

# Interim Financial Report

## Preliminary note

The interim consolidated financial report is in accordance with IAS 34 Interim Financial Reporting as at and for the six months period ended June 30, 2005.

## Consolidated Income statement

Expressed in thousands of euro. Prepared in accordance with International Financial Reporting Standards IFRS

| For the six months period ended June 30         | 2005           | 2004           |
|---|----------------|----------------|
| <b>Net turnover</b>                             | <b>296.590</b> | <b>280.708</b> |
| Cost of sales                                   | (204.692)      | (187.375)      |
| <b>Gross profit</b>                             | <b>91.898</b>  | <b>93.333</b>  |
| Marketing, selling and distribution costs       | (59.502)       | (51.336)       |
| Research & Development expenses                 | (2.990)        | (2.747)        |
| Administrative and general expenses             | (21.474)       | (22.238)       |
| Other operating income/expenses                 | 1.765          | 2.031          |
| <b>Operating profit before goodwill</b>         | <b>9.697</b>   | <b>19.043</b>  |
| Amortization of goodwill                        |                | (2.110)        |
| <b>Operating profit</b>                         | <b>9.697</b>   | <b>16.933</b>  |
| <b>Finance costs</b>                            | <b>(1.958)</b> | <b>(4.897)</b> |
| <b>Profit before tax and minority interests</b> | <b>7.739</b>   | <b>12.036</b>  |
| Income tax                                      | (2.371)        | (3.274)        |
| <b>Net profit from ordinary activities</b>      | <b>5.368</b>   | <b>8.762</b>   |
| Minority interests                              | (132)          | (383)          |
| <b>Net profit</b>                               | <b>5.236</b>   | <b>8.379</b>   |
| Basic Earnings per share (EURO)                 | 0,25           | 0,40           |
| Diluted earnings per share (EURO)               | 0,25           | 0,39           |

## Consolidated Balance Sheet

Expressed in thousands of euro. Prepared in accordance with International Financial Reporting Standards IFRS.

| As at                                 | 30 June 2005   | 31 December 2004 |
|---------------------------------------|----------------|------------------|
| Intangible fixed assets               | 10.609         | 9.983            |
| Goodwill                              | 39.725         | 37.485           |
| Tangible fixed assets                 | 249.801        | 229.239          |
| Other non current assets              | 5.830          | 6.248            |
| <b>Non current assets</b>             | <b>305.965</b> | <b>282.955</b>   |
| Inventories                           | 98.784         | 80.253           |
| Trade receivables                     | 157.087        | 119.579          |
| Other receivables                     | 8.522          | 7.590            |
| Cash & Cash equivalents               | 8.621          | 10.613           |
| Other current assets                  | 6.731          | 2.256            |
| <b>Current Assets</b>                 | <b>279.745</b> | <b>220.291</b>   |
| <b>Total assets</b>                   | <b>585.710</b> | <b>503.246</b>   |
| Issued capital                        | 8.499          | 8.499            |
| Consolidated reserves                 | 210.476        | 210.913          |
| Foreign currency adjustments          | -1.923         | -14.742          |
| <b>Shareholder's equity</b>           | <b>217.052</b> | <b>204.670</b>   |
| <b>Minority Interest</b>              | <b>1.711</b>   | <b>1.526</b>     |
| Provisions                            | 20.285         | 16.013           |
| Deferred tax liabilities              | 24.559         | 25.895           |
| Interest bearing loans and borrowings | 130.763        | 132.618          |
| <b>Non current liabilities</b>        | <b>177.318</b> | <b>176.052</b>   |
| Interest bearing loans and borrowings | 80.875         | 40.920           |
| Trade creditors                       | 87.258         | 62.853           |
| Taxes                                 | 4.808          | 700              |
| Other current liabilities             | 18.399         | 18.051           |
| <b>Current liabilities</b>            | <b>191.340</b> | <b>122.524</b>   |
| <b>Total equity &amp; liabilities</b> | <b>585.710</b> | <b>503.246</b>   |

The consolidated balance sheet as at 30 June 2004 can be found in the notes.

## Consolidated Cash flow statement

Expressed in thousands of euro. Prepared in accordance with International Financial Reporting Standards IFRS

| For the six months period ended June, 30   | 2005            | 2004            |
|--|-----------------|-----------------|
| <b>Operating activities</b>  |                 |                 |
| Net profit   | 5.236           | 8.379           |
| Depreciation   | 21.144          | 19.760          |
| Amortization   |                 | 2.111           |
| Write – offs on current assets   | 3.847           | 2.028           |
| Unrealized foreign exchange losses/(gains)   | (4)             | 216             |
| Interest income  | (408)           | (595)           |
| Interest expense   | 4.539           | 4.230           |
| Loss/(gain) on sale of tangible assets   | 175             | (115)           |
| Income taxes   | 2.372           | 3.274           |
| Minority interest  | 132             | 383             |
| Hyperinflation accounting adjustment   | 168             | (170)           |
| <b>Cash flow from operational activities before changes in working capital and provisions.</b> | <b>37.201</b>   | <b>39.501</b>   |
| Decrease/(increase) in trade and other receivables   | (41.366)        | (26.056)        |
| Decrease/(increase) in inventories   | (19.452)        | (27.248)        |
| Decrease/(increase) in other assets  | 1.097           | 183             |
| Increase/(decrease) in trade payables  | 24.405          | 29.722          |
| Increase/(decrease) in other liabilities   | 972             | (1.037)         |
| <b>Cash flow generated from operational activities</b>   | <b>2.857</b>    | <b>15.065</b>   |
| Interest paid  | (4.169)         | (3.586)         |
| Interest received  | 148             | 328             |
| Income taxes paid  | 329             | (2.838)         |
| <b>Cash flow from operating activities</b>   | <b>-835</b>     | <b>8.969</b>    |
| <b>Investing activities</b>  |                 |                 |
| Proceeds form sale of tangible assets  | 137             | 115             |
| Acquisition of (in)tangible assets   | (35.482)        | (29.639)        |
| Other acquisitions   |                 | (747)           |
| <b>Cash flow from investing activities</b>   | <b>(35.345)</b> | <b>(30.271)</b> |
| <b>Financing activities</b>  |                 |                 |
| New Borrowings   | 48.839          | 27.490          |
| Repayment of borrowings  | (10.739)        | (20.090)        |
| Dividends paid   | (5.022)         | (5.006)         |
| <b>Cash flow from financing activities</b>   | <b>33.078</b>   | <b>2.394</b>    |
| <b>Net variation in cash and cash equivalents</b>  | <b>(3.102)</b>  | <b>(18.908)</b> |
| Cash and cash equivalents as of January 1st  | 10.613          | 22.483          |

|   |       |       |
|---|-------|-------|
| Effect of exchange rate fluctuations on cash held     | 1.110 |       |
| Cash and cash equivalents as of June 30 <sup>th</sup> | 8.621 | 3.575 |

## onsolidated Statement of Changes in Equity

Expressed in thousands of euro. Prepared in accordance with International Financial Reporting Standards IFRS

For the six months period ended June 30 , 2004

|  | Issued<br>Capital | Reserves       | Net gain loss<br>in equity | Treasury<br>Shares | Exchange rate<br>Adjustments | Total<br>Equity |
|--|-------------------|----------------|----------------------------|--------------------|------------------------------|-----------------|
| <b>Balance as at December 31, 2003</b>             | <b>8.499</b>      | <b>213.919</b> | <b>(1.554)</b>             | <b>(6.605)</b>     | <b>(12.210)</b>              | <b>202.049</b>  |
| Net loss on available for sale<br>financial assets |                   |                | -136                       |                    |                              | -136            |
| Exchange rate adjustments                          |                   |                |                            |                    | 5.111                        | 5.111           |
| Net profit of the year                             |                   | 8.379          |                            |                    |                              | 8.379           |
| Dividends to shareholders                          |                   | (5.006)        |                            |                    |                              | (5.006)         |
| <b>Balance as at June 30, 2004</b>                 | <b>8.499</b>      | <b>217.292</b> | <b>(1.690)</b>             | <b>(6.605)</b>     | <b>(7.099)</b>               | <b>210.397</b>  |

For the six months period ended June 30, 2005

|   | Issued<br>Capital | Reserves       | Net gain loss<br>in equity | Treasury<br>Shares | Exchange rate<br>Adjustments | Total<br>Equity |
|---|-------------------|----------------|----------------------------|--------------------|------------------------------|-----------------|
| <b>Balance as at December 31, 2004</b>                            | <b>8.499</b>      | <b>218.856</b> | <b>(2.666)</b>             | <b>(5.277)</b>     | <b>(14.742)</b>              | <b>204.670</b>  |
| Loss on available for sale<br>financial assets & cash flow hedges |                   |                | -651                       |                    |                              | -651            |
| Exchange rate adjustments   |                   |                |                            |                    | 12.819                       | 12.819          |
| Net profit of the year  |                   | 5.236          |                            |                    |                              | 5.236           |
| Dividends to shareholders   |                   | (5.022)        |                            |                    |                              | (5.022)         |
| <b>Balance as at June 30, 2005</b>                                | <b>8.499</b>      | <b>219.070</b> | <b>(3.317)</b>             | <b>(5.277)</b>     | <b>(1.923)</b>               | <b>217.052</b>  |

## Notes to the Consolidated Interim Financial Statements

### Basis of presentation

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The consolidated interim financial statements have been prepared using the same accounting policies and methods of computation as in the December, 31 2004 annual financial statements, except for the following standards which have been adopted as of January ,2005, IAS32, IAS39, IFRS2 ,IFRS3, IAS38, IFRS5 and IAS 16. This interim financial report is in compliance with IAS 34, Interim Financial Reporting.

### Segment information

Expressed in thousands of euro for the six months period ended

| As at June 30, 2004                | Western Europe | North America  | Eastern Europe & Asia | Consolidated   |
|------------------------------------|----------------|----------------|-----------------------|----------------|
| Sales                              | 262.306        | 58.189         | 56.608                | 377.103        |
| Interco Sales                      | (95.214)       | (46)           | (1.135)               | (96.395)       |
| <b>External Sales</b>              | <b>167.092</b> | <b>58.143</b>  | <b>55.473</b>         | <b>280.708</b> |
| Proportion of Consolidated Sales   | 56,3%          | 19,6%          | 18,7%                 | 100%           |
| <b>Profit from operations</b>      | <b>18.946</b>  | <b>(1.280)</b> | <b>(733)</b>          | <b>16.933</b>  |
| <b>Proportion of segment sales</b> | <b>11,3%</b>   | <b>(2,2%)</b>  | <b>(1,3%)</b>         | <b>6,0%</b>    |

| As at June 30, 2005                | Western Europe | North America | Eastern Europe & Asia | Consolidated   |
|------------------------------------|----------------|---------------|-----------------------|----------------|
| Sales                              | 257.195        | 62.732        | 71.613                | 391.540        |
| Interco Sales                      | (93.130)       |               | (1.820)               | (94.950)       |
| <b>External Sales</b>              | <b>164.065</b> | <b>62.732</b> | <b>69.793</b>         | <b>296.590</b> |
| Proportion of Consolidated Sales   | 55,3%          | 21,2%         | 23,5%                 | 100%           |
| <b>Profit from operations</b>      | <b>8.882</b>   | <b>1.518</b>  | <b>(703)</b>          | <b>9.697</b>   |
| <b>Proportion of segment sales</b> | <b>5,4%</b>    | <b>2,4%</b>   | <b>(1,0%)</b>         | <b>3,3%</b>    |

### Seasonality of operations

Construction is seasoned, typical resulting in higher demand during spring and the summer season.

### Unusual items

The results were negatively influenced with €1,7 million as a result of the closing of the plant in Delph (U.K.) .

There were no other important unusual items affecting assets, liabilities, equity, net profit or cash flows during the six month period ended June, 30 2005.

### **Subsequent events**

There are no significant events subsequent to the end of the interim period that have not been reflected in the financial statements.

## Consolidated Balance Sheet as at June, 30 2004

Expressed in thousands of euro. Prepared in accordance with International Financial Reporting Standards IFRS

| <u>As at</u>                          | <u>June, 30 2004</u> |
|---------------------------------------|----------------------|
| Intangible fixed assets               | 5.858                |
| Goodwill                              | 45.265               |
| Tangible fixed assets                 | 231.392              |
| Other non current assets              | 7.645                |
| <b>Non current assets</b>             | <b>290.160</b>       |
| Inventories                           | 92.824               |
| Trade receivables                     | 138.213              |
| Other receivables                     | 6.362                |
| Cash & Cash equivalents               | 3.575                |
| Other current assets                  | 3.346                |
| <b>Current Assets</b>                 | <b>244.320</b>       |
| <b>Total assets</b>                   | <b>534.480</b>       |
| Issued capital                        | 8.499                |
| Consolidated reserves                 | 208.997              |
| Foreign currency adjustments          | -7.099               |
| <b>Shareholder's equity</b>           | <b>210.397</b>       |
| <b>Minority Interest</b>              | <b>1.441</b>         |
| Provisions                            | 15.243               |
| Deferred tax liabilities              | 24.835               |
| Interest bearing loans and borrowings | 121.292              |
| <b>Non current liabilities</b>        | <b>162.811</b>       |
| Interest bearing loans and borrowings | 60.760               |
| Trade creditors                       | 71.416               |
| Taxes                                 | 4.620                |
| Other current liabilities             | 24.476               |
| <b>Current liabilities</b>            | <b>161.272</b>       |
| <b>Total equity &amp; liabilities</b> | <b>534.480</b>       |



