68,363	167.7	206,793	87.1
New equity issues.....	238	0.8	(2,046)	-5.4	(4,225)	-10.7	(6,033)	-5.6	(3,583)	-7.4	(2,769)	-5.0	(7,186)	-11.9	(13,538)	-8.2	(3,757)	-3.3	(433)	-0.5	(10,095)	-24.8	(14,285)	-6.0
Increase (decrease) in borrowings	(7,500)	-24.4	1,579	4.2	2,265	5.7	(3,656)	-3.4	2,976	6.1	9,031	16.2	9,552	15.8	21,559	13.1	52,186	46.2	10,266	12.2	(17,482)	-42.9	44,970	18.9
Total sources	30,703	100.0	38,222	100.0	39,569	100.0	108,494	100.0	48,621	100.0	55,930	100.0	60,368	100.0	164,919	100.0	112,839	100.0	83,853	100.0	40,786	100.0	237,478	100.0
Capital expenditure.....	13,248	43.2	13,185	34.5	14,349	36.3	40,782	37.6	14,673	30.2	13,840	24.8	15,560	25.8	44,073	26.7	16,232	14.4	17,659	21.0	15,954	39.1	49,845	21.0
Dividends paid	7,375	24.0	7,810	20.4	8,799	22.2	23,984	22.1	9,957	20.5	11,367	20.3	21,152	35.0	42,476	25.8	14,936	13.2	16,404	19.6	15,287	37.5	46,627	19.6
Increase (decrease) in cash and marketable securities.....	839	2.7	1,258	3.3	993	2.5	3,090	2.8	16,782	34.5	1,641	2.9	(6,031)	-10.0	12,392	7.5	(1,717)	-1.5	4,082	4.9	1,577	3.9	3,942	1.7
Increase (decrease) in net current assets.....	1,416	4.6	1,736	4.6	1,404	3.6	4,556	4.2	(246)	-0.5	(769)	-1.4	401	0.7	(614)	-0.4	1,693	1.5	624	0.7	(6,277)	-15.4	(3,960)	-1.7
Other items (net).....	7,825	25.5	14,233	37.2	14,024	35.4	36,082	33.3	7,455	15.3	29,851	53.4	29,286	48.5	66,592	40.4	81,695	72.4	45,084	53.8	14,245	34.9	141,024	59.4
Total applications	30,703	100.0	38,222	100.0	39,569	100.0	108,494	100.0	48,621	100.0	55,930	100.0	60,368	100.0	164,919	100.0	112,839	100.0	83,853	100.0	40,786	100.0	237,478	100.0

FOOD AND DRINK

TABLE II.5 – FINANCIAL RATIOS

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	Net sales as % of gross fixed assets	194.1	192.9	192.5	190.7	199.0	203.5	204.4	207.4	213.5	210.0
Net sales as % of net fixed assets.....	335.4	344.3	350.6	349.7	375.4	380.7	384.2	392.7	405.7	406.0
Capital expenditure as % of gross fixed assets	9.2	8.8	8.6	8.7	8.6	8.4	8.3	7.9	8.0	8.2
Depreciation charges as % of gross fixed assets.....	5.9	5.9	5.8	5.8	6.3	6.7	6.7	6.8	6.6	7.0
Accumulated depreciation as % of gross fixed assets	42.1	44.0	45.1	45.5	47.0	46.5	46.8	47.2	47.4	48.3
Interest charges as % of borrowings.....	8.2	8.5	9.0	8.5	8.6	7.6	7.7	6.0	6.7	6.4
Dividends declared as % of net profit.....	51.2	45.9	45.2	46.5	41.1	90.4	52.3	52.1	48.2	45.4
Trade debtors as % of sales.....	10.1	10.4	10.4	10.3	10.0	10.2	10.1	10.1	9.7	9.6
Inventories as % of sales	12.3	12.6	12.5	12.5	12.1	12.1	11.9	11.8	11.0	10.6
Balance of other current assets and liabilities (1) as % of sales.....	-16.6	-16.8	-16.3	-16.1	-15.9	-16.3	-16.7	-16.7	-15.9	-16.2
Total net working capital.....	5.8	6.2	6.6	6.7	6.2	6.0	5.3	5.2	4.8	4.0
Current assets as % of current liabilities.....	109.8	119.7	120.9	123.8	136.4	125.5	116.7	92.8	100.6	103.9
Net worth as % of total indebtedness	61.7	68.4	70.8	73.4	81.7	73.5	70.0	55.4	59.8	62.5
Net worth as % of total borrowings	110.1	129.2	132.7	139.2	157.0	134.8	132.1	90.0	97.3	102.7
Net worth less intangibles as % of total borrowings	48.1	64.8	67.9	73.3	90.6	72.3	63.7	13.1	10.4	11.4

FOOD AND DRINK

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – PROFIT AND LOSS ACCOUNTS

TELECOMMUNICATIONS

	1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	352,050	100.0	361,218	100.0	367,486	100.0	423,736	100.0	442,453	100.0	558,317	100.0	657,824	100.0	690,353	100.0	619,786	100.0
Purchases and sundry operating expenses.....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin	136,248	38.7	135,480	37.5	146,304	39.8	163,035	38.4	178,824	40.4	220,259	39.5	248,921	37.8	235,776	34.1	204,608	33.0
Depreciation	(73,347)	-20.8	(74,447)	-20.6	(76,237)	-20.7	(86,514)	-20.4	(92,629)	-20.9	(115,883)	-20.8	(133,463)	-20.3	(142,602)	-20.7	(135,994)	-21.9
Net operating margin	62,902	17.9	61,034	16.9	70,068	19.1	76,522	18.0	86,196	19.5	104,377	18.7	115,459	17.5	93,175	13.4	68,614	11.1
Interest and financing charges	(19,618)	-5.6	(19,259)	-5.3	(16,850)	-4.6	(18,619)	-4.4	(19,929)	-4.5	(23,254)	-4.2	(37,060)	-5.6	(45,110)	-6.5	(40,069)	-6.5
Interest received.....	2,326	0.7	3,177	0.9	2,729	0.7	2,814	0.7	3,229	0.7	4,800	0.9	7,294	1.1	7,737	1.1	8,918	1.5
Share of profits (losses) of related companies	464	0.1	352	0.1	721	0.2	(1,856)	-0.4	(26)	...	(901)	-0.2	7,724	1.2	(20,348)	-2.9	(5,964)	-1.0
Current pre-tax profit	46,073	13.1	45,304	12.6	56,667	15.4	58,859	13.9	69,468	15.7	85,020	15.2	93,415	14.2	35,452	5.1	31,498	5.1
Interest capitalized.....	354	0.1	598	0.2	723	0.2	845	0.2	626	0.2	791	0.1	1,046	0.2	1,436	0.2	590	0.1
Amortization of goodwill.....	(188)	-0.1	(428)	-0.1	(366)	-0.1	(652)	-0.2	(484)	-0.1	(2,471)	-0.3	(29,278)	-4.5	(55,403)	-8.0	(54,592)	-8.8
Government grants.....	37	...	51	...	61	...	65	0.1	...	...	77	...	77	...	...	...	...	...
Gains(losses) on disposals of fixed assets	366	0.1	247	0.1	(410)	-0.1	1,604	0.4	20,341	4.6	6,046	1.1	35,701	5.4	46,053	6.7	18,013	2.9
Fixed asset revaluations (writedowns).....	(78)	0.1	(343)	-0.1	(5,480)	-1.5	(321)	-0.1	(86)	...	(3,364)	-0.6	432	0.1	(16,208)	-2.3	(32,206)	-5.2
Provisions and other extraordinary items	(4,268)	-1.2	(14,777)	-4.1	2,959	0.8	(3,676)	-0.9	(8,277)	-1.9	(2,690)	-0.5	(5,809)	-0.9	(20,176)	-2.9	(25,897)	-4.2
Cumulative effect of accounting changes.....	(1,761)	-0.5	...	...	345	0.1	...	...	12	...	388	0.1	(128)	...	(455)	-0.1	(26,187)	-4.2
Net profit (loss) before tax	40,533	11.6	30,651	8.6	54,501	14.8	56,724	13.4	81,601	18.5	83,797	15.1	95,457	14.5	(9,301)	-1.3	(88,780)	-14.3
Taxation	(15,061)	-4.3	(16,500)	-4.6	(21,454)	-5.8	(24,415)	-5.8	(34,063)	-7.7	(30,570)	-5.5	(39,846)	-6.1	(17,482)	-2.5	(11,420)	-1.8
Profit attributable to minorities.....	(987)	-0.3	(1,306)	-0.4	(1,709)	-0.5	(1,824)	-0.4	(1,658)	-0.4	(2,661)	-0.5	(4,046)	-0.6	1,320	0.1	1,299	0.1
Net profit attributable to parent company	24,484	7.0	12,844	3.6	31,337	8.5	30,483	7.2	45,879	10.4	50,565	9.1	51,564	7.8	(25,464)	-3.7	(98,901)	-16.0
<i>Research & development expenses</i> (1).....	<i>7,639</i>	<i>3.4</i>	<i>8,178</i>	<i>3.4</i>	<i>6,016</i>	<i>2.3</i>	<i>6,302</i>	<i>2.2</i>	<i>6,177</i>	<i>2.3</i>	<i>5,573</i>	<i>2.0</i>	<i>5,735</i>	<i>1.9</i>	<i>5,404</i>	<i>1.7</i>	<i>5,178</i>	<i>1.8</i>
<i>Dividends declared</i>	<i>14,433</i>	<i>4.1</i>	<i>14,772</i>	<i>4.1</i>	<i>19,672</i>	<i>5.4</i>	<i>22,452</i>	<i>5.3</i>	<i>21,969</i>	<i>5.0</i>	<i>31,036</i>	<i>5.6</i>	<i>27,080</i>	<i>4.1</i>	<i>24,275</i>	<i>3.5</i>	<i>20,450</i>	<i>3.3</i>

(1) Figures cover 9 companies which in 2002 accounted for 46% of total net sales of the sample.

TABLE II.2 – FINANCIAL STATEMENTS

TELECOMMUNICATIONS

	1994		1995		1996		1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	18,515	2.7	14,808	2.2	17,008	2.4	25,291	3.2	29,528	3.6	41,951	2.9	36,216	1.8	54,875	2.9	49,720	3.5
Marketable securities.....	9,901	1.4	11,182	1.6	13,861	2.0	9,017	1.2	16,107	1.9	12,303	0.9	46,391	2.3	21,426	1.1	16,505	1.1
Trade debtors.....	59,468	8.5	68,988	10.1	68,583	9.7	78,749	10.0	82,055	9.9	108,674	7.7	133,617	6.8	126,639	6.8	94,603	6.6
Inventories.....	11,151	1.6	11,847	1.7	8,666	1.2	9,463	1.2	7,390	0.9	10,426	0.7	14,445	0.7	13,044	0.7	9,313	0.6
Other current assets.....	33,210	4.7	29,945	4.4	24,716	3.5	28,297	3.6	24,193	2.9	38,237	2.7	58,796	3.0	65,436	3.5	51,870	3.6
Total current assets.....(a)	132,247	18.9	136,772	20.0	132,835	18.8	150,819	19.2	159,275	19.2	211,593	14.9	289,467	14.6	281,421	15.0	222,014	15.4
Short-term borrowings.....	48,021	6.8	51,669	7.6	45,749	6.5	60,857	7.8	54,471	6.6	103,115	7.3	227,439	11.5	147,263	7.9	98,506	6.9
Trade creditors.....	42,379	6.0	45,069	6.6	49,360	7.0	59,696	7.6	58,634	7.1	76,647	5.4	97,881	4.9	86,854	4.6	71,689	5.0
Other current liabilities.....	51,616	7.4	57,024	8.3	55,680	7.9	60,917	7.8	68,752	8.3	92,545	6.5	133,255	6.7	125,713	6.7	102,757	7.1
Total current liabilities.....(b)	142,017	20.2	153,763	22.5	150,789	21.3	181,471	23.1	181,858	21.9	272,308	19.2	458,576	23.2	359,831	19.2	272,954	19.0
Net current assets.....(a-b)=(c)	(9,770)	-1.4	(16,990)	-2.5	(17,954)	-2.5	(30,651)	-3.9	(22,582)	-2.7	(60,714)	-4.3	(169,109)	-8.5	(78,409)	-4.2	(50,940)	-3.5
Gross tangible fixed assets.....	868,755	123.8	873,420	127.8	913,363	129.2	1,026,561	130.8	1,082,759	130.6	1,343,039	94.8	1,505,116	76.1	1,561,243	83.3	1,430,288	99.5
Accumulated depreciation.....	(390,204)	-55.6	(429,778)	-62.9	(463,762)	-65.6	(538,398)	-68.6	(581,114)	-70.1	(729,997)	-51.5	(805,563)	-40.7	(851,596)	-45.4	(832,006)	-57.9
Net tangible fixed assets.....	478,550	68.2	443,642	64.9	449,601	63.6	488,162	62.2	501,644	60.5	613,042	43.3	699,552	35.4	709,647	37.9	598,281	41.6
Investments.....	23,495	3.4	30,719	4.5	37,601	5.3	43,263	5.5	55,845	6.8	333,737	23.6	264,718	13.4	167,208	8.9	91,867	6.4
Loans and other assets.....	32,599	4.6	31,404	4.6	32,793	4.7	38,830	5.0	40,076	4.8	67,158	4.7	99,189	5.0	120,733	6.4	109,800	7.7
Net fixed assets and investments.....(d)	534,645	76.2	505,766	74.0	519,996	73.6	570,256	72.7	597,566	72.1	1,013,939	71.6	1,063,459	53.8	997,589	53.2	799,949	55.7
Medium- and long-term borrowings.....	207,764	29.6	197,073	28.8	197,151	27.9	212,015	27.0	221,275	26.7	290,332	20.5	433,394	21.9	505,312	27.0	419,313	29.2
Other creditors.....	19,971	2.8	14,089	2.1	14,089	2.0	13,739	1.8	13,258	1.6	22,202	1.6	38,971	2.0	43,210	2.3	40,390	2.8
Employee benefits.....	54,741	7.8	59,470	8.7	56,626	8.0	63,789	8.1	69,858	8.4	81,460	5.8	80,941	4.1	80,795	4.3	74,256	5.2
Deferred taxation.....	21,427	3.1	14,730	2.2	19,312	2.7	21,611	2.8	21,267	2.6	48,142	3.4	77,406	3.9	87,041	4.6	60,344	4.2
Other provisions.....	12,644	1.8	11,667	1.7	9,948	1.4	11,351	1.4	11,656	1.4	14,074	1.0	16,027	0.8	25,602	1.4	25,434	1.8
Medium- and long-term liabilities.....(e)	316,548	45.1	297,030	43.5	297,127	42.0	322,507	41.1	337,317	40.7	456,211	32.2	646,740	32.7	741,961	39.6	619,739	43.1
Goodwill.....	5,240	0.7	5,359	0.8	11,781	1.7	15,390	2.0	21,098	2.5	89,720	6.3	373,923	18.9	346,276	18.5	255,560	17.8
Deferred expenses and other intangibles.....	29,360	4.2	35,214	5.2	42,114	5.9	47,949	6.1	50,940	6.2	101,342	7.2	251,961	12.7	249,491	13.3	159,646	11.1
Total intangibles.....(f)	34,600	4.9	40,573	6.0	53,895	7.6	63,340	8.1	72,038	8.7	191,062	13.5	625,885	31.6	595,767	31.8	415,206	28.9
Net worth.....(c+d-e+f)	242,928	34.6	232,318	34.0	258,810	36.6	280,437	35.8	309,704	37.4	688,075	48.6	873,495	44.1	772,985	41.2	544,476	37.9
<i>Represented by:</i>																		
Issued share capital.....	47,110	6.7	45,071	6.6	54,987	7.8	59,170	7.5	49,686	6.0	68,368	4.8	77,748	3.9	75,154	4.0	68,183	4.7
Reserves.....	185,217	26.4	174,697	25.6	189,744	26.8	211,850	27.0	246,875	29.8	594,607	42.0	725,418	36.7	635,436	33.9	430,609	30.0
Own shares.....	(2,206)	-0.3	(2,073)	-0.3	(3,745)	-0.5	(4,545)	-0.6	(4,005)	-0.5	(9,165)	-0.6	(12,765)	-0.6	(17,436)	-0.9	(20,974)	-1.5
Total.....	230,122	32.8	217,695	31.9	240,986	34.1	266,475	34.0	292,556	35.3	653,810	46.2	790,401	39.9	693,154	37.0	477,819	33.2
Minority interests.....	12,806	1.8	14,945	2.2	17,994	2.5	13,965	1.8	17,218	2.1	34,327	2.4	75,925	3.8	79,365	4.2	66,826	4.6
Other items.....	-		(323)	...	(171)	...	(2)	...	(70)	...	(63)	...	7,168	0.4	465	...	(170)	...
Total assets.....(a+d+f)	701,493	100.0	683,112	100.0	706,727	100.0	784,416	100.0	828,880	100.0	1,416,595	100.0	1,978,812	100.0	1,874,779	100.0	1,437,170	100.0

TABLE II.3 – SOURCES AND APPLICATIONS OF FUNDS

	1995		1996		TOTAL 1995-96		1997	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	119,751	104.6	132,904	92.2	252,655	97.7	145,373	79.0
New equity issues.....	1,810	1.6	17,144	11.9	18,954	7.3	8,772	4.8
Increase (decrease) in borrowings.....	(7,043)	-6.2	(5,842)	-4.1	(12,885)	-5.0	29,972	16.2
Total sources	114,518	100.0	144,206	100.0	258,724	100.0	184,117	100.0
Capital expenditure	74,479	65.0	81,998	56.9	156,477	60.5	97,224	52.8
Dividends paid	13,388	11.7	15,632	10.8	29,020	11.2	22,468	12.2
Increase (decrease) in cash and marketable securities	(2,426)	-2.1	4,879	3.4	2,453	0.9	3,439	1.9
Increase (decrease) in net current assets	(1,147)	-1.0	(11,762)	-8.2	(12,909)	-5.0	(1,029)	-0.6
Other items (net).....	30,224	26.4	53,459	37.1	83,683	32.4	62,015	33.7
Total applications	114,518	100.0	144,206	100.0	258,724	100.0	184,117	100.0

TELECOMMUNICATIONS

	1998		1999		TOTAL 1997-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	162,097	87.7	200,903	32.6	363,000	45.3	226,878	34.6	178,054	74.3	167,492	450.2	572,424	61.4
New equity issues.....	19,918	10.8	297,506	48.3	317,424	39.6	160,777	24.5	69,753	29.1	4,471	12.0	235,001	25.2
Increase (decrease) in borrowings.....	2,874	1.5	117,701	19.1	120,575	15.1	267,386	40.9	(8,258)	-3.4	(134,756)	-362.2	124,372	13.4
Total sources	184,889	100.0	616,110	100.0	800,999	100.0	655,041	100.0	239,549	100.0	37,207	100.0	931,797	100.0
Capital expenditure	98,245	53.1	128,670	20.9	226,915	28.3	167,310	25.5	159,245	66.5	96,846	260.3	423,401	45.4
Dividends paid	20,810	11.3	27,016	4.4	47,826	6.0	29,643	4.5	56,168	23.4	21,862	58.8	107,673	11.6
Increase (decrease) in cash and marketable securities	11,327	6.1	8,619	1.4	19,946	2.5	28,353	4.3	(6,306)	-2.6	(10,076)	-27.1	11,971	1.3
Increase (decrease) in net current assets	(9,644)	-5.2	1,893	0.3	(7,751)	-1.0	(12,423)	-1.9	16,830	7.0	(11,212)	-30.1	(6,805)	-0.7
Other items (net).....	64,151	34.7	449,912	73.0	514,063	64.2	442,158	67.6	13,612	5.7	(60,213)	-161.9	395,557	42.4
Total applications	184,889	100.0	616,110	100.0	800,999	100.0	655,041	100.0	239,549	100.0	37,207	100.0	931,797	100.0

TABLE II.4 – FINANCIAL RATIOS

	1994	1995	1996
Net sales as % of gross fixed assets	40.5	41.4	40.2
Net sales as % of net fixed assets.....	73.6	81.4	81.7
Capital expenditure as % of gross fixed assets	7.9	8.5	9.0
Depreciation charges as % of gross fixed assets.....	8.4	8.5	8.3
Accumulated depreciation as % of gross fixed assets	44.9	49.2	50.8
Interest charges as % of borrowings.....	7.7	7.7	6.9
Dividends declared as % of net profit.....	58.9	115.0	62.8
Trade debtors as % of sales.....	16.9	19.1	18.7
Inventories as % of sales	3.2	3.3	2.4
Balance of other current assets and liabilities (1) as % of sales..	-17.3	-20.0	-21.9
Total net working capital	2.8	2.4	-0.8
Current assets as % of current liabilities.....	93.1	88.9	88.1
Net worth as % of total indebtedness	65.7	63.7	71.5
Net worth as % of total borrowings	95.0	93.4	106.6
Net worth less intangibles as % of total borrowings.....	81.4	77.1	84.4

TELECOMMUNICATIONS

	1997	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	41.3	40.9	41.6	43.7	44.2	43.3
Net sales as % of net fixed assets.....	86.8	88.2	91.1	94.0	97.3	103.6
Capital expenditure as % of gross fixed assets	9.5	9.1	9.6	11.1	10.2	6.8
Depreciation charges as % of gross fixed assets.....	8.4	8.6	8.6	8.9	9.1	9.5
Accumulated depreciation as % of gross fixed assets	52.4	53.7	54.4	53.5	54.5	58.2
Interest charges as % of borrowings.....	6.8	7.2	5.9	5.6	6.9	7.7
Dividends declared as % of net profit.....	73.7	47.9	61.4	52.5	n.c.	n.c.
Trade debtors as % of sales.....	18.6	18.5	19.5	20.3	18.3	15.3
Inventories as % of sales	2.2	1.7	1.9	2.2	1.9	1.5
Balance of other current assets and liabilities (1) as % of sales..	-21.8	-23.3	-23.5	-26.2	-21.3	-19.8
Total net working capital	-1.0	-3.1	-2.1	-3.7	-1.1	-3.0
Current assets as % of current liabilities.....	83.1	87.6	77.7	63.1	78.2	81.3
Net worth as % of total indebtedness	68.9	74.4	117.7	93.8	85.1	74.3
Net worth as % of total borrowings	102.8	112.3	174.9	132.2	118.5	105.1
Net worth less intangibles as % of total borrowings.....	79.6	86.2	126.3	37.5	27.2	25.0

(1) Excluding cash, marketable securities and borrowings.

TABLE II.1 – PROFIT AND LOSS ACCOUNTS

UTILITIES

	1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Net sales	160,819	100.0	169,996	100.0	195,089	100.0	223,739	100.0	270,337	100.0	275,716	100.0
Purchases and sundry operating expenses.....	...	...	...	...	...	...	...	...	...	...	...	...
Value added .....	...	...	...	...	...	...	...	...	...	...	...	...
Labour costs .....	...	...	...	...	...	...	...	...	...	...	...	...
Gross operating margin	32,661	20.4	38,435	22.6	42,360	21.6	46,020	20.6	54,096	20.0	55,900	20.2
Depreciation	(15,864)	-9.9	(19,017)	-11.2	(19,604)	-10.0	(22,110)	-9.9	(21,971)	-8.1	(21,919)	-7.9
Net operating margin	16,798	10.5	19,419	11.4	22,758	11.6	23,911	10.7	32,126	11.9	33,983	12.3
Interest and financing charges	(7,166)	-4.5	(7,373)	-4.3	(10,544)	-5.4	(13,594)	-6.1	(17,266)	-6.4	(16,201)	-5.9
Interest received.....	2,271	1.4	2,506	1.5	4,048	2.1	3,135	1.4	3,782	1.4	4,241	1.6
Share of profits (losses) of related companies	836	0.5	969	0.5	1,155	0.6	1,349	0.6	146	0.1	304	0.1
Current pre-tax profit	12,739	7.9	15,519	9.1	17,415	8.9	14,799	6.6	18,787	7.0	22,325	8.1
Interest capitalized.....	50	0.1	43	...	127	...	105	0.1	159	0.1	86	...
Amortization of goodwill.....	(789)	-0.5	(1,205)	-0.7	(1,444)	-0.7	(2,174)	-1.0	(4,250)	-1.6	(3,878)	-1.4
Government grants.....	31	...	19	...	25	...	24	...	...	...	...	...
Gains(losses) on disposals of fixed assets	1,681	1.1	1,618	1.0	6,963	3.6	7,315	3.3	5,717	2.1	1,808	0.7
Fixed asset revaluations (writedowns).....	...	...	(113)	-0.1	(75)	...	(181)	-0.1	(14,910)	-5.5	(19,232)	-7.0
Provisions and other extraordinary items	(2,348)	-1.5	(972)	-0.6	(3,166)	-1.6	(4,061)	-1.8	(3,311)	-1.2	(8,866)	-3.2
Cumulative effect of accounting changes.....	...	...	(5)	...	...	...	...	...	14	...	(329)	-0.1
Net profit (loss) before tax	11,363	7.1	14,903	8.7	19,846	10.2	15,826	7.1	2,207	0.9	(8,087)	-2.9
Taxation	(6,102)	-3.8	(4,377)	-2.6	(4,726)	-2.4	(2,891)	-1.3	(6,912)	-2.6	(7,472)	-2.8
Profit attributable to minorities.....	(1,121)	-0.7	(1,607)	-0.9	(1,334)	-0.7	(2,493)	-1.1	(1,610)	-0.6	(1,477)	-0.5
Net profit attributable to parent company	4,139	2.6	8,918	5.2	13,785	7.1	10,441	4.7	(6,314)	-2.3	(17,038)	-6.2
<i>Research & development expenses</i> (1).....	<i>88</i>	<i>0.3</i>	<i>85</i>	<i>0.3</i>	<i>96</i>	<i>0.3</i>	<i>112</i>	<i>0.2</i>	<i>70</i>	<i>0.1</i>	<i>55</i>	<i>0.1</i>
<i>Dividends declared</i>	<i>4,821</i>	<i>3.0</i>	<i>4,776</i>	<i>2.8</i>	<i>5,000</i>	<i>2.6</i>	<i>5,640</i>	<i>2.5</i>	<i>6,226</i>	<i>2.3</i>	<i>5,452</i>	<i>2.0</i>

(1) Figures cover 5 companies which in 2002 accounted for 21.1% of total net sales of the sample.

TABLE II.2 – FINANCIAL STATEMENTS

UTILITIES

	1997		1998		1999		2000		2001		2002	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash.....	5,845	1.5	6,349	1.6	11,362	2.2	14,330	2.3	18,233	2.7	19,988	3.5
Marketable securities.....	8,004	2.1	11,607	2.8	12,080	2.3	13,033	2.1	9,091	1.4	8,338	1.5
Trade debtors.....	34,139	9.0	39,327	9.6	52,439	10.1	57,174	9.0	59,726	9.0	49,312	8.6
Inventories.....	16,648	4.4	15,283	3.8	17,443	3.3	17,694	2.8	20,750	3.1	16,455	2.9
Other current assets.....	28,957	7.7	25,277	6.2	26,115	5.0	25,501	4.0	35,656	5.4	32,432	5.7
Total current assets..... (a)	93,595	24.7	97,845	24.0	119,441	22.9	127,734	20.2	143,458	21.6	126,528	22.2
Short-term borrowings.....	35,231	9.3	31,582	7.7	51,083	9.8	60,828	9.6	60,644	9.1	61,864	10.9
Trade creditors.....	28,299	7.5	30,411	7.4	39,753	7.6	53,424	8.4	55,846	8.4	40,083	7.0
Other current liabilities.....	28,963	7.7	37,070	9.1	40,163	7.7	43,676	6.9	51,636	7.8	63,329	11.1
Total current liabilities..... (b)	92,494	24.4	99,064	24.3	131,000	25.2	157,929	24.9	168,127	25.2	165,277	29.0
Net current assets..... (a-b)=(c)	1,100	0.3	(1,218)	-0.3	(11,559)	-2.2	(30,194)	-4.8	(24,668)	-3.7	(38,748)	-6.8
Gross tangible fixed assets.....	384,105	101.5	415,720	101.7	493,848	94.8	538,131	85.0	546,534	82.1	500,408	87.9
Accumulated depreciation.....	(169,430)	-44.8	(182,707)	-44.7	(208,371)	-40.0	(227,245)	-35.9	(223,616)	-33.6	(210,780)	-37.0
Net tangible fixed assets.....	214,675	56.7	233,013	57.0	285,476	54.8	310,885	49.1	322,918	48.5	289,627	50.9
Investments.....	33,504	8.8	29,842	7.3	34,608	6.7	56,667	9.0	49,275	7.4	36,873	6.5
Loans and other assets.....	23,686	6.3	27,676	6.8	28,674	5.5	30,012	4.7	36,885	5.5	33,057	5.8
Net fixed assets and investments..... (d)	271,866	71.8	290,533	71.1	348,759	67.0	397,565	62.8	409,078	61.4	359,557	63.2
Medium- and long-term borrowings.....	74,523	19.7	90,662	22.2	129,650	24.9	151,237	23.9	180,192	27.1	139,655	24.5
Other creditors.....	39,157	10.3	35,325	8.7	41,253	7.9	46,137	7.3	56,614	8.5	49,876	8.8
Employee benefits.....	3,685	1.0	4,457	1.1	8,237	1.6	7,780	1.2	7,329	1.1	6,217	1.1
Deferred taxation.....	8,525	2.3	11,015	2.7	16,432	3.2	18,360	2.9	25,317	3.8	22,556	4.0
Other provisions.....	59,359	15.7	65,810	16.1	72,521	13.9	73,460	11.6	76,406	11.5	74,795	13.1
Medium- and long-term liabilities..... (e)	185,251	48.9	207,271	50.8	268,095	51.5	296,975	46.9	345,860	51.9	293,101	51.5
Goodwill.....	6,865	1.8	11,428	2.8	31,054	6.0	80,154	12.6	81,074	12.2	60,125	10.6
Deferred expenses and other intangibles.....	6,140	1.7	8,506	2.1	21,560	4.1	27,745	4.4	32,368	4.8	23,006	4.0
Total intangibles..... (f)	13,005	3.5	19,934	4.9	52,614	10.1	107,899	17.0	113,443	17.0	83,132	14.6
Net worth..... (c+d-e+f)	100,720	26.6	101,977	25.0	121,719	23.4	178,294	28.2	151,993	22.8	110,839	19.5
<i>Represented by:</i>												
Issued share capital.....	26,940	7.1	28,214	6.9	30,311	5.8	30,962	4.9	26,115	3.9	25,335	4.5
Reserves.....	55,863	14.8	55,418	13.6	73,154	14.0	124,327	19.6	99,708	15.0	63,981	11.2
Own shares.....	(815)	-0.2	(1,637)	-0.4	(3,289)	-0.6	(6,398)	-1.0	(3,791)	-0.6	(1,004)	-0.2
Total.....	81,989	21.7	81,995	20.1	100,177	19.2	148,891	23.5	122,032	18.3	88,313	15.5
Minority interests.....	13,965	3.7	15,163	3.7	18,102	3.5	26,021	4.1	26,360	4.0	17,832	3.1
Other items.....	4,765	1.3	4,817	1.2	3,439	0.7	3,382	0.5	3,600	0.5	4,694	0.8
Total assets..... (a+d+f)	378,467	100.0	408,313	100.0	520,815	100.0	633,199	100.0	665,981	100.0	569,218	100.0

TABLE II.3 – SOURCES AND APPLICATIONS OF FUNDS

	1998		1999	
	EUR m	%	EUR m	%
Cash flow	34,536	71.5	37,019	35.5
New equity issues.....	1,274	2.6	8,856	8.5
Increase (decrease) in borrowings.....	12,490	25.9	58,489	56.0
Total sources	48,300	100.0	104,364	100.0
Capital expenditure	38,855	80.4	31,269	30.0
Dividends paid	4,376	9.1	4,580	4.4
Increase (decrease) in cash and marketable securities	4,107	8.5	5,486	5.2
Increase (decrease) in net current assets	(10,076)	-20.9	3,675	3.5
Other items (net).....	11,038	22.9	59,354	56.9
Total applications	48,300	100.0	104,364	100.0

UTILITIES

	TOTAL 1998-99		2000		2001		2002		TOTAL 2000-02	
	EUR m	%	EUR m	%	EUR m	%	EUR m	%	EUR m	%
Cash flow	71,555	46.9	36,909	33.0	40,758	55.3	44,244	578.2	121,911	63.0
New equity issues.....	10,130	6.6	43,737	39.0	4,231	5.7	2,725	35.6	50,693	26.2
Increase (decrease) in borrowings.....	70,979	46.5	31,332	28.0	28,771	39.0	(39,317)	-513.8	20,786	10.8
Total sources	152,664	100.0	111,978	100.0	73,760	100.0	7,652	100.0	193,390	100.0
Capital expenditure	70,124	45.9	33,575	30.0	38,296	51.9	30,977	404.9	102,848	53.2
Dividends paid	8,956	5.9	5,247	4.7	5,534	7.5	5,143	67.2	15,924	8.2
Increase (decrease) in cash and marketable securities	9,593	6.3	3,921	3.5	(39)	-0.1	1,002	13.1	4,884	2.5
Increase (decrease) in net current assets	(6,401)	-4.2	(12,812)	-11.4	5,381	7.3	(13,863)	-181.2	(21,294)	-11.0
Other items (net).....	70,392	46.1	82,047	73.2	24,588	33.4	(15,607)	-204.0	91,028	47.1
Total applications	152,664	100.0	111,978	100.0	73,760	100.0	7,652	100.0	193,390	100.0

TABLE II.4 – FINANCIAL RATIOS

	1997
Net sales as % of gross fixed assets	41.9
Net sales as % of net fixed assets.....	74.9
Capital expenditure as % of gross fixed assets	6.6
Depreciation charges as % of gross fixed assets.....	4.1
Accumulated depreciation as % of gross fixed assets	44.1
Interest charges as % of borrowings.....	6.5
Dividends declared as % of net profit.....	116.5
Trade debtors as % of sales.....	21.2
Inventories as % of sales	10.4
Balance of other current assets and liabilities (1) as % of sales.....	-17.6
Total net working capital	14.0
Current assets as % of current liabilities.....	101.2
Net worth as % of total indebtedness	48.9
Net worth as % of total borrowings	91.8
Net worth less intangibles as % of total borrowings.....	79.9

UTILITIES

	1998	1999	2000	2001	2002
Net sales as % of gross fixed assets	40.9	39.5	41.6	49.5	55.1
Net sales as % of net fixed assets.....	73.0	68.3	72.0	83.7	95.2
Capital expenditure as % of gross fixed assets	9.3	6.3	6.2	7.0	6.2
Depreciation charges as % of gross fixed assets.....	4.6	4.0	4.1	4.0	4.4
Accumulated depreciation as % of gross fixed assets	43.9	42.2	42.2	40.9	42.1
Interest charges as % of borrowings.....	6.0	5.8	6.4	7.2	8.0
Dividends declared as % of net profit.....	53.6	36.3	54.0	n.c.	n.c.
Trade debtors as % of sales.....	23.1	26.9	25.6	22.1	17.9
Inventories as % of sales	9.0	8.9	7.9	7.7	6.0
Balance of other current assets and liabilities (1) as % of sales.....	-24.8	-27.6	-32.0	-26.6	-25.7
Total net working capital	7.3	8.2	1.5	3.2	-1.8
Current assets as % of current liabilities.....	98.8	91.2	80.9	85.3	76.6
Net worth as % of total indebtedness	45.3	40.3	50.2	37.5	31.2
Net worth as % of total borrowings	83.4	67.3	84.1	63.1	55.0
Net worth less intangibles as % of total borrowings.....	67.1	38.2	33.2	16.0	13.7

(1) Excluding cash, marketable securities and borrowings.

III. PRINCIPLES AND METHODS

The companies

The selected companies comprise:

- the largest industrial firms with an international sales organisation in three major OECD areas, i.e., Europe, North America and Japan, all engaged in energy and manufacturing industries;
- the largest world telecommunication operators;
- the world's largest public utilities with an international presence.

The main criterion for selection is sales volume. However, the composition of the sample would have been unlikely to differ substantially had it been based on other criteria, e.g., size of workforce or total assets.

Companies had to meet the following criteria for selection:

- their 2002 sales had to be equivalent to not less than EUR 2bn;
- industrial companies had to represent a significant contribution to aggregate manufacturing sales in their home country. Such significance was defined by (i) selecting companies meeting the EUR 2bn criterion and ranking them by size of sales and (ii) adding them to the country sample for so long as their contribution exceeded one per cent of the previous cumulative national sales aggregate. Companies which, despite meeting that criterion, contributed less than one per cent of such aggregate were not included. In the case of manufacturing companies also engaged in non-manufacturing industries, inclusion was based solely on revenues from manufacturing operations;
- telecommunication companies and utilities had to represent a significant contribution to world aggregate sales. Such significance was defined by (i) selecting companies meeting the EUR 2bn criterion and ranking them by size of sales and (ii) adding them to the sample for so

long as their contribution exceeded one per cent of the previous cumulative sales aggregate. Companies which, despite meeting that criterion, contributed less than one per cent of such aggregate were not included. Utilities whose foreign turnover was less than 10% of the total have also been excluded.

Some minor exceptions to these criteria have had to be made in the case of North American companies in order to provide a comprehensive picture of the industry concerned (see below). Use of the criteria has led to the inclusion of companies whose lowest sales levels range between EUR 2bn and 9bn in Europe and around EUR 9-11bn in North America and Japan, as detailed in the table below:

	Size of smallest firm selected (*)	
	in terms of 2002 sales in EUR bn	as a % of national sales aggregate
<i>Industrial companies</i>		
Benelux.....	2,5	1.2
France	4,4	1.0
Germany	7,5	1.1
Ireland.....	2,3	10.9
Italy	2,1	1.2
Scandinavia	2,6	1.0
Spain.....	9,0	16.7
Switzerland	2,7	1.7
United Kingdom	5,6	1.0
North America	10,6	0.5
Japan.....	8,8	1.0
<i>Telecommunications.....</i>	6,5	1.0
<i>Utilities.....</i>	3,3	1.2

(*) Excluding companies arising from demergers, which have been retained in the sample to ensure continuity.

In the case of mergers or acquisitions, the company that was taken over has been included in the sample up to the year in which the merger or acquisition took place only if during the preceding year it met the EUR 2bn sales criterion. The same procedure has been followed in the case of demergers, with the demerged company being retained in the sample provided it met the EUR 2bn sales minimum in the year after the demerger. Subsidiaries of multinationals included in their consolidated accounts have been excluded.

Statistics

The statistics have been compiled from annual reports, complemented in some cases by additional information provided by the companies themselves. It should be noted that there is a degree of general uniformity in financial information provided by European companies, as a result of their need to comply with EU reporting directives. On the other hand, North American and Japanese reporting requirements are in some cases inadequate for the purposes of this survey: in particular, the lack of information on labour costs makes it impossible to calculate value added by country and industry in the companies based outside Europe. Furthermore, Generally Accepted Accounting Principles (GAAP), as so defined, tend to vary from country to country and company to company and recently some major European companies have changed their accounting standards to U.S. and U.K. practice. The main discrepancies in accounting practices as between the United States and Europe are as follows:

- **Revaluation:** U.S. GAAP do not allow fixed assets to be written up by stating them at a higher value than purchase cost. On the other hand, in Europe, particularly in Italy and France, it is a customary practice to adjust fixed asset values. If European accounts were brought into line with U.S. practice, this would tend to reduce shareholders' equity because revaluations would have to be eliminated, whereas profits would be higher owing to the resulting reduction in depreciation charges.
- **Capitalization and expensing of costs:** under U.S. GAAP, all expenditure on items that provide long-term benefits to the company has to be written off over their useful lives. In Europe some of these costs are written off in the year they are incurred, e.g. the cost of presses and prototypes in the automotive industry, whereas in the United States they can be deferred on the straight-line basis over five years. Another example is the capitalisation of interest charges on property, plant and equipment construction costs, which in Europe are generally expensed in the year incurred but in the U.S. are depreciated over the lives of the related assets.
- **Deferred income tax:** under U.S. GAAP, full provision for deferred tax has to be made on the basis of tax rates ruling at the time the liability is incurred. Methods of treating tax in Europe vary: in some cases, notably in Italy, taxes are not always deferred, as it is considered that such deferral might be perpetuated, or there might be further tax losses to

be utilised when payment becomes due. Another discrepancy arises as regards the U.S. practice of deferring tax on profits taken to reserves in companies consolidated by the net equity method, which is hardly ever done in Europe.

- **Other discrepancies:** these mainly involve (i) unrealised exchange gains or losses on long-term assets and liabilities, which are invariably credited or charged to earnings in the United States, but not always in Europe, (ii) the treatment of inter-Group mergers and acquisitions, where no revaluations or writedowns are permitted under U.S. GAAP, unlike Europe, and (iii) the introduction, mainly in 1992 and 1993, into U.S. accounting practice of adjustments to take account of the liability represented by the current value of pension entitlements and health benefits charged to employers.

All the foregoing discrepancies have an impact on key figures reflecting operating results, shareholders' equity and fixed assets. The reader should thus view these figures with some circumspection and concentrate on trends rather than on the numbers themselves in absolute terms. Account should also be taken of different corporate income tax rates (see Table III.2).

The statistics for each firm and each country aggregate are given in national currency. Country financial indicators are thus weighted by factors determined in the final analysis by the size of the companies. It should be recalled that the survey aims to depict a representative sample of the largest industrial undertakings in each country, and not that country's industry as such.

National currency translations into euros have been made for each year at year-end rates, which is consistent with the companies' currency translation policy for monetary items (debtors and creditors).

To assist in interpreting trends in each geographic area, Table III.1 gives a set of economic indicators (changes in GDP, inflation rate, changes in industrial production and interest rate) in each country over the period covered, Table III.2 gives corporate income tax rates, and Table III.3 gives year-end cross-exchange rates. Table III.4 contains a list of all the companies covered in the survey, together with a breakdown of their sales, workforce and total assets in 2002. Table III.5 lists all mergers between companies covered by the sample (so-called "mega-mergers") which took place from 1/1/96 to 31/12/03.

Principles used in compiling the survey

The companies have been classified by the countries in which they have their registered office. Financial information taken from their accounts has been restated according to R&S principles. Accordingly:

- **Sales** are shown net of discounts, allowances, indirect tax and all excise duties (the latter being of particular importance in oil companies).
- **Labour costs** comprise all personnel expenses, including those classified under reorganisation costs. This method inter alia enables discrepancies in accounting practices to be eliminated.
- **Interest paid and received** includes exchange losses and gains.
- **Depreciation and amortisation charges** made solely for tax purposes and amortisation of goodwill are classified under non-current items. This principle also tends to eliminate discrepancies in accounting practices.
- **Creditors and debtors** have been classified as short-term in the case of amounts falling due within one year, and medium- to long-term where they fall due after one year.
- **Own shares** have been deducted from shareholders' equity, even where they were scheduled to be sold within one year. In the flow of funds statement, purchases of own shares have been deducted from new equity issues.
- **Profit for the year** has been included in shareholders' equity. In U.K. and North American companies, dividends declared have thus been eliminated from current liabilities.

The flow of funds statement in Table II.4 has been prepared on the basis of annual flows reported by the companies in respect of capital expenditure, dividends paid, and new equity issues, with cash generation being computed as current profit (or loss) plus depreciation and amortisation. Increases (decreases) in marketable securities, borrowings and net current assets have been calculated from net changes in the relevant balance sheet headings. The heading "Other Items" represents the net balance of other sources and applications of funds, which thus include equity investments.

TABLE III.1 – ECONOMIC INDICATORS IN SELECTED COUNTRIES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	<i>percentage changes on previous year</i>									
Real GDP:										
Belgium.....	-1.5	2.8	2.6	1.2	3.6	2.0	3.2	3.8	0.6	0.7
Canada.....	2.3	4.8	2.8	1.6	4.2	4.1	5.5	5.3	1.7	3.2
Denmark.....	0.0	5.5	2.8	2.5	3.0	2.5	2.6	2.9	1.4	2.1
Finland.....	-1.1	4.0	3.8	4.0	6.3	5.0	3.4	5.1	1.2	2.2
France.....	-0.9	1.9	1.8	1.1	1.9	3.4	3.2	3.8	2.1	1.2
Germany.....	-1.1	2.3	1.7	0.8	1.4	2.0	2.0	2.9	0.8	0.2
Ireland.....	2.7	5.8	10.0	7.8	10.8	8.6	11.3	10.1	6.2	6.9
Italy.....	-1.9	2.2	2.9	1.1	2.0	1.8	1.7	3.0	1.8	0.4
Netherlands.....	0.8	3.2	2.3	3.0	3.8	4.3	4.0	3.5	1.2	0.2
Norway.....	3.1	5.5	3.8	4.9	4.7	2.6	2.1	2.8	1.9	1.0
Spain.....	-1.0	2.4	2.8	2.4	4.0	4.3	4.2	4.2	2.8	2.0
Sweden.....	-1.8	4.1	3.7	1.1	2.1	3.6	4.6	4.4	1.1	1.9
Switzerland.....	-0.5	0.5	0.5	0.3	1.7	2.4	1.5	3.2	0.9	0.1
United Kingdom.....	2.5	4.7	2.9	2.6	3.4	3.1	2.8	3.8	2.1	1.7
USA.....	2.7	4.0	2.5	3.7	4.5	4.2	4.5	3.7	0.5	2.2
Japan.....	0.4	1.0	1.6	3.5	1.8	-1.1	0.1	2.8	0.4	-0.3
Total OECD.....	1.4	3.2	2.6	3.0	3.5	2.7	3.1	3.8	0.8	1.8
Euro area.....	-	-	-	-	-	-	2.8	3.5	1.6	0.9
GDP deflators:										
Belgium.....	3.7	1.8	1.8	1.2	1.3	1.6	1.4	1.2	1.8	1.7
Canada.....	1.4	1.1	2.3	1.6	1.2	-0.4	1.7	3.9	1.0	1.2
Denmark.....	1.4	1.7	1.8	2.5	2.2	1.0	1.8	3.1	2.0	0.9
Finland.....	2.3	2.0	4.1	-0.2	2.1	3.0	-0.2	3.2	2.7	1.1
France.....	2.4	1.8	1.7	1.4	1.2	0.9	0.5	1.0	1.8	1.8
Germany.....	3.7	2.5	2.0	1.0	0.7	1.1	0.5	-0.3	1.3	1.6
Ireland.....	5.2	1.7	3.0	2.2	4.1	5.9	3.8	4.3	5.1	5.4
Italy.....	3.9	3.5	5.0	5.3	2.4	2.7	1.6	2.1	2.7	2.7
Netherlands.....	1.9	2.3	1.8	1.2	2.0	1.7	1.6	3.9	5.4	3.4
Norway.....	2.3	-0.1	2.9	4.1	2.9	-0.7	6.6	15.9	1.9	-0.7
Spain.....	4.5	3.9	4.9	3.5	2.3	2.4	2.8	3.5	4.2	4.4
Sweden.....	2.7	2.4	3.5	1.4	1.7	0.9	0.7	1.3	2.0	1.3
Switzerland.....	2.7	1.6	1.1	0.4	-0.2	-	0.7	1.2	1.4	0.4
United Kingdom.....	2.6	1.4	2.6	3.3	2.9	2.9	2.3	1.4	2.3	3.2
USA.....	2.4	2.1	2.2	1.9	1.9	1.2	1.4	2.1	2.4	1.1
Japan.....	0.6	0.1	-0.4	-0.8	0.4	-0.1	-1.5	-1.9	-1.6	-1.6
OECD (1).....	2.6	2.2	2.3	1.8	1.7	1.4	0.9	1.4	1.8	1.3
Euro area.....	-	-	-	-	-	-	1.1	1.4	2.4	2.4

(cont.)

TABLE III.1 (cont.) – ECONOMIC INDICATORS IN SELECTED COUNTRIES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	<i>percentage changes on previous year</i>									
Industrial production:										
Belgium.....	-5.0	1.7	6.3	0.8	4.3	-3.5	9.2	4.3	-13.7	1.3
Canada.....	4.5	6.5	4.5	1.4	4.3	3.5	6.2	7.2	-2.2	2.4
Denmark.....	-2.8	10.0	4.9	1.7	5.6	2.2	2.4	6.3	1.6	-
Finland.....	5.3	11.3	6.6	2.9	8.6	9.3	5.6	11.6	-1.0	0.8
France.....	-3.8	3.9	2.0	0.3	3.9	5.3	1.9	3.6	1.1	-1.0
Germany.....	-6.6	4.2	0.7	-0.2	2.9	3.4	1.5	5.3	-0.2	-1.3
Ireland.....	5.6	12.6	20.0	8.4	19.4	15.3	10.5	32.6	10.4	5.8
Italy.....	-2.4	5.3	5.3	-0.9	3.4	1.8	0.2	3.1	-0.8	-1.4
Netherlands.....	-1.2	4.9	2.9	3.8	2.7	1.0	-	2.6	0.2	-0.9
Norway.....	2.8	5.5	2.9	5.3	3.5	-1.1	-0.3	2.9	-1.2	0.9
Spain.....	-4.8	7.4	4.6	-0.7	6.8	5.4	2.7	4.0	-1.2	0.1
Sweden.....	1.2	9.6	9.9	1.7	7.1	3.7	2.1	8.8	-0.5	...
Switzerland.....	-2.1	4.3	2.0	-	4.6	3.6	3.5	8.5	-0.2	-5.6
United Kingdom.....	2.2	5.4	1.7	1.3	1.1	1.0	0.8	1.6	-2.2	-7.5
USA.....	3.4	5.4	4.9	4.4	7.3	5.6	4.2	4.7	-3.3	-0.6
Japan.....	-4.5	0.6	3.4	2.1	4.1	-7.1	0.5	5.1	-6.5	-1.4
Euro area.....	-	-	-	-	-	-	5.1	5.7	-3.3	-
Interest rates - bank lending rates (2):										
Belgium.....	11.8	9.4	8.4	7.2	7.1	7.3	6.7	8.0	8.5	7.7
Canada.....	5.9	6.9	8.6	6.1	5.0	6.6	6.4	7.3	5.8	4.2
Denmark.....	10.5	10.0	10.3	8.7	7.7	7.9	7.1	8.1	8.2	7.1
Finland.....	9.9	7.9	7.8	6.2	5.3	5.4	4.7	5.6	5.8	4.8
France.....	8.9	7.9	8.1	6.8	6.3	6.5	6.4	6.7	7.0	6.6
Germany.....	12.9	11.5	10.9	10.0	9.1	9.0	8.8	9.6	10.0	9.7
Ireland.....	9.9	6.1	6.6	5.8	6.6	6.2	3.3	4.8	4.8	3.8
Italy.....	13.9	11.2	12.5	12.1	9.7	7.9	5.6	6.3	6.5	5.8
Netherlands.....	10.4	8.3	7.2	5.9	6.1	6.5	3.5	4.8	5.0	4.0
Norway.....	11.0	8.4	7.8	7.1	5.9	7.9	8.2	8.2	8.9	8.5
Spain.....	12.8	9.0	10.1	8.5	6.1	5.0	3.9	5.2	5.2	4.3
Sweden.....	11.4	10.6	11.1	7.4	7.0	5.9	5.5	5.8	...	...
Switzerland.....	6.4	5.5	5.5	5.0	4.5	4.1	3.9	4.3	4.3	3.9
United Kingdom.....	5.9	5.5	6.7	6.0	6.6	7.2	5.3	6.0	5.1	4.0
USA.....	6.0	7.1	8.8	8.3	8.4	8.3	8.0	9.2	6.9	4.7
Japan.....	4.4	4.1	3.5	2.7	2.4	2.3	2.2	2.1	2.0	1.9
Euro area.....	-	-	-	-	-	-	5.6	6.6	6.8	6.1

(cont.)

TABLE III.1 (cont.) – ECONOMIC INDICATORS IN SELECTED COUNTRIES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	<i>percentage changes on previous year</i>									
Interest rates - Government bond yields (3):										
Belgium.....	7.2	7.7	7.4	6.3	5.6	4.7	4.7	5.6	5.1	4.9
Canada.....	7.2	8.4	8.1	7.2	6.1	5.3	5.6	5.9	5.5	5.3
Denmark.....	7.3	7.8	8.3	7.2	6.3	5.0	4.9	5.7	5.1	5.1
Finland.....	8.8	9.0	8.8	7.1	6.0	4.8	4.7	5.5	5.0	5.0
France.....	6.8	7.2	7.5	6.3	5.6	4.6	4.6	5.4	4.9	4.9
Germany.....	6.5	6.9	6.9	6.2	5.7	4.6	4.5	5.3	4.8	4.8
Ireland.....	7.6	8.0	8.2	7.2	6.3	4.7	4.8	5.5	5.0	5.0
Italy.....	11.2	10.5	12.2	9.4	6.9	4.9	4.7	5.6	5.2	5.0
Netherlands.....	6.4	6.9	6.9	6.2	5.6	4.6	4.6	5.4	4.9	4.9
Norway.....	6.9	7.4	7.4	6.8	5.9	5.4	5.5	6.3	6.2	6.1
Spain.....	10.2	10.0	11.3	8.7	6.4	4.8	4.7	5.5	5.1	5.0
Sweden.....	8.5	9.5	10.2	8.0	6.6	5.0	5.0	5.4	5.1	5.3
Switzerland.....	4.6	5.0	4.5	4.0	3.4	3.0	3.0	3.9	3.4	3.2
United Kingdom.....	7.5	8.2	8.2	7.8	7.1	5.5	5.1	5.3	4.9	4.9
USA.....	5.9	7.1	6.6	6.4	6.4	5.3	5.6	6.0	5.0	4.6
Japan.....	4.3	4.4	3.4	3.1	2.4	1.5	1.7	1.7	1.3	1.3
Euro area.....	-	-	-	-	-	-	4.7	5.4	5.0	4.9

(1) Less high inflation countries.

(2) Rates published by IMF for short- and medium-term financing to the private sector.

(3) Yields published by OECD for long-term bonds.

Sources: OECD, IMF, ECB, Banca d'Italia. The 2002 figures are provisional.

TABLE III.2 – CORPORATE INCOME TAX RATES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	<i>as a % of taxable income</i>									
Belgium (1).....	39	39	39	39	39	39	39	39	39	33
Canada.....	38-46	38-46	38-46	38-46	38-46	38-46	38-46	38-46	35-43	33-41
Denmark.....	38	34	34	34	34	34	32	32	30	30
Finland.....	25	25	25	28	28	28	28	29	29	29
France.....	33	33	37	37	42	40	33	33	33	33
Germany (2).....	52-62	48-59	48-59	46-59	46-59	46-59	48-52	35-40	35-40	36-41
Ireland (3).....	40	40	38	38	36	36	24	24	16	13
Italy (4).....	52	53	53	53	53	37	37	37	36	36
Netherlands.....	35	35	35	35	35	35	35	35	35	35
Norway.....	28	28	28	28	28	28	28	28	28	28
Spain.....	35	35	35	35	35	35	35	35	35	35
Sweden.....	30	28	28	28	28	28	28	28	28	28
Switzerland.....	16-32	16-32	16-32	16-32	16-32	16-32	16-32	14-30	12-30	12-30
United Kingdom.....	33	33	33	33	31	31	30	30	30	30
USA (5).....	47	47	47	47	47	47	35	35	35	35
Japan (6).....	53	54	54	54	54	48	42	42	42	42

(1) Applicable to taxable income greater than BEF 13bn (€ 323,750 in 2001).

(2) Including municipal trade tax based on capital employed and on business income (effective rates ranged from 5% to 25% as from 1993, from 15% to 25% as from 1996 and from 13% to 20.5% as from 1999), deductible from taxable income. Excluding a 5.5% surcharge imposed on the corporate income tax assessed for 1998 and subsequent years (for 1995 through 1997 the rate of the surcharge was 7.5%).

(3) A special tax rate of 10% applies to all manufacturing companies in areas designated for regional incentives.

(4) Plus IRAP calculated from 1998 as 4.25% of value added.

(5) Including State and local taxes until 1998.

(6) Including corporate enterprise tax and corporate inhabitant tax. Corporate enterprise tax, payable to each prefecture in which business offices and factories are located, is included at the maximum rate and corporate inhabitant tax, payable to both prefectures and municipalities, is included at the rate applicable in Tokyo.

Source: based on Ernst & Young, *Worldwide Corporate Tax Guide* (various editions) and Coopers & Lybrand, *International Tax Summaries* (various editions).

TABLE III.3 – YEAR-END EXCHANGE RATES

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	vs. EUR (x 100)									
Belgium	2.4834	2.5618	2.6506	2.5153	2.4524	2.4789	2.4789	2.4789	2.4789	2.4789
European Union	XEU	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000
Finland	FIM	15.4743	17.2448	17.9414	17.3420	16.6982	16.8188	16.8188	16.8188	16.8188
France	FRF	15.2102	15.2353	15.9276	15.3619	15.1227	15.2449	15.2449	15.2449	15.2449
Germany	DEM	51.6550	52.6606	54.4442	51.8203	50.5924	51.1292	51.1292	51.1292	51.1292
Ireland	IEP	126.2946	126.1632	125.0135	134.9229	129.6188	126.9745	126.9745	126.9745	126.9745
Italy	ITL	0.0524	0.0503	0.0492	0.0527	0.0515	0.0516	0.0516	0.0516	0.0516
Netherlands	NLG	46.1710	47.0228	48.6447	46.1701	44.8910	45.3780	45.3780	45.3780	45.3780
Norway	NOK	11.9280	12.0578	12.3403	12.4986	12.3259	11.3094	12.3816	12.1455	12.5762
Spain	ESP	0.6290	0.6198	0.6429	0.6150	0.5977	0.6010	0.6010	0.6010	0.6010
Sweden	SEK	10.7501	10.9962	11.7936	11.7413	11.4724	10.5703	11.6788	11.3234	10.7513
Switzerland	CHF	60.4506	62.2440	67.8010	59.6705	62.3534	62.4092	62.3014	65.6513	67.4354
United Kingdom....	GBP	132.2497	127.3343	121.0648	136.2549	150.1265	142.7053	160.8493	160.2307	164.3385
USA	USD	89.2855	81.9134	78.0458	80.7101	90.6617	85.3755	99.5421	107.4691	113.4687
Japan	JPY	0.7990	0.8214	0.7565	0.6964	0.6997	0.7424	0.9734	0.9353	0.8671
	vs. EUR (index number)									
Belgium	BEF	100.0	103.2	106.7	101.3	98.8	99.8	99.8	99.8	99.8
Finland	FIM	100.0	111.4	115.9	112.1	107.9	108.7	108.7	108.7	108.7
France	FRF	100.0	100.2	104.7	101.0	99.4	100.2	100.2	100.2	100.2
Germany	DEM	100.0	101.9	105.4	100.3	97.9	99.0	99.0	99.0	99.0
Ireland	IEP	100.0	99.9	99.0	106.8	102.6	100.5	100.5	100.5	100.5
Italy	ITL	100.0	95.9	94.0	100.6	98.4	98.5	98.5	98.5	98.5
Netherlands	NLG	100.0	101.8	105.4	100.0	97.2	98.3	98.3	98.3	98.3
Norway	NOK	100.0	101.1	103.5	104.8	103.3	94.8	103.8	101.8	105.4
Spain	ESP	100.0	98.5	102.2	97.8	95.0	95.5	95.5	95.5	95.5
Sweden	SEK	100.0	102.3	109.7	109.2	106.7	98.3	108.6	105.3	100.0
Switzerland	CHF	100.0	103.0	112.2	98.7	103.1	103.2	103.1	108.6	111.6
United Kingdom....	GBP	100.0	96.3	91.5	103.0	113.5	107.9	121.6	121.2	124.3
USA	USD	100.0	91.7	87.4	90.4	101.5	95.6	111.5	120.4	127.1
Japan	JPY	100.0	102.8	94.7	87.2	87.6	92.9	121.8	117.1	108.5

TABLE III.4 – LIST OF COMPANIES

	2002 FINANCIAL YEAR			
	INDUSTRIAL COMPANIES	SALES	TOTAL ASSETS ⁽¹⁾	EMPLOYEES
		EUR m	EUR m	No.
BENELUX				
BELGIUM AND LUXEMBOURG				
1	ARCELOR ⁽²⁾	24,533	26,786	105,556
2	SOLVAY.....	7,918	8,469	30,757
3	AGFA-GEVAERT.....	4,683	3,703	20,221
4	UMICORE.....	3,172	2,053	8,338
5	COCKERILL SAMBRE ⁽³⁾	–	–	–
6	MINORCO ⁽⁴⁾	–	–	–
7	PETROFINA ⁽⁵⁾	–	–	–
	TOTAL	40,306	41,011	164,872
NETHERLANDS				
1	UNILEVER GROUP ⁽⁶⁾	48,270	24,324	258,000
2	PHILIPS ELECTRONICS.....	31,820	27,355	183,395
3	EADS ⁽⁷⁾	29,901	37,611	103,967
4	AKZO NOBEL.....	14,002	12,160	67,900
5	HEINEKEN.....	9,011	7,742	48,237
6	DSM.....	6,665	8,519	19,505
7	STMICROELECTRONICS ^(*) ⁽⁸⁾	6,017	10,986	43,170
8	NUTRECO HOLDING.....	3,810	1,617	13,237
9	CAMPINA MELKUNIE.....	3,707	1,372	6,872
10	CSM.....	3,418	1,826	12,944
11	OCE'.....	3,176	2,766	22,480
12	WESSANEN.....	2,830	1,061	11,070
13	GUCCI GROUP ⁽⁹⁾	2,544	5,671	10,558
14	HOOGOVS ⁽¹⁰⁾	–	–	–
	TOTAL	165,171	143,010	801,335
FRANCE				
1	TOTALFINAELF.....	102,540	84,418	121,469
2	PEUGEOT.....	54,436	53,584	198,600
3	RENAULT ^(*) ⁽¹¹⁾	36,336	51,916	132,351
4	SAINT - GOBAIN.....	30,274	22,713	171,256
5	ALSTOM.....	21,351	19,179	109,671
6	AVENTIS.....	20,622	19,929	78,099
7	ALCATEL.....	16,547	19,489	75,940
8	MICHELIN.....	15,645	15,827	126,285
9	LAFARGE.....	14,610	19,171	80,220
10	L'OREAL.....	14,288	8,672	50,491
11	GROUPE DANONE.....	13,555	10,857	92,209
12	LAGARDERE.....	13,216	12,282	45,826
13	LVMH.....	12,693	12,681	53,812
14	PECHINEY ⁽¹²⁾	11,909	7,434	33,499
15	THALES ^(*) ⁽¹³⁾	11,105	11,879	61,578
16	THOMSON ^(*) ⁽¹⁴⁾	10,187	7,531	65,104
17	VALEO.....	9,803	5,870	69,100
18	SCHNEIDER ELECTRIC.....	9,061	9,975	74,814
19	AREVA ^(*)	8,265	18,812	50,004
20	L'AIR LIQUIDE.....	7,900	9,853	30,800
21	SANOFI-SYNTHELABO.....	7,448	8,164	31,475
22	RHODIA.....	6,617	6,324	24,523

(cont.)

TABLE III.4 (cont.) – LIST OF COMPANIES

		2002 FINANCIAL YEAR		
<i>INDUSTRIAL COMPANIES</i>		<i>SALES</i>	<i>TOTAL ASSETS</i> ⁽¹⁾	<i>EMPLOYEES</i>
		<i>EUR m</i>	<i>EUR m</i>	<i>No.</i>
23	WORMS & C.IE.....	4,426	3,979	15,711
24	AEROSPATIALE MATRA ⁽⁷⁾	–	–	–
25	ELF AQUITAINE ⁽⁵⁾	–	–	–
26	USINOR ⁽¹⁵⁾	–	–	–
	TOTAL	452,834	440,539	1,792,837
GERMANY				
1	DAIMLERCHRYSLER ⁽¹⁶⁾	149,583	182,401	370,677
2	VOLKSWAGEN ⁽¹⁷⁾	86,948	101,160	323,865
3	SIEMENS.....	84,016	69,096	445,100
4	RWE.....	46,633	81,755	132,607
5	BMW.....	42,282	52,770	101,395
6	THYSSENKRUPP.....	37,209	27,469	191,254
7	E.ON.....	37,059	94,025	111,568
8	ROBERT BOSCH.....	34,977	24,841	225,897
9	BASF.....	32,216	31,621	89,902
10	BAYER.....	29,624	32,813	124,592
11	BERTELSMANN.....	18,312	13,170	80,632
12	MAN.....	16,040	11,172	76,346
13	RAG.....	13,025	17,180	83,720
14	CONTINENTAL.....	11,408	6,626	65,127
15	HENKEL.....	9,656	6,727	47,203
16	LINDE.....	8,726	8,960	46,521
17	MG TECHNOLOGIES.....	8,586	5,096	33,185
18	MERCK.....	7,473	5,672	34,504
19	INFINEON TECHNOLOGIES ⁽¹⁸⁾	5,207	10,364	30,423
20	BOEHRINGER MANNHEIM ⁽¹⁹⁾	–	–	–
21	DEGUSSA-HULS ⁽²⁰⁾	–	–	–
22	FRIED. KRUPP (HOESCH-KRUPP) ⁽²¹⁾	–	–	–
23	HOECHST ⁽²²⁾	–	–	–
24	PWA ⁽²³⁾	–	–	–
25	VIAG ⁽²⁴⁾	–	–	–
	TOTAL	678,980	782,918	2,614,518
IRELAND				
1	CRH.....	10,517	9,402	49,889
2	JEFFERSON SMURFIT GROUP.....	4,710	4,298	30,000
3	KERRY GROUP.....	3,755	1,782	18,617
4	GLANBIA.....	2,317	948	6,416
	TOTAL	21,299	16,430	104,922
ITALY				
1	FIAT.....	50,815	87,067	190,405
2	ENI (*).....	47,922	62,824	75,803
3	EDISON.....	12,174	13,137	29,060
4	FINMECCANICA (*).....	7,775	10,401	41,201
5	PARMALAT FINANZIARIA ⁽²⁵⁾	7,590	8,119	36,912
6	PIRELLI.....	6,297	8,953	37,709
7	EDIZIONE HOLDING.....	5,367	6,430	44,834
8	RIVA ACCIAIO.....	4,912	7,324	24,374

(cont.)

TABLE III.4 (cont.) – LIST OF COMPANIES

		2002 FINANCIAL YEAR		
<i>INDUSTRIAL COMPANIES</i>		<i>SALES</i>	<i>TOTAL ASSETS</i> ⁽¹⁾	<i>EMPLOYEES</i>
		<i>EUR m</i>	<i>EUR m</i>	<i>No.</i>
9	ITALCEMENTI.....	4,265	5,703	17,904
10	ERG.....	4,198	2,011	1,613
11	LUXOTTICA GROUP.....	3,132	1,670	35,554
12	COFIDE.....	2,582	3,361	11,253
13	MERLONI ELETTRODOMESTICI.....	2,480	2,168	16,520
14	BARILLA.....	2,475	2,065	7,243
15	RCS MEDIAGROUP.....	2,156	2,092	6,417
16	GIM.....	2,055	1,261	7,773
17	FILA HOLDING ⁽²⁶⁾	–	–	–
18	GFT ⁽²⁶⁾	–	–	–
19	ILVA ⁽²⁷⁾	–	–	–
20	ILVA LAMINATI PIANI ⁽²⁸⁾	–	–	–
21	R.C.S. EDITORI ⁽²⁶⁾	–	–	–
	TOTAL	166,195	224,586	584,575
JAPAN				
1	TOYOTA MOTOR.....	121,216	162,023	255,399
2	HITACHI.....	65,857	68,511	340,939
3	HONDA MOTOR.....	64,081	61,750	123,750
4	MATSUSHITA ELECTRIC INDUSTRIAL.....	59,506	53,091	289,778
5	SONY.....	55,599	60,560	164,550
6	NISSAN MOTOR.....	54,900	59,080	126,362
7	TOSHIBA.....	45,470	42,118	171,087
8	NEC.....	37,744	30,476	143,858
9	FUJITSU.....	37,125	31,867	157,044
10	MITSUBISHI MOTORS.....	31,232	19,166	45,275
11	MITSUBISHI ELECTRIC.....	29,255	29,544	113,236
12	NIPPON OIL.....	25,340	26,947	14,125
13	CANON.....	23,635	23,652	95,711
14	NIPPON STEEL.....	22,100	30,115	49,400
15	FUJI PHOTO FILM.....	20,146	21,698	72,601
16	JFE HOLDINGS.....	19,511	30,807	54,100
17	BRIDGESTONE.....	18,072	17,245	105,773
18	SANYO ELECTRIC.....	17,550	20,476	79,763
19	SUZUKI MOTOR.....	16,199	12,348	39,127
20	SHARP.....	16,103	15,267	46,576
21	SUMITOMO ELECTRIC INDUSTRIES.....	11,970	13,080	74,578
22	FUJI HEAVY INDUSTRIES.....	11,030	10,499	26,981
23	ASAHI GLASS.....	10,411	13,426	53,728
24	TOPPAN PRINTING.....	10,065	10,596	33,292
25	KAWASAKI HEAVY INDUSTRIES.....	9,969	9,148	28,642
26	SUMITOMO METAL INDUSTRIES.....	9,848	17,067	25,858
27	ASAHI KASEI.....	9,599	9,431	25,979
28	KOMATSU.....	8,763	10,266	30,713
29	MITSUBISHI OIL ⁽²⁹⁾	–	–	–
30	NKK ⁽³⁰⁾	–	–	–
	TOTAL	862,296	910,254	2,788,225

(cont.)

TABLE III.4 (cont.) – LIST OF COMPANIES

INDUSTRIAL COMPANIES	2002 FINANCIAL YEAR		
	SALES	TOTAL ASSETS ⁽¹⁾	EMPLOYEES
	EUR m	EUR m	No.
SCANDINAVIA			
DENMARK			
1 CARLSBERG	6,543	4,935	28,316
2 NOVO NORDISK	3,390	4,208	17,073
TOTAL	9,933	9,143	45,389
FINLAND			
1 NOKIA	30,016	21,587	44,765
2 STORA ENSO (*) ⁽³¹⁾	12,783	17,085	43,853
3 FORTUM (*)	11,148	17,794	14,053
4 UPM-KYMMENE	10,475	13,023	36,866
5 M-REAL	6,564	6,636	21,070
6 OUTOKUMPU (*)	5,558	5,954	20,279
7 METSO ⁽³²⁾	4,691	3,387	29,258
8 KONE	4,342	3,015	29,407
9 RAUTA RUUKKI (*)	2,884	2,491	13,325
10 KEMIRA (*)	2,612	2,270	10,377
11 IMATRAN VOIMA ⁽³³⁾	–	–	–
12 RAUMA ⁽³⁴⁾	–	–	–
13 REPOLA ⁽³⁵⁾	–	–	–
TOTAL	91,073	93,242	263,253
NORWAY			
1 STATOIL (*)	33,286	28,236	17,115
2 NORSK HYDRO (*)	22,395	28,043	42,615
3 KVAERNER	5,999	3,461	30,458
4 ORKLA	5,816	6,485	31,734
5 NORSKE SKOGINDUSTRIER	3,226	5,536	9,213
TOTAL	70,722	71,761	131,135
SWEDEN			
1 VOLVO ⁽³⁶⁾	20,343	24,274	70,546
2 LM ERICSSON	15,927	21,376	73,420
3 ELECTROLUX	14,547	8,795	81,971
4 SVENSKA CELLULOSA - SCA	9,620	10,090	43,374
5 SANDVIK	5,321	4,832	36,118
6 ATLAS COPCO	5,196	3,902	25,787
7 SCANIA	5,166	5,446	25,968
8 SKF	4,636	4,143	38,609
9 GAMBRO	3,013	2,333	20,804
10 ASTRA ⁽³⁷⁾	–	–	–
11 PHARMACIA ⁽³⁸⁾	–	–	–
12 STORA ⁽³⁹⁾	–	–	–
TOTAL	83,769	85,191	416,597
SPAIN			
1 REPSOL YPF	35,555	32,985	32,602
2 CEPSA - COMPANIA ESPANOLA DE PETROLEOS	9,407	4,920	10,222
3 ALTADIS	8,997	6,702	19,616
TOTAL	53,959	44,607	62,440

(cont.)

TABLE III.4 (cont.) – LIST OF COMPANIES

INDUSTRIAL COMPANIES	2002 FINANCIAL YEAR		
	SALES	TOTAL ASSETS ⁽¹⁾	EMPLOYEES
	EUR m	EUR m	No.
SWITZERLAND			
1 NESTLE'	61,388	41,581	254,199
2 NOVARTIS	22,316	39,267	74,022
3 ROCHE HOLDING	20,466	35,214	69,659
4 ABB	17,446	25,385	139,051
5 HOLCIM	8,958	15,351	51,115
6 CLARIANT	6,424	5,550	27,849
7 SYNGENTA INTERNATIONAL	5,910	7,354	22,364
8 SCHINDLER HOLDING	5,427	3,168	39,918
9 CIBA SPECIALTY CHEMICALS	4,878	6,690	19,007
10 LIEBHERR INTERNATIONAL	4,069	3,343	20,922
11 COMPAGNIE FINANCIERE RICHEMONT	3,651	4,566	14,978
12 SWATCH GROUP	2,708	3,098	20,341
13 CIBA-GEIGY ⁽⁴⁰⁾	–	–	–
14 SANDOZ ⁽⁴⁰⁾	–	–	–
TOTAL	163,641	190,567	753,425
UNITED KINGDOM			
1 ROYAL DUTCH/SHELL GROUP ⁽⁴¹⁾	171,099	141,123	111,000
2 BP	170,421	136,740	116,300
3 GLAXO SMITHKLINE	32,609	27,199	106,166
4 ASTRAZENECA	17,013	17,897	57,500
5 BRITISH AMERICAN TOBACCO	16,295	15,431	60,867
6 BHP BILLITON	15,167	28,169	51,037
7 ANGLO AMERICAN	14,441	29,218	177,000
8 DIAGEO	14,086	19,739	62,124
9 BAE SYSTEMS	12,415	14,106	69,400
10 CORUS GROUP	11,050	9,725	51,600
11 ICI	9,416	7,520	38,030
12 ROLLS - ROYCE	8,898	9,882	39,200
13 RIO TINTO	8,653	18,348	29,170
14 CADBURY SCHWEPPEs	8,145	6,069	42,848
15 INVENSYS	7,714	5,199	63,383
16 ASSOCIATED BRITISH FOODS	6,987	6,140	34,957
17 RMC GROUP	6,921	6,513	31,796
18 JOHNSON MATTHEY	6,647	2,543	7,375
19 THE BOC GROUP	5,623	7,223	45,256
20 BTR ⁽⁴²⁾	–	–	–
21 BURMAH CASTROL ⁽⁴³⁾	–	–	–
22 GLAXO WELLCOME ⁽⁴⁴⁾	–	–	–
23 GRAND METROPOLITAN ⁽⁴⁵⁾	–	–	–
24 GUINNESS ⁽⁴⁵⁾	–	–	–
25 REDLAND GROUP ⁽⁴⁶⁾	–	–	–
26 SMITHKLINE BEECHAM ⁽⁴⁴⁾	–	–	–
27 TRAFALGAR HOUSE ⁽⁴⁷⁾	–	–	–
28 WELLCOME ⁽⁴⁸⁾	–	–	–
TOTAL	543,600	508,784	1,195,009
NORTH AMERICA			
CANADA			
1 ONEX	21,601	14,251	98,000

(cont.)

TABLE III.4 (cont.) – LIST OF COMPANIES

INDUSTRIAL COMPANIES		2002 FINANCIAL YEAR		
		SALES	TOTAL ASSETS ⁽¹⁾	EMPLOYEES
		EUR m	EUR m	No.
2	BOMBARDIER.....	14,274	15,368	70,411
3	ALCAN ⁽¹²⁾	11,958	14,161	50,000
4	MAGNA INTERNATIONAL.....	11,845	8,949	70,800
	TOTAL.....	59,678	52,729	289,211
USA				
1	EXXONMOBIL.....	170,601	138,593	92,500
2	GENERAL MOTORS.....	148,731	139,336	350,000
3	FORD MOTOR.....	128,183	111,122	350,321
4	CHEVRONTXACO.....	87,427	66,804	66,804
5	IBM.....	77,416	86,749	315,889
6	GENERAL ELECTRIC.....	69,912	97,513	315,000
7	ALTRIA GROUP ⁽⁴⁹⁾	58,822	39,561	166,000
8	HEWLETT-PACKARD.....	53,526	48,402	141,000
9	BOEING.....	51,558	46,204	166,000
10	MERCK & CO.....	49,385	38,448	77,300
11	CONOCOPHILLIPS.....	48,166	57,809	57,300
12	PROCTER & GAMBLE.....	38,369	26,076	102,000
13	JOHNSON & JOHNSON.....	34,612	29,856	108,300
14	TYCO INTERNATIONAL.....	33,989	32,192	267,500
15	DELL COMPUTER.....	33,760	14,752	39,100
16	PFIZER ⁽⁵⁰⁾	30,870	41,630	98,000
17	UNITED TECHNOLOGIES.....	26,681	20,458	155,000
18	DOW CHEMICAL.....	26,327	34,100	50,000
19	DELPHI AUTOMOTIVE SYSTEMS.....	26,153	17,702	192,000
20	MARATHON OIL.....	25,950	16,610	28,237
21	INTEL.....	25,521	37,246	78,700
22	MOTOROLA.....	25,440	28,173	97,000
23	LOCKHEED MARTIN.....	25,344	16,632	125,000
24	PEPSI CO.....	23,946	17,407	142,000
25	INTERNATIONAL PAPER.....	23,816	27,121	91,000
26	E.I. DU PONT DE NEMOURS.....	22,891	28,936	79,000
27	ARCHER DANIELS MIDLAND.....	22,365	14,700	24,746
28	TYSON FOODS.....	22,282	7,380	120,000
29	GEORGIA-PACIFIC.....	22,190	15,533	61,000
30	HONEYWELL INTERNATIONAL.....	21,240	19,822	108,000
31	ALCOA.....	19,322	21,589	127,000
32	JOHNSON CONTROLS.....	19,169	7,787	111,000
33	CONAGRA.....	18,918	9,763	63,000
34	COCA-COLA.....	18,655	19,976	56,000
35	CISCO SYSTEMS.....	18,037	31,880	36,000
36	CATERPILLAR.....	17,782	15,652	70,973
37	VISTEON.....	17,541	10,651	77,000
38	BRISTOL-MYERS SQUIBB.....	17,278	17,265	44,000
39	ABBOTT LABORATORIES.....	16,864	15,835	71,819
40	SARA LEE.....	16,809	7,946	154,900
41	NORTHROP GRUMMAN.....	16,407	18,559	117,300
42	WEYERHAEUSER.....	15,992	22,636	56,787
43	RAYTHEON.....	15,982	11,659	76,400
44	3M.....	15,574	12,551	68,774

(cont.)

TABLE III.4 (cont.) – LIST OF COMPANIES

INDUSTRIAL COMPANIES		2002 FINANCIAL YEAR		
		SALES	TOTAL ASSETS ⁽¹⁾	EMPLOYEES
		EUR m	EUR m	No.
45	XEROX.....	14,159	22,441	67,800
46	WYETH.....	13,907	21,077	52,762
47	LEAR.....	13,755	4,409	114,136
48	PHARMACIA ⁽⁵⁰⁾	13,343	16,186	43,000
49	CONOCO ⁽⁵¹⁾	13,289	–	–
50	GOODYEAR TIRE & RUBBER.....	13,207	11,802	94,586
51	GENERAL DYNAMICS.....	13,187	7,186	53,900
52	EMERSON ELECTRIC.....	13,182	8,940	111,500
53	ANHEUSER-BUSCH.....	12,936	13,130	23,176
54	KIMBERLY-CLARK.....	12,936	12,536	63,900
55	EASTMAN KODAK.....	12,239	11,812	70,000
56	SUN MICROSYSTEMS.....	11,916	13,575	39,400
57	LUCENT TECHNOLOGIES.....	11,749	16,208	47,000
58	SOLETRON.....	11,706	8,439	73,000
59	TRW ⁽⁵²⁾	11,505	–	–
60	AMERADA HESS.....	11,378	11,714	11,662
61	DEERE & CO.....	11,160	11,826	44,060
62	ELI LILLY.....	10,564	18,068	43,700
63	COMPAQ COMPUTER ⁽⁵³⁾	7,369	–	–
64	UNITED STATES STEEL ⁽⁵⁴⁾	6,626	7,212	36,251
65	RJR REYNOLDS TOBACCO HOLDINGS ⁽⁵⁵⁾	5,923	5,214	9,300
66	NCR ⁽⁵⁶⁾	5,326	4,357	29,700
67	AVAYA ⁽⁵⁷⁾	4,726	3,562	18,800
68	AMOCO ⁽⁵⁸⁾	–	–	–
69	AMP ⁽⁵⁹⁾	–	–	–
70	AT&T ⁽⁶⁰⁾	–	–	–
71	ATLANTIC RICHFIELD ⁽⁴³⁾	–	–	–
72	CHEVRON ⁽⁶¹⁾	–	–	–
73	CHRYSLER ⁽⁶²⁾	–	–	–
74	DIGITAL EQUIPMENT ⁽⁶³⁾	–	–	–
75	HONEYWELL ⁽⁶⁴⁾	–	–	–
76	IBP ⁽⁶⁵⁾	–	–	–
77	LITTON INDUSTRIES ⁽⁶⁶⁾	–	–	–
78	MARTIN MARIETTA ⁽⁶⁷⁾	–	–	–
79	MCDONNELL DOUGLAS ⁽⁶⁸⁾	–	–	–
80	MOBIL ⁽⁶⁹⁾	–	–	–
81	NABISCO HOLDINGS ⁽⁷⁰⁾	–	–	–
82	PHARMACIA & UPJOHN ⁽⁷¹⁾	–	–	–
83	SCOTT PAPER ⁽⁷²⁾	–	–	–
84	TEXACO ⁽⁶¹⁾	–	–	–
85	TOSCO ⁽⁷³⁾	–	–	–
86	UNION CAMP ⁽⁷⁴⁾	–	–	–
87	WARNER-LAMBERT ⁽⁷⁵⁾	–	–	–
	TOTAL.....	1,955,891	1,777,273	6,243,283
TELECOMMUNICATIONS				
1	NTT - NIPPON TELEGRAPH AND TELEPHONE (JP) (*).....	87,814	146,394	207,400
2	VERIZON COMMUNICATIONS (US).....	64,485	115,122	229,500
3	DEUTSCHE TELEKOM (DE) (*) ⁽⁷⁶⁾	47,817	72,412	265,765
4	VODAFONE GROUP (GB).....	46,695	84,850	66,667

(cont.)

TABLE III.4 (cont.) – LIST OF COMPANIES

INDUSTRIAL COMPANIES	2002 FINANCIAL YEAR		
	SALES	TOTAL ASSETS (1)	EMPLOYEES
	EUR m	EUR m	No.
5 FRANCE TELECOM (FR) (*) (77).....	46,630	60,501	240,145
6 SBC COMMUNICATIONS (US).....	41,135	89,076	175,980
7 TELECOM ITALIA (IT).....	29,927	39,273	101,789
8 TELEFONICA (ES).....	28,411	52,924	157,504
9 AT&T (US) (78).....	47,763	47,763	94,400
10 SPRINT (US).....	25,397	34,565	77,950
11 BT GROUP (GB).....	22,876	43,042	107,400
12 KDDI (JP).....	22,392	20,107	13,341
13 BELLSOUTH (US).....	21,398	44,602	82,448
14 CHINA MOBILE HONG KONG (CN).....	14,794	28,583	59,633
15 QWEST COMMUNICATIONS INTERNATIONAL (US) ..	14,671	26,445	54,500
16 BCE - BELL CANADA ENTERPRISES (CA).....	11,944	17,257	66,266
17 ROYAL KPN (NL) (*) (79).....	11,788	16,258	40,195
18 TELSTRA (AU) (*).....	10,884	18,418	49,000
19 TELMEX - TELEFONOS DE MEXICO (MX).....	10,279	14,673	63,775
20 SWISSCOM (CH) (*) (80).....	10,001	10,612	20,910
21 NEXTEL COMMUNICATIONS (US).....	8,316	14,186	15,950
22 ALLTEL (US).....	7,612	9,772	25,348
23 TELIASONERA (SE) (*) (81).....	6,499	15,128	29,173
24 SONERA (FI) (82).....	2,240	–	–
25 AIRTOUCH COMMUNICATIONS (US) (83).....	–	–	–
26 AMERITECH (US) (84).....	–	–	–
27 GTE (US) (85).....	–	–	–
28 KDD (JP) (86).....	–	–	–
29 MCI COMMUNICATIONS (US) (87).....	–	–	–
30 NYNEX (US) (88).....	–	–	–
31 PAC-PACIFIC TELESIS GROUP (US) (89).....	–	–	–
32 US WEST (US) (90).....	–	–	–
TOTAL	619,786	1,021,963	2,245,039
UTILITIES			
1 VIVENDI UNIVERSAL (FR) (91).....	58,150	34,527	335,000
2 ELECTRICITE DE FRANCE (FR) (*).....	48,359	137,061	171,139
3 SUEZ LYONNAISE DES EAUX (FR).....	46,090	71,538	198,750
4 CENTRICA (GB).....	22,006	10,600	38,051
5 ENDESA (ES).....	16,739	42,622	26,528
6 GAZ DE FRANCE (FR) (*).....	14,546	27,126	37,853
7 NATIONAL GRID TRANSCO (GB) (92).....	14,450	35,375	28,940
8 EDISON INTERNATIONAL.....	10,955	31,109	14,836
9 POWERGEN (GB) (93).....	9,691	11,108	11,591
10 AES (US).....	8,231	30,884	36,000
11 SCOTTISH POWER (GB).....	8,108	17,799	15,490
12 UNION ELECTRICA FENOSA (ES).....	5,831	14,499	23,925
13 GAS NATURAL (ES).....	5,268	7,894	6,081
14 BG GROUP (GB) (94).....	4,012	9,180	4,491
15 ITALGAS (IT) (*).....	3,280	4,767	9,151
16 NIAGARA MOHAWK (US) (95).....	–	–	–
17 LATTICE GROUP (GB) (96).....	–	–	–
18 LG&E ENERGY (US) (97).....	–	–	–
19 NEW ENGLAND ELECTRIC SYSTEM (US) (98).....	–	–	–
20 UNITED STATES FILTER (US) (99).....	–	–	–
21 PACIFICORP (US) (100).....	–	–	–
TOTAL	275,716	486,089	957,826

(*) State-controlled company.

(1) Excluding intangibles.

(2) Arcelor's main shareholders as at 30/06/2003 are the government of Luxembourg with 5.9%, JMAC (Aristrain) with 4.1%, the Wallonia Region with 3.8% and the Flemish Region with 2.4%.

(3) Acquired by Usinor in 1999.

(4) Merged into Anglo American in 1999.

(5) Merged into TotalFinaElf in 1999.

(6) The Unilever Group was established in 1930 when Margarine Unie and Lever Brothers decided to merge their interests, whilst retaining their separate legal identities. Now known as Unilever NV and Unilever Plc respectively, these are the parent companies of the Group, with its corporate centre located in London and Rotterdam. Since 1930, NV and Plc have operated as nearly as is practicable as a single entity. They have the same directors and are linked by a series of agreements, in particular, the Equalisation Agreement which ensures that the position of shareholders in both companies is, as nearly as possible, the same as if they held shares in a single company.

(7) EADS (European Aeronautic Defence and Space Company) is the entity resulting from the merger between in July 2000 Aerospatiale Matra SA of France, Construcciones Aeronauticas SA of Spain and DaimlerChrysler Aerospace AG of Germany. As at 5/12/2003, EADS was controlled by a partnership made up of DaimlerChrysler (30.07%), SOGEADE (30.07%), which is owned by Lagardère SCA, together with French financial institutions and SOGEPa, a French state holding company and SEPI, a Spanish state holding company (5.50%).

(8) STMicroelectronics is owned as to 35.6% by ST Holding II, a wholly-owned subsidiary of ST Holding, which is jointly controlled by FT1CI (Areva Group 63.8% and France Télécom 36.2%) and Finmeccanica (controlled by the Italian government).

(9) PPR (Pinault-Printemps-Redoute) is the main shareholder owning 66.65% of the company's outstanding shares as at 31/08/2003.

(10) Merged into Corus Group in 1999.

(11) As at 31/12/2002 Renault's principal shareholders were as follows: French Government 25.91%, Nissan Finance Co. Ltd. 15%, own shares 3.61%, public 55.48%.

(12) Alcan (CA) acquired control of Pechiney (FR) at the end of 2003 following a public tender offer.

(13) As at 31/12/2002 Thales's principal shareholders were as follows: Public sector 31.85%, Alcatel 9.46%, Dassault 5.72%, own shares 5.59%, public 47.38%.

(14) TSA, a French government-owned holding company, was the company's largest shareholder at 28 February 2003 with a 20.8% shareholding.

(15) Merged into Arcelor in 2002.

(16) In 1998 Chrysler merged into Daimler-Benz to form DaimlerChrysler. This is a company domiciled in Stuttgart, Germany and has dual operational headquarters in Stuttgart and Auburn Hills, Michigan. Deutsche Bank and the Emirate of Kuwait are its core stockholders with 12% and 7% of the capital stock respectively.

(17) The Land of Lower Saxony is the largest shareholder, with 13.7% as at 31/12/2002. Own shares account for 9.8% of the company's share capital.

(18) Consolidated into Siemens until 2001. In December 2001 Siemens transferred 27.74% of the capital into Wachovia Trust Co. which according to the trust agreement is obliged not to exercise the voting rights attached to those shares. Siemens Group holds 12% of the capital as at 19/03/2003.

(19) Acquired by Roche in 1997.

(20) Acquired by E.ON in 1999 and then sold to RAG in January 2003.

(21) Merged into ThyssenKrupp in 1999.

(22) Merged into Aventis in 1999.

(23) Acquired by Svenska Cellulosa in 1995.

(24) Merged into E.ON in 2000.

(25) The company was placed into extraordinary administration during 2003. The original accounts have been included here, even though these were still under review at the time of going to press.

(26) Consolidated into RCS MediaGroup from 1997.

(27) Ilva was placed in liquidation at the end of 1993 and most of its assets were sold to Ilva Laminati Piani.

(28) Acquired by Riva Acciaio in 1995.

(29) Merged into Nippon Oil in 1999.

(30) Merged into JFE Holdings in 2002.

(31) The Finnish State is Stora Enso's largest shareholder, with 23.5% of the voting rights as at 31/12/2002.

(32) Metso's main shareholders are UPM-Kymmene with 14.6% and the Finnish government with 11.5% as at 31/12/2002.

(33) Merged into Fortum in 1998.

- (34) Merged into Metso in 1999.
- (35) Merged into UPM-Kymmene in 1996.
- (36) Renault is the main shareholder with 20% as at 31/10/2003.
- (37) Merged into AstraZeneca in 1999.
- (38) Merged into Pharmacia & Upjohn in 1995.
- (39) Merged into StoraEnso in 1998.
- (40) In 1996 Ciba-Geigy merged with Sandoz to form Novartis.
- (41) The Royal Dutch/Shell Group of companies derives from an alliance made in 1907 between Royal Dutch Petroleum Co. (incorporated in the Netherlands) and The "Shell" Transport and Trading Co. (incorporated in the U.K.) by which the two companies merged their interests on a 60:40 basis while keeping their separate identities. The United Kingdom is the country with the highest concentration of shareholders of the two parent companies.
- (42) Merged into Invensys in 1998.
- (43) Acquired by BP in 2000.
- (44) In 2000 Glaxo Wellcome merged with SmitKline Beecham to form GlaxoSmithKline.
- (45) In 1997 Grand Metropolitan merged with Guinness to form Diageo.
- (46) Acquired by Lafarge in 1997.
- (47) Merged into Kvaerner in 1996.
- (48) Merged into Glaxo Wellcome in 1995.
- (49) Effective as of 27/01/2003, Altria Group Inc. became the name of Kraft and Philip Morris's parent company.
- (50) In 2003 Pfizer acquired Pharmacia.
- (51) Merged into ConocoPhillips in August 2002. The sales figure given covers the six months ended 30 June 2002, prior to the acquisition.
- (52) Acquired by Northrop Grumman in December 2002. The sales figure given covers the nine months ended 30 September 2002, prior to the acquisition.
- (53) Acquired by Hewlett-Packard in May 2002. The sales figure given covers the three months ended 31 March 2002, prior to the acquisition.
- (54) Incorporated in 2001 on being spun off from Marathon Oil.
- (55) In 1999 this company, formerly RJR Nabisco, spun off its food and drink operations into Nabisco Holdings.
- (56) Incorporated in 1996 on being spun off from AT&T.
- (57) Incorporated in 2001 on being spun off from Lucent Technologies.
- (58) Merged into BP in 1998.
- (59) Merged into Tyco International in 1999.
- (60) In 1996 AT&T spun off its manufacturing operations to Lucent Technologies and NCR, continuing as a pure telecom's company.
- (61) In 2001 Texaco merged with Chevron to form ChevronTexaco.
- (62) Merged into DaimlerChrysler in 1998.
- (63) Merged into Compaq Computer in 1998.
- (64) Merged into Honeywell International in 1999.
- (65) Acquired by Tyson Foods in 2001.
- (66) Acquired by Northrop Grumman in 2001.
- (67) Merged into Lockheed Martin in 1994.
- (68) Merged into Boeing in 1997.
- (69) Merged with Exxon to form ExxonMobil in 1999.
- (70) Acquired by Altria Group in 2000.
- (71) Merged into Pharmacia (formerly Monsanto) in 2000.
- (72) Merged into Kimberly-Clark in 1995.
- (73) Acquired by ConocoPhillips in 2001.
- (74) Merged into International Paper in 1999.
- (75) Acquired by Pfizer in 2001.
- (76) At 31/12/2002 Deutsche Telekom's principal shareholders were the Federal Republic of Germany with 31% and Kreditanstalt für Wiederaufbau 12%.
- (77) The French State is the company's largest shareholder, with 56.5% as at 31/12/2002.
- (78) In 2002 AT&T spun-off AT&T Broadband which simultaneously combined with Comcast Corp.
- (79) The Dutch Government is the company's largest shareholder, with 31.4% as at 31/12/2002.
- (80) The Swiss Confederation is the company's largest shareholder, with 62.7% as at 31/12/2002.

- (81) The Swedish state owned 46% and the Finnish State owned 19.4% as at 31/12/2002.
- (82) Merged into TeliaSonera from 3/12/2002.
- (83) Merged into Vodafone Group with effect from 1/04/1999.
- (84) Merged into SBC Communications in 1998.
- (85) Merged into Verizon Communications (formerly Bell Atlantic) in 2000.
- (86) Merged into KDDI (formerly DDI) in 2000.
- (87) Taken over and consolidated by WorldCom with effect from 1/01/1998.
- (88) Merged into Verizon Communications (formerly Bell Atlantic) in 1997.
- (89) Merged into SBC Communications in 1997.
- (90) Merged into Qwest Communications International in 2000.
- (91) In December 2000 Vivendi Universal took over The Seagram Company Limited and Canal Plus. In December 2001 Vivendi sold Seagram's drinks business to Diageo and Pernod Ricard.
- (92) National Grid Group acquired The Niagara Mohawk in January 2002. In October 2002 it merged with the Lattice Group and changed its name to National Grid Transco.
- (93) Powergen was acquired by E.ON. in July 2002.
- (94) Its U.K. transmission and distributor business was spun off to the Lattice Group in 2000.
- (95) Acquired in January 2002 by National Grid Group (now National Grid Transco).
- (96) Merged into National Grid Group (now National Grid Transco) in 2002.
- (97) Acquired by Powergen at the end of 2000.
- (98) Acquired in 2000 by National Grid Group (now National Grid Transco).
- (99) Acquired in 1999 by Vivendi Universal.
- (100) Acquired in 1999 by Scottish Power.

TABLE III.5 – MULTINATIONAL MERGERS: 1/1/96 - 31/12/03
(Figures show total assets in previous year)

Combined entity	Total assets of combined entity (€ m) ⁽¹⁾	Total assets of merger constituents prior to merger (€ m)
1996		
Novartis (CH)	34,039	Ciba-Geigy (20,550); Sandoz (13,489)
UPM Kymmene (FI)	9,664	Repola (5,103); Kymmene (4,561)
Kvaerner (NO)	5,970	Kvaerner (3,124); Trafalgar House (2,846)
1997		
Bell Atlantic (US)	42,386	Nynex (22,325); Bell Atlantic (20,061)
SBC Communications (US)	28,801	SBC Communications (16,920); PAC-Pacific Telesis Group (11,881)
Boeing (US)	27,955	Boeing (18,618); McDonnell Douglas (9,337)
Roche (CH)	22,508	Roche (21,446); Boehringer Mannheim (1,062)
Diageo (GB)	18,728	Grand Metropolitan (9,993); Guinness (8,735)
Lafarge (FR)	11,055	Lafarge Coppee (7,074); Redland Group (3,981)
1998		
DaimlerChrysler (DE)	110,346	Daimler Benz (68,393); Chrysler (41,953)
BP Amoco (<i>now</i> BP) (GB)	76,827	BP-British Petroleum (47,372); Amoco (29,455)
SBC Communications (US)	56,500	SBC Communications (35,234); Ameritech (21,266)
WorldCom (US)	28,888	MCI Communications (21,002); WorldCom (7,886)
Compaq Computer (US)	21,769	Compaq Computer (13,265); Digital Equipment (8,504)
Invensys (GB)	16,802	BTR (11,641); Siebe (5,161)
StoraEnso (FI)	13,949	Stora (7,127); Enso (6,822)
Fortum (FI)	10,888	Imatran Voima (5,575); Neste (5,313)
1999		
ExxonMobil (US)	111,990	Exxon (76,177); Mobil (35,813)
TotalFinaElf (FR)	64,227	Elf Aquitaine (33,041); Total (21,704); Petrofina (9,482)
Veba (DE)	45,846	Veba (40,871); Degussa (4,975)
Vivendi Universal (FR)	45,506	Vivendi S.A. (40,538); United States Filter (4,968)
Aventis (FR)	36,880	Hoechst (20,872); Rhone Poulenc (16,008)
Nippon Mitsubishi Oil (<i>now</i> Nippon Oil) (JP)	28,263	Nippon Mitsubishi Oil (21,634); Mitsubishi Oil (6,629)
International Paper (US)	24,558	International Paper (20,260); Union Camp (4,298)
ThyssenKrupp (DE)	22,229	Thyssen (13,865); Fried. Krupp (8,364)
Anglo American (GB)	21,067	Anglo American (12,532); Minorco (8,535)
Scottish Power (GB)	19,456	Scottish Power (8,682); Pacificorp (10,774)
Usinor (FR)	16,195	Usinor (11,634); Cockerill Sambre (4,561)
Honeywell International (US)	15,740	Allied Signal (10,724); Honeywell (5,016)
Corus Group (GB)	14,571	British Steel (10,233); Hoogovens (4,338)
AstraZeneca (GB)	13,634	Zeneca Group (7,172); Astra (6,462)
Tyco International (US)	12,734	Tyco International (8,649); AMP (4,085)
Vodafone AirTouch (<i>now</i> Vodafone Group) (GB)	12,447	AirTouch Communications (7,718); Vodafone Group (4,729)
National Grid Group (GB)	11,252	National Grid Group (6,935); New England Electric System (4,317)
Metso (FI)	2,547	Metso (1,542); Rauma (1,005)

(cont.)

TABLE III.5 (cont.) – MULTINATIONAL MERGERS: 1/1/96 - 31/12/03
(Figures show total assets in previous year)

Combined entity	Total assets of combined entity (€ m) ⁽¹⁾	Total assets of merger constituents prior to merger (€ m)
2000		
Vodafone AirTouch (<i>now</i> Vodafone Group) (GB)	257,562	Vodafone AirTouch (210,973) ⁽²⁾ ; Mannesmann (46,589)
BP (GB)	114,553	BP Amoco (85,366); Atlantic Richfield (26,152); Burmah Castrol (3,035)
Verizon Communications (US)	106,464	Bell Atlantic (62,327); GTE (44,137)
E.ON (DE)	77,477	Veba (48,985); Viag (28,492)
Philip Morris (<i>now</i> Altria Group) (US)	43,301	Altria Group (38,220); Nabisco Holdings (5,081)
Qwest Communications (US)	29,654	US West (23,110); Qwest Communications (6,544)
Pfizer (US)	29,500	Pfizer (19,720); Warner Lambert (9,780)
EADS (NL)	28,889	Aerospatiale Matra (14,484); DaimlerChrysler Aerospace and Construcciones Aeronauticas (14,405)
GlaxoSmithKline (GB)	26,224	Glaxo Wellcome (15,857); SmithKline Beecham (10,367)
Pharmacia (US)	21,339	Monsanto (11,811); Pharmacia & Upjohn (9,528)
Powergen (GB)	13,395	Powergen (8,359); LG&E Energy (5,036)
2001		
ChevronTexaco (US)	74,840	Chevron (43,005); Texaco (31,835)
KDDI (JP)	34,038	DDI; KDD; IDO
Phillips Petroleum (<i>now</i> Conoco Phillips) (US)	30,947	Phillips Petroleum (21,912); Tosco (9,035)
Northrop Grumman (US)	9,414	Northrop Grumman (5,578); Litton Industries (3,836)
Tyson Foods (US)	7,934	Tyson Foods (4,210); IBP (3,724)
2002		
E.ON (DE)	100,632	E.ON (88,588); Powergen (12,044)
ConocoPhillips (US)	64,216	Phillips Petroleum (35,882); Conoco (28,334)
Hewlett Packard (US)	61,121	Hewlett Packard (36,115); Compaq Computer (25,006)
National Grid Transco (GB)	52,427	National Grid Group (38,108); Lattice Group (14,319)
National Grid Group (GB)	38,108	National Grid Group (25,075); Niagara Mohawk (13,033)
JFE Holdings (JP)	35,844	NKK (19,102); Kawasaki Steel (16,742)
Arcelor (LU)	30,546	Usinor (15,475); Arbed and Aceralia (15,071)
Northrop Grumman (US)	24,636	Northrop Grumman (12,571); TRW (12,065)
TeliaSonera (SE)	19,595	Telia (SE) (10,899); Sonera (FI) (8,696)
2003		
Pfizer (US)	57,816	Pfizer (41,630); Pharmacia (16,186)
Alcan (CA)	21,595	Alcan (14,161); Pechiney (7,434)

(1) Excluding intangibles.

(2) Includes 98.6% stake in Mannesmann amounting to € 163 bn, and increase of € 36 bn in goodwill following Vodafone/Air Touch merger.

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