

# ASTALDI Società per Azioni

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Registered offices: Via Giulio Vincenzo Bona 65, Rome

Share capital 113,043,750,000 Lire fully paid-up

Rome Company Register 00398970582 (Tax Number)

(previously registered 847/50 at the Court of Rome)

R.E.A. (Economic and Administrative Index) n°. 152353

VAT number 00880281001

Attachment "B"

## Consolidated financial statements at 31 December 2000

2000

1999

### BALANCE SHEET

#### ASSETS

A) <u>Subscribed capital unpaid</u>	---	---
B) <u>Fixed assets:</u>		
<i>I - Intangible fixed assets :</i>		
1) Formation and start-up	5,583,014,132	63,752,200
3) Patents and rights to use patents of others	2,434,060,504	2,056,279,867
4) Concessions, licenses, trademarks and similar rights	827	843
5) Goodwill	420,621,787	3,039,141,152
7) Other :		
a) Construction site installation costs	17,624,074,600	18,700,451,161
b) Cost of preparing tenders	2,108,411,407	2,601,835,624

c) Other	60,289,727,847	60,080,165,558
Total Other minor	80,022,213,854	81,382,452,343
<i>Total I - Intangible fixed assets</i>	88,459,911,104	86,541,626,405
<i>II - Tangible fixed assets:</i>		
1) Land and buildings	87,978,104,205	51,137,790,787
2) Plant and machinery		
a) Specific facilities	38,453,037,499	42,520,142,444
b) Generic facilities	12,336,743,412	14,038,386,046
Total plant and machinery	50,789,780,911	56,558,528,490
3) Tools, fittings, fixtures and other equipment		
a) Excavators, power shovels, heavy vehicles	30,770,157,023	23,342,784,751
b) Light vehicles, ships, planes	3,860,615,427	4,471,665,080
c) Sundry small equipment	1,082,096,714	1,118,169,115
d) Light constructions	3,900,841,527	4,649,857,922
e) Metal sheet pile and shuttering	1,466,651,804	1,973,612,160
Total tools, fittings, fixtures and other equipment	41,080,362,495	35,556,089,028
4) Other		
a) Furniture, fittings and office machines	3,150,527,263	2,276,886,778
b) Electronic machines and office systems	2,147,163,971	2,544,204,989
Total Other	5,297,691,234	4,821,091,767
5) Tangible fixed assets under construction and payments on	1,217,571,364	319,136,380
<i>Total II - Tangible fixed assets</i>	186,363,510,209	148,392,636,452
<i>III- Investments</i>		
1) Equity interests in:		
a) Subsidiary companies	8,332,375,736	3,832,446,456

b) Associated companies	45,739,879,532	49,270,798,475
c) Other companies	4,654,304,127	3,484,369,897
2) Loans :		
a) subsidiary companies	1,177,597,491	746,304,716
b) associated companies	4,301,273,233	10,168,694,075
c) other equity interests	735,428,392	651,452,392
d) other loans	- - -	1,013,424,953
3) Other investments	- - -	- - -
4) Treasury stock	699,840,000	699,840,000
<i>Total III - Investments</i>	65,640,698,511	69,867,330,964
<b>Total Fixed Assets B)</b>	<b>340,464,119,824</b>	<b>304,801,593,821</b>
C) <u>Current assets :</u>		
<i>I - Inventory</i>		
1) Raw materials and consumables	44,590,513,313	50,542,579,185
2) Work in progress and components	33,593,135,454	17,591,606,582
3) Contracts in progress	430,002,137,619	373,575,511,475
4) Finished products and goods for resale	44,174,322,670	53,481,682,615
5) Advances to suppliers	6,241,855,489	2,067,010,156
6) Assets and materials in transit	1,243,975,942	1,987,200,163
<i>Total I - Inventory</i>	559,845,940,487	499,245,590,176
<i>II - Accounts receivable</i>		
1) Trade receivables		
Within the next financial year	430,415,218,616	390,398,672,534
Beyond the next financial year	10,429,983,127	11,619,281,327
Total Trade receivables	440,845,201,743	402,017,953,861

2) Amounts owed by subsidiary companies	104,802,333,931	75,239,014,779
3) Amounts owed by associated companies	103,250,918,898	154,523,729,876
5) Other amounts receivable		
a) Tax authorities		
Within the next financial year	64,009,899,990	43,221,431,312
Beyond the next financial year	3,280,158,779	3,053,599,616
Total Amounts receivable from tax authorities	67,290,058,769	46,275,030,928
b) Personnel	2,300,388,422	1,514,029,369
c) Social security institutions	4,486,479,866	6,037,435,535
d) Caution money		
Within the next financial year	---	---
Beyond the next financial year	1,521,160,432	3,506,675,724
Total caution money	1,521,160,432	3,506,675,724
e) Amounts owed by other equity interests	3,404,880,228	2,738,388,183
f) Sundry receivables	105,171,391,808	211,454,368,687
Total other receivables	184,174,359,525	271,525,928,426
Total II - Accounts receivable	833,072,814,097	903,306,626,942
III- Investments which are not permanent		
6) Other investments	167,609,945,772	149,812,150,430
IV- Cash at bank and in hand		
1) Bank and postal accounts	131,805,787,728	69,977,739,639
2) Checks to be deposited	---	---
3) Cash on hand	821,542,687	1,383,173,019
Total IV - Cash at bank and in hand	132,627,330,415	71,360,912,658
<b>Total Current Assets C)</b>	<b>1,693,156,030,771</b>	<b>1,623,725,280,206</b>

D) <u>Prepayments and accrued income</u>	8,326,502,534	7,863,859,449
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**TOTAL ASSETS**

**2,041,946,653,129   1,936,390,733,476**

**LIABILITIES**

A) Stockholders' equity

I - Share capital	113,043,750,000	100,000,000,000
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II - Share premium account	16,956,875,000	- - -
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III - Revaluation reserves

1) Revaluation reserve as per Law 19/03/83 n°.72	19,685,409	19,685,409
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2) Reserve as per Law 413/91	- - -	- - -
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Total Revaluation reserves	19,685,409	19,685,409
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B)	<u>Provisions for contingencies and charges</u>		
3)	Other		
	a) for contractual liabilities	182,290,872,994	229,211,896,602
	b) for equity interest liabilities	1,735,724,277	---
		<b>184,026,597,271</b>	<b>229,211,896,602</b>
C)	<u>Employee severance indemnity</u>	24,612,717,198	26,295,714,551
D)	<u>Debts and other amounts payable</u>		
1)	Debenture loans		
	Within the next financial year	---	---
	Beyond the next financial year	77,000,983,600	7,000,000,000
	Total debenture loans	77,000,983,600	7,000,000,000
3)	Amounts owed to banks		
	Within the next financial year	267,630,796,416	228,427,114,596
	Beyond the next financial year	271,641,443,004	171,672,215,562
	Total amounts owed to banks	539,272,239,420	400,099,330,158
4)	Amounts owed to other financiers		
	Within the next financial year	31,870,579,938	42,731,853,143
	Beyond the next financial year	35,829,249,351	---
	Total amounts owed to other financiers	67,699,829,289	42,731,853,143
5)	Advances received		
	Within the next financial year	117,292,848,243	143,896,600,893
	Beyond the next financial year	70,694,520,055	97,689,899,064
	Total advances received	187,987,368,298	241,586,499,957
6)	Amounts owed to suppliers		
	Within the next financial year	287,694,727,160	261,524,199,610

Beyond the next financial year	7,553,921,221	8,030,681,438
Total amounts owed to suppliers	295,248,648,381	269,554,881,048
7) Debts represented by bills of exchange		
Beyond the next financial year	- - -	41,545,451
8) Amounts owed to subsidiary companies	127,244,327,774	123,586,089,587
9) Amounts owed to associated companies	144,832,090,814	179,435,768,523
10) Amounts owed to parent companies	269,381,996	4,664,992,305
11) Amounts owed to tax authorities		
Within the next financial year	22,731,219,378	19,902,719,363
Beyond the next financial year	- - -	- - -
Total amounts owed to tax authorities	22,731,219,378	19,902,719,363
12) Amounts owed to social security institutions	9,387,074,372	9,142,236,464
13) Other amounts payable		
a) Other equity interests	8,353,272,039	7,104,952,774
b) deposits and caution money		
Beyond the next financial year	36,200,144	37,387,887
c) Personnel	11,707,151,946	9,057,448,118
d) Sundry	75,456,136,045	152,126,881,169
Total Other amounts payable	95,552,760,174	168,326,669,948
<b>Total Amounts payable D)</b>	1,567,225,923,496	1,466,072,585,947
E) <u>Accruals and deferred income</u>	15,862,045,245	14,493,682,452
<b>TOTAL LIABILITIES</b>	<b>2,041,946,653,129</b>	<b>1,936,390,733,476</b>
<b>MEMORANDUM ITEMS</b>		
A) <u>Personal guarantees</u>		
1) Guarantees for credit lines		

- For subsidiary companies	109,421,922,151	132,200,374,895
- For associated companies	205,907,533,371	222,717,745,564
- For third parties	7,461,500,000	5,152,000,000
Total guarantees for credit lines	322,790,955,522	360,070,120,459
2) Guarantees for works		
- For subsidiary companies	375,348,906,681	217,729,797,243
- For associated companies	1,250,688,834,861	1,000,338,909,821
- For third parties	787,209,025,017	971,300,726,267
Total guarantees for works	2,413,246,766,559	2,189,369,433,331
3) Other guarantees	398,481,289,643	567,937,636,237
<b>T o t a l A)</b>	3,134,519,011,724	3,117,377,190,027
B) <u>Other memorandum items</u>		
- Leased assets of others	- - -	49,044,869,290
- Risk of recourse from factors	79,302,136,516	56,585,183,476
<b>T o t a l B)</b>	79,302,136,516	105,630,052,766
C) <u>Collateral security</u>	160,000,000,000	- - -
D) <u>Third party guarantees in our favor</u>	58,405,854,042	24,741,771,258
<b>TOTAL MEMORANDUM ITEMS</b>	<b>3,432,227,002,282</b>	<b>3,247,749,014,051</b>

#### INCOME STATEMENT

##### A) Value of production:

1) Revenues from services		
- from tenders	1,326,777,597,797	1,442,171,619,959
2) Change in finished goods and work in progress inventory	16,001,528,872	14,454,854,891
3) Variation in contracts in progress	50,020,677,570	16,392,038,105
5) Other revenues and income	218,350,848,674	232,994,643,642



	<b>T o t a l A)</b>	<b>1,611,150,652,913</b>	<b>1,706,013,156,597</b>
<b>B) <u>Cost of production</u></b>			
6) For raw materials and consumables	207,282,391,252	201,019,821,393	
7) For services	892,356,529,458	965,494,359,453	
8) For use of assets owned by others	25,846,868,670	53,904,013,017	
9) For personnel			
a) Wages and salaries	124,434,520,014	122,765,336,689	
b) Social security costs	40,286,207,752	36,626,113,624	
c) Provision for severance indemnity	8,021,259,238	8,983,057,331	
e) Other personnel costs	17,493,644,551	17,562,951,076	
	<b>Total personnel costs</b>	<b>190,235,631,555</b>	<b>185,937,458,720</b>
10) Value adjustments			
a) Amortization of intangible fixed assets	31,044,330,714	42,444,083,015	
b) Depreciation of tangible fixed assets	37,034,852,022	32,474,513,151	
d) Allowance for doubtful accounts receivable balances	5,817,496,828	2,115,774,858	
	<b>Total cost of value adjustments</b>	<b>73,896,679,564</b>	<b>77,034,371,024</b>
11) Change in raw materials, consumables and goods for sale	9,799,942,097	9,070,764,769	
12) Amounts provided for contingencies	22,268,986,042	57,436,555,698	
13) Other accruals	788,588,548	4,191,842,080	
14) Other operating costs	71,764,688,437	72,918,348,670	
	<b>T o t a l B)</b>	<b>1,494,240,305,623</b>	<b>1,627,007,534,824</b>
	<b>Difference between value and cost of production (A-B)</b>	<b>116,910,347,290</b>	<b>79,005,621,773</b>
<b>C) <u>Financial income and charges</u></b>			
15) Income from equity interests			
a) from subsidiary companies	---	2,147,968,902	

b) from associated companies	10,954,154,752	352,879,154
c) from other equity interests	19,354,707	306,689,038
16) Other financial income		
c) From other investments classified as current assets	7,114,627,041	19,217,123
d) Other income not included above		
- from subsidiary companies	841,899,785	1,504,297,788
- from associated companies	4,883,417,331	996,689,627
- from others	10,491,745,904	30,155,029,820
17) Interest payable and similar charges		
- to subsidiary companies	- 150,890,272	- 13,198,512
- to associated companies	- 319,980,561	- 31,430,424
- to others for charges on investments	- 7,705,255,770	- 29,838,891,046
- to others for other financial charges	- 62,188,807,271	- 55,170,893,293
<b>Total (15+16-17)</b>	<b>- 36,059,734,354</b>	<b>- 49,571,641,823</b>
<i>D) Value adjustments in respect of investments</i>		
18) Revaluations		
a) Of equity interests	- - -	154,596,828
19) Devaluations		
a) Of equity interests	- 33,876,906,117	- 1,691,424,086
<b>Total value adjustments (18 + 19 )</b>	<b>- 33,876,906,117</b>	<b>- 1,536,827,258</b>
<i>E) Extraordinary income and charges</i>		
20) Income		
a) sundry income	17,638,696,280	14,500,003,304
21) Charges		
a) sundry charges	- 21,170,660,521	- 7,845,467,380

b) extraordinary losses	- 1,922,123	- 2,625,797
<b>Total of the extraordinary items (20-21)</b>	<b>- 3,533,886,364</b>	<b>6,651,910,127</b>
<b>Pre-tax profit (loss) (A-B+-C+-D+-E)</b>	43,439,820,455	34,549,062,819
22) Taxation	- 21,416,077,922	- 13,204,231,342
<b>23) Profit (loss) for the year</b>		
a) consolidated	22,023,742,533	21,344,831,477
b) minority interest profit/loss for the year		
- profit		- 12,270,232
- loss	242,736,277	- - -
<b>26) Group profit (loss) for the year</b>	<b>22,266,478,810</b>	<b>21,332,561,245</b>

## Notes to the Consolidated Financial Statements

### Basis of Presentation

Astaldi S.p.A. has drafted the consolidated financial statements in accordance with the principles established in Law 127/91, which applies EEC Directive VII, even though it was not obliged to, in that the Group consolidated financial statements are prepared by its parent company FIN.AST. S.r.l.

The financial statements include the cash flow statement, the reconciliation between the parent company financial statements and the consolidated financial statements and the movements in the items of the consolidated stockholders' equity.

We specify that the reference date of the consolidated financial statements coincides with the financial year of Astaldi S.p.A. and most of the subsidiary companies included in the consolidation. The financial statements of the latter have been appropriately reclassified and adjusted so as to con-

form to the Group accounting policies and valuation criteria. In those cases where the financial year of the consolidated companies does not coincide with the calendar year, infra-year financial statements have been drafted by the directors which reflect the normal operations of the Group.

In some cases, which are pointed out in the notes below, items and components of the balance sheet and income statement have been reclassified to clarify the presentation.

### **Consolidation policies**

The main consolidation policies adopted are the following:

- the accounting value of the equity interests held by the parent company and included in the consolidation area has been eliminated and substituted with the stockholders' equity of the consolidated companies, taking on their assets and liabilities. Any higher amount paid compared to the book stockholders' equity of the company invested in at the date of purchase is attributed to the individual items of the assets and liabilities to which the higher amount refers. Any residual positive difference is stated in the consolidation difference item; any residual negative difference is accounted for in the consolidation provision for future contingencies and charges against estimated future losses or in the consolidation reserve included in the stockholders' equity. The transfer of any profit/loss is charged to the retained earnings item;
- the items of accounts payable, accounts receivable, costs and income, dividends received and losses provided for and any other transactions between companies included in the consolidation area have been eliminated;

- also eliminated are the value adjustments and the provisions made exclusively in the application of tax regulations;
- the portions of stockholders' equity and profit/loss for the year pertaining to minority interests are stated in a specific item of the stockholders' equity and the income statement. Moreover, in the event of losses sustained by companies included in the consolidation area in which there are third party stockholders, the portion of the loss attributed to the latter does not exceed the relative portion of their stockholders' equity except in those cases where said minority stockholders have undertaken to cover the losses pertaining to them.

### **Consolidation area**

The consolidation area, other than the Parent Company Astaldi S.p.A., comprises:

- a) companies or other legal entities in which the Parent Company directly or indirectly holds more than 50% of the share capital or over which it exercises effective control; these companies are consolidated with the global integration method;
- b) companies or other legal entities over which the Parent Company exercises joint control with other stockholders; these companies are consolidated with the proportional integration method.

The permanent equity interests in important associated companies over which the Group exercises its own influence are valued with the equity method.

Excluded from the consolidation area are the controlling equity interests in consortia and consortium companies which, by re-charging costs and in-

come to the members, do not present their own profits/losses and the relative financial statements of which, after eliminating related party assets and liabilities, have no significant assets.

Finally, the permanent equity interests in non-consolidated subsidiary companies and in associated companies, the size of which is not relevant, and the other equity interests are valued at cost.

Companies in liquidation are valued at cost, adjusted to take into account the liquidation costs.

The financial statements approved by the annual general meetings of the stockholders have been used for the consolidation or, in their absence, the draft financial statements approved by the Boards of Directors.

The list of the consolidation area is attached hereto.

#### **Accounting policies and valuation criteria**

The accounting policies and valuation criteria adopted comply with the provisions of Article 2426 of the Civil Code and reflect the policies established by the *Consigli Nazionali dei Dottori Commercialisti e dei Ragionieri* (Italian Accountants Association) and are unchanged with respect to the previous year. Moreover, so as to better present the financial situation, we highlight the following:

- ◇ leased assets are stated in compliance with I.A.S. 17, which envisages stating the asset among the tangible fixed assets, along with depreciation, and the amount owed to the lessor, along with the relative financial charges. In previous years, these assets were stated in accordance with the then standard Italian practice of charging the leasing installments to the income statement. The effects of this change in the

valuation criteria compared to the initial stockholders' equity are stated under extraordinary income;

- ◇ the consolidation reserve, where the transfer of any profit/loss flowed until last year, has been reclassified in the stockholders' equity items retained earnings and revaluation reserves;
- ◇ accounts receivable sold with recourse have been removed from the balance sheet and the amount of the recourse liability is stated in the memorandum items. In previous years, these accounts receivable were not removed and an amount owed to the factor was entered. The balances of the previous years have consequently been reclassified on the basis of the principle stated above.

There have been no derogations as per Articles 2423 and 2423 bis of the Civil Code. We also highlight that the items represented by Arabic numbers which have a zero balance in this and the previous year have not been included in the financial statements; consequently, the numbering is not consecutive.

The accounting policies and valuation criteria adopted are the following.

Intangible fixed assets.

The intangible fixed assets are costs and expenses with a useful life of more than one year and are accounted for and stated on the basis of the cost actually incurred, including any directly chargeable accessory charges. Their amount is stated in the financial statements net of direct accumulated amortization, calculated on the residual outstanding useful life of the individual items; in particular:

- formation and start-up costs, which are the charges sustained by the

parent company and other equity interests for the incorporation and issues of new shares and are amortized on a straightline basis over five years;

- the costs relating to the purchase of rights to use patents of others and licenses, trademarks or similar rights are charged to the income statement on the basis of the estimated useful life;
- the value of the concession rights indicated in the financial statements expresses the symbolic valuation of the concession right relating to car spaces in the "Palazzo" multi-storey car park in Turin. Car spaces for sale are charged to the income statement in the year of sale, while car spaces rented *in rotation* are stated proportionally to the duration of the concession;
- the goodwill item, fully amortized in 2000, represented the inherent value of the companies of the former Gruppo Dipenta Costruzioni S.p.A. (GDC) incorporated by GDC in 1990. The overall initial amount was reduced by the accumulated amortization of the previous years and the year in question, taking into account the resolution of the Board of Directors on 6 December 1999;
- construction site installation costs show the costs incurred for planning and organizing awarded contracts and are charged to the income statement according to the progress of the contract;
- costs of preparing tenders, for participating in tenders, (awaiting the formal awarding), have been stripped of the charges for which there is no reasonable certainty regarding the awarding of the contract by charging them to the income statement;



- other intangible fixed assets are mainly ascribable to the value of the contractual rights acquired for current projects both in Italy and abroad, to expenses for studies and planning and to other sundry fixed assets.

As concerns the amortization criteria of the expenses included in this item, we state below the different methods used:

- The value of the contractual rights is charged according to the progress of the relative contracts, in compliance with current regulations;
- The expenses for studies and planning and the costs for improvements and additional expenses on third party assets are amortized on a straightline basis over the shorter period between the residual duration of the contract and 5 years.

#### Tangible fixed assets

The valuation of the *Tangible fixed assets*, representing real property and plant, machinery and equipment used for the business activity, has been made on the basis of the purchase price and the construction cost, including directly chargeable accessory charges. For some real property (land and buildings), as well as plant, machinery and equipment, some appropriate and permitted revaluations have been made on the basis of Laws n°. 72 of 19 March 1983 and n°. 413 of 30 December 1991.

Modernization and improvements costs which extend the economic life of the assets are added to their value.

As stated above, from this year, the balance of the tangible fixed assets also includes the leased assets.

Depreciation is calculated on a straightline basis over the residual useful

life, within the limits of the tax rates deemed representative of the estimated useful life of the assets. The depreciation rates are reduced by 50% for assets purchased during the year.

#### Equity interests

Equity interests are valued with the equity and cost methods on the basis of the criteria indicated in the "Consolidation area" paragraph above. Those equity interests valued according to the equity method are stated for an amount equal to the corresponding fraction of the stockholders' equity of the company invested in, after making the adjustments required by the presentation policies of the consolidated financial statements.

Those equity interests valued according to the cost method, including directly chargeable accessory charges, may be adjusted to reflect any impairment.

Dividends are stated on an accrual basis when the right to collection occurs, pursuant to the resolution passed by the general meeting of the companies in which an equity interest is held (or by the Board of Directors in the event of subsidiary companies) to distribute the profit or any of the reserves. This is on condition that the date of approving the financial statements of the company in which an equity interest is held and the relative resolution to distribute the profits be prior to the approval of the financial statements of the beneficiary company.

#### Accounts receivable and accounts payable

Accounts receivable are stated at their estimated realizable value by appropriate allocations adjusting the nominal values. Accounts payable are stated at their nominal value.

### Foreign currency transactions

Accounts receivable and accounts payable in currencies other than Lire are stated at the exchange rate applicable at the date of entry. At the end of the financial year, the balances are reflected in the financial statements at the year end exchange rate.

The balances of the foreign consolidated companies and of the foreign stable organizations (the accounts of the latter are kept using a multi-currency accounting system) are converted into Italian Lire according to the following criteria:

- ◇ assets and liabilities at the exchange rate in force at the year end;
- ◇ income statement items at the average exchange rate for the year;
- ◇ components of stockholders' equity at the exchange rates in force at the relative time of formation.

Exchange rate differences arising from the conversion of the final stockholders' equity at the historical formation exchange rates compared to those in force at the date of the financial statements, including the difference arising from the profit/loss expressed at average exchange rates, are charged directly to the stockholders' equity under the conversion reserve or loss item.

### Raw materials and consumables inventory

Are valued at the average purchase cost which is however lower than current market prices.

### Work in progress and components

Work in progress is valued at construction cost, taking into account the realizable values.

#### Contracts in progress

The valuation of *contracts in progress* - awarded by contracting parties for works beyond one year - was made with specific reference to the physical progress of works which were not audited at the year end, but identified with reasonable certainty and by applying the consideration contractually agreed. This valuation also took account of the auditors' fees. For contractual reserves, the valuation made focused on positive outcomes of the disputes with the contracting bodies which can reasonably expected, on the basis of certain technical and legal aspects.

Works beyond one year awarded by contracting parties were valued on the basis of the execution costs actually sustained.

#### Finished products and goods for resale.

State the construction cost of the building projects awaiting to be billed.

#### Investments.

Investments are stated at the lower of purchase cost, including accessory charges, and the market value assessed on the basis of the prices on regulated markets or other financial market indicators.

#### Cash at bank and in hand

This item is the amount of available cash at the year and the balances of the bank accounts.

#### Accruals and deferrals

These are calculated on an accrual basis.

#### Provision for contractual liabilities

The provision is established so as to cover probable losses, the size and timing of which is not known, relating to the carrying out of works beyond

one year. The provision is set up and modified in relation to each contract according to the progress and final outcome of the works.

#### Provision for equity interest liabilities

The provision is established so as to cover those losses, ascribable to companies invested in, of a known nature, of a probable or certain existence, where the amount or crystallization date of which is unknown at the year end.

#### Provision for employee severance indemnity

The provision for employee severance indemnity is allocated systematically according to the years of service accrued and in compliance with the laws and labor contracts currently in force in Italy. This provision states the amount owed to the employees. Utilization of the provision occurs when employment is terminated and upon the payment of advances as per Law 297/82.

#### Income statement

The positive and negative income components are stated on an accrual basis.

#### Taxation

Taxation is stated on the basis of the current tax laws in force in the countries in which the Group companies operate. Amounts owed for deferred taxation and the amounts receivable for advance taxation, where evidenced, are charged to the provisions for contingencies and charges and in the other amounts receivable in the current assets of the balance sheet, respectively. Advance taxation is stated only if there is a reasonable chance of recovery; deferred taxation is not stated if there are few chances that the

relative amount payable will crystallize.

The change in the inventory stated in the income statement does not coincide with the difference between the final inventory for the year and that of the previous year stated in the balance sheet, due to both the different exchange rates adopted (average exchange rate for the income statement, year end rate for the balance sheet) as well as to the changes in the consolidation area.

#### Indications as per Law 213/98

For the purposes of converting those currencies adhering to the Euro, in 1998 the values were adjusted by adopting the irrevocable parities fixed by the EC on 31.12.98; the relative exchange rate differences were charged by adopting the "synthetic model" established in Article 18 paragraph 6 of the captioned Law. Therefore, one quarter of the total losses and profits were charged to the year's income statement with the outstanding amounts to be carried forward stated in the contingent assets and liabilities items.

### COMMENTS ON THE MAIN ITEMS OF THE BALANCE SHEET AND THE INCOME STATEMENT

#### **B) Fixed assets: 340,464 million Lire**

##### **B.I) Intangible fixed assets: 88,460 million Lire**

The changes in the intangible fixed assets are the following (million Lire):

	Balance at	Increase for	Transfer to	Amortization	Change in co.'s	Effect of	Balance at
	31.12.99	the year	other catego-	for the year	consolidated	Leasing	31.12.00
- formation and start-up	64	6,922	5	(1,408)	-	-	5,583
- patents	2,056	746	363	(731)	-	-	2,434

- concessions, licenses, trademarks and similar	-	-	-	-	-	-	-
- goodwill	3,039	421	-	(3,039)	-	-	421
- intangible assets in progress and payments on	-	-	-	-	-	-	-
Other							
- construction site installation costs	18,701	3,264	1,371	(8,196)	2,484	-	17,624
- costs of preparing tenders	2,602	771	193	(1,458)	-	-	2,108
- other minor costs	60,080	21,435	(1,932)	(16,213)	36	(3,116)	60,290
	<b>86,542</b>	<b>33,559</b>	<b>-</b>	<b>(31,045)</b>	<b>2,520</b>	<b>(3,116)</b>	<b>88,460</b>

## B.II - Tangible fixed assets: 186,364 million Lire

The changes in the tangible fixed assets are the following (million Lire):

### A) Gross fixed assets

	Balance at	Purchases	Disposals	Transfers	Change in co.'s	Effect of	Balance at
	31.12.99				consolidated	Leasing	31.12.00
- land and buildings	64,666	3,904	(2,912)	-	-	39,076	104,734
- specific facilities	109,539	7,681	(29,580)	-	4,516	9,705	101,861
- generic facilities	31,589	3,038	(9,469)	-	704	346	26,208
- excavators, power shovels and heavy vehicles	77,010	9,080	(16,770)	494	7,747	11,622	89,183
- light vehicles, ships	12,900	670	(2,100)	-	571	-	12,041
- sundry small equipment	9,069	638	(1,710)	-	265	-	8,262
- light constructions	10,763	404	(2,497)	-	547	-	9,217
- metal sheet pile and shuttering	8,832	520	(1,261)	-	-	242	8,333
- furniture, fittings and office machines	7,097	452	(552)	-	161	1,068	8,226
- electronic machines	11,620	846	(3,328)	(494)	219	-	8,863
- tangible assets under construction and payments	319	899	-	-	-	-	1,218
<b>Total A</b>	<b>343,404</b>	<b>28,132</b>	<b>(70,179)</b>	<b>-</b>	<b>14,730</b>	<b>62,059</b>	<b>378,146</b>

**B) Depreciation Accumulated**

	Balance at	Depreciation	Disposals	Transfers	Change in co.'s	Effect of	Balance at
	31.12.99				consolidated	Leasing	31.12.00
- land and buildings	13,528	2,840	(254)	-	-	642	16,756
- specific facilities	67,019	14,595	(21,383)	-	873	2,304	63,408
- generic facilities	17,551	3,046	(6,797)	-	19	52	13,871
- excavators, power shovels and heavy vehicles	53,667	10,914	(10,009)	-	(53)	3,894	58,413
- light vehicles, ships	8,428	1,466	(1,692)	-	(22)	-	8,180
- sundry small equipment	7,950	790	(1,563)	-	2	-	7,179
- light constructions	6,114	923	(1,727)	-	7	-	5,317
- metal sheet pile and shuttering	6,858	757	(799)	-	6	45	6,867
- furniture, fittings and office machines	4,820	632	(453)	-	12	64	5,075
- electronic machines	9,076	1,072	(3,497)	-	65	-	6,716
<b>Total B</b>	<b>195,011</b>	<b>37,035</b>	<b>(48,174)</b>	<b>-</b>	<b>909</b>	<b>7,001</b>	<b>191,782</b>
<b>Total net fixed assets (A-B)</b>	<b>148,393</b>						<b>186,364</b>

First of all, it is pointed out that during the year the purchase values of the leased fixed assets have been re-allocated to their respective asset categories, so as to improve the presentation.

The following other movements during the year are highlighted:

- the increases attributable to the normal process of renewal as well as entry into the consolidation area of the net value of the fixed assets of Consorzio Astaldi Columbus Nicaragua and Albapavstrade Doo;
- the disposals essentially referring to projects abroad which concluded during the year or are about to conclude, as well as



the substitution of obsolete machinery and equipment.

**B) III - Investments: 65,641 million Lire**

Details of the non-consolidated subsidiary and associated companies are listed in an attachment hereto.

Amounts receivable from subsidiaries, associates, other companies and third parties, stated in the financial statements for an overall amount of 6,214 million Lire, decreased by 6,365 million Lire overall; these items were not affected by changes in the consolidation area.

These amounts receivable essentially express the Company's financial support of work in progress, particularly abroad, as well as loans to companies in liquidation.

The treasury stock balance of about 700 million Lire did not change and refers to 108,000 shares, nominal value 12,500 Lire each.

**C) I - Inventory: 559,846 million Lire**

The overall 60,600 million Lire increase in inventory, which includes a positive change of 3,881 million Lire in the consolidation area, comprises:

- a 5,952 million Lire decrease in raw materials and consumables;
- a 16,002 million Lire increase in work in progress;
- a 56,427 million Lire increase in contracts in progress;
- a 9,307 million Lire decrease in finished products and goods for resale;
- a 4,174 million Lire increase in advances to suppliers;
- a 743 million Lire decrease in goods and materials in transit;

the changes in the balance sheet inventory do not correspond to the income statement due to both the different exchange rates used and the changes in the consolidation area.

**C) II - Accounts receivable: 833,073 million Lire**

In relation to improving the presentation of the accounts receivable, it is pointed out that they decreased, due to the with recourse factoring for 79,302 million Lire, charging the risk of recourse to the other memorandum items for the same amount of 160,000 million Lire, deriving from works carried out in Venezuela, whose risk of recourse is guaranteed by an escrow account set up with BTPs (Italian government bonds) maturing 1.7.2001, stated in the memorandum items. In this regard, we point out that these amounts receivable were paid in full in the first few months of 2001 and the escrow account was subsequently closed.

Pursuant to the above and in compliance with the provisions of Article 2423ter, this same item of the previous year, amounting to 56,585 million Lire, has been reclassified.

Trade receivables, stated net of the allowance for doubtful accounts receivable and overdue interest, amount to 440,845 million Lire and include the receivables sold with recourse, for which the proceeds have not yet been received from the bank. This item increased by about 38,827 million Lire, with a positive change in the consolidation area equal to 3,639 million Lire.

Below are the movements in the provisions which directly reduce the receivables in question (million Lire):

*Provision for doubtful accounts receivable.*

Balance at 31.12.99	13,335
- Increases during the year	4,712
- Utilizations during the year	- 637

- Conversion difference	- 13
	<hr/>
Balance at 31.12.00	<b>17,397</b>
<i>Provision for overdue interest.</i>	
Balance at 31.12.99	8,881
- Increases during the year	788
- Utilizations during the year	- 2,916
	<hr/>
Balance at 31.12.00	<b>6,753</b>

Amounts owed by subsidiary companies total 104,802 million Lire, an increase of about 29,563 million Lire.

Amounts owed by associated companies, 103,251 million Lire, decreased by about 51,273 million Lire; the change in the consolidation area influences positively for 1,157 million Lire.

Other receivables, as stated in the financial statements, comprise:

- 67,290 million Lire receivable from the tax authorities, an increase of 21,015 million Lire (change in the consolidation area equal to 904 million Lire); the amount is stated net of a 382 million Lire provision for overdue interest, unchanged for the year;
- 2,300 million Lire receivable from the staff, an increase of 786 million Lire (change in the consolidation area equal to 91 million Lire);
- 4,486 million Lire receivable from social security institutions, a decrease of 1,551 million Lire (change in the consolidation area equal to 17 million Lire);
- 1,521 million Lire of caution money, a 1,986 million Lire decrease (change in the consolidation area equal to 36 million Lire);
- 3,405 million Lire owed by other equity interests, an increase of 666 mil-

lion Lire (positive change in the consolidation area equal to 338 million Lire);

- 105,171 million Lire of sundry receivables, a decrease of 106,283 million Lire (positive change in the consolidation area equal to 798 million Lire). The receivables are stated net of a 2,981 million Lire provision for overdue interest. Listed below are some significant items:

- ◊ 1,990 million Lire receivable from the Ministry for Home Affairs for interest claimed on installments paid late;
- ◊ 6,494 million Lire of trade receivables connected to some real estate ventures;
- ◊ 17,209 million Lire receivable from subcontractors and suppliers for advances on services and deliveries to be carried out;

**C) III - Other investments: 167,610 million Lire**

This item increased by 17,798 million Lire. The 160,002 million Lire of BTPs maturing 1.7.2001 refers to a with recourse sale of Venezuelan receivables.

**C) IV - Cash at bank and in hand: 132,627 million Lire**

This item comprises 131,806 million Lire of bank accounts and 822 million Lire of cash on hand, an increase of 61,828 million Lire and a decrease of 562 million Lire, respectively. The change in the consolidation area produces a positive change of 1,638 million Lire.

**D) Prepayments and accrued income: 8,327 million Lire**

This item, 463 million more than the previous year, comprises 4,341 million Lire of accrued income, mainly relating to interest accrued on government bonds (BTPs maturing 1.7.2001), 3,986 million Lire of prepayments relating to insurance costs, guarantee fees, charges on loans and other components

of residual value. This last item also includes 175 million Lire of exchange rate differences to be spread out, realized on currencies adhering to the Euro and deferred to future years as per the provision of Article 18 paragraph 9 of Law 213/98. The positive change in the consolidation area is equal to 555 million Lire.

#### **A) Stockholders' equity**

In 2000, specifically at the extraordinary general meeting of 20 July, a new issue of parent company shares was approved up to 113,043,750,000 Lire, by issuing 1,043,500 new shares of nominal value 12,500 each at a price of 28,750 Lire per share, inclusive of a share premium of 16,250 Lire.

This new issue was subscribed and paid-up on 16 October 2000. Consequently, the parent company share capital comprises 9,043,500 ordinary shares with a nominal value of 12,500 Lire each.

In compliance with that which is stated in the accounting policies and valuation criteria, the consolidation reserve, where, up to last year, the transfer of any profit/loss flowed, was reclassified in the stockholders' equity item D) VIII - *Retained earnings*. This item amounts to 24,471 million Lire overall.

Consequently, in order to preserve the comparability of the financial statements, the consolidation reserve at 31.12.1999, equal to 26,722 million Lire, was reclassified as follows:

- 26,702 million Lire to retained earnings;
- 20 million Lire to the revaluation reserve.

The changes in the stockholders' equity are stated in the attached table.

The reconciliation between the Parent Company and the consolidated

stockholders' equity and profit/loss for the year is attached hereto.

**B) Provisions for contingencies and charges: 184,027 million Lire**

At 31 December 2000, the provisions for contingencies and charges amounted to 184,027 million Lire, against 229,212 million Lire the previous year. They comprise:

- the contractual liability provision against losses which are probable, but of indefinite size and timing, relating to the carrying out of works beyond one year;
- the provision for equity interest liabilities is established to cover losses of a known nature, of a probable or certain existence, where the amount or crystallization date of which is unknown at the year end. It should be pointed out that, in compliance with Articles 2423 onwards of the Civil Code, until 1999, these risks were included in the wider context of the contractual liability provision.

The changes to these items are stated in the table below (million Lire):

	Balance at	Increase during	Decrease during	Change in co.'s	Balance at
	31.12.99	the year	the year	consolidated	31.12.00
- provision for contractual liabilities	229,212	22,269	(77,182)	7,992	182,291
- provision for equity interest liabilities	-	1,736	-	-	1,736
<b>Total</b>	<b>229,212</b>	<b>24,005</b>	<b>(77,182)</b>	<b>7,992</b>	<b>184,027</b>

Within the decreases, the utilization for 24,599 million Lire to cover the balance sheet deficit relating to the equity interest in Alosa Immobiliare S.p.A. in Liquidation must be pointed out, the income effect of which was already provided for in previous years.

**C - Employee severance indemnity: 24,613 million Lire**

The changes during the year are the following:

	Balance at	Increase during	Decrease during	Change in co.'s	Balance at
	31.12.99	the year	the year	consolidated	31.12.00
- provision for employee severance	26,296	8,021	(10,636)	932	24,613

#### D) - Accounts payable: 1,567,226 million Lire

This item comprises the following:

- debenture loans amounting to 77,001 million Lire, as follows:
  - Debenture loan of 7,000 million Lire issued by Gruppo Dipenta Costruzioni S.p.A. by means of 700,000 debentures, nominal value of 1,000 Lire each, with the following characteristics:
    - ❖ **duration** 1.8.98-31.7.03;
    - ❖ **coupon** 5.5% per annum in arrears;
    - ❖ **coupon date** 31 July each year.
  - Convertible debenture loan issued by the Company pursuant to a resolution passed at the stockholders' meeting of 20 July 2000 for a maximum amount of 70,001 million Lire by means of 2,117,200 convertible debentures, nominal value of 33,603 Lire each, with the following characteristics:
    - ❖ **duration** 1.8.2000-31.8.2003;
    - ❖ **coupon** floating rate interest calculated semiannually on 6-month Euribor plus 25 basis points, as calculated by the average of the quotes by Banca di Roma S.p.A., Interbanca S.p.A. and Sofipa S.p.A. on the fifth working day prior to the coupon date;

❖ **semiannual coupon date** 31 January and 31 July each year.

- 539,272 million Lire owed to banks, an increase of 139,173 million Lire with a 4,273 million Lire increase in the consolidation area; the increase is affected by the drawing of new loans by the Parent Company with various financial institutions for an overall amount of 121,860 million Lire.
- 67,700 million Lire owed to other financiers, an increase of 24,968 million Lire, largely to be attributed to the different accounting policies regarding leasing contracts;
- 187,987 million Lire of advances received, a decrease of 53,599 million Lire; this includes a increase of 7,898 million Lire for the change in the consolidation area.
- 295,249 million Lire owed to suppliers, an increase of 25,694 million Lire; this includes an increase of 4,397 million Lire for the change in the consolidation area.
- 127,244 million Lire owed to subsidiary companies, an increase of 3,658 million Lire compared to the previous year;
- 144,832 million Lire owed to associated companies, a decrease of 34,624 million Lire compared to the previous year; there was a 823 million Lire positive change in the consolidation area.
- 269 million Lire owed to parent companies, a decrease of 4,396 million Lire.
- 22,732 million Lire owed to the tax authorities, an increase of 2,828 million Lire, 2,343 million Lire of which attributable to the change in the



consolidation area;

- 9,387 million Lire owed to social security institutions, an increase of 245 million Lire with a 161 million Lire positive change in the consolidation area.
- 95,553 million Lire of other payables, a 76,671 million Lire decrease compared to the previous year, detailed as follows:
  - 8,353 million Lire owed to other equity interests, an increase of 1,248 million Lire;
  - 36 million Lire of deposits and caution money;
  - 11,707 million Lire owed to the employees, a 2,650 million Lire increase; the change in the consolidated area was 53 million Lire.
  - 75,456 million Lire of sundry amounts payable, a 76,671 million decrease which includes a 1,176 million increase relating to the change in the consolidation area.

**E) - Accruals and deferred income: 15,862 million Lire**

This item, which increased by 1,368 million Lire, comprises:

- 7,956 million Lire of accruals relating essentially to interest payable on loans and the fourteenth month pay;
- 7,906 million Lire of deferred income, essentially referring to grants received for plants, for the construction of car parks, in accordance with the provisions of Law 122/89. This last item includes 249 million Lire of exchange rate differences to be spread out, realized on currencies adhering to the Euro and deferred to future years as per the provision of Article 18 paragraph 9 of Law 213/98.

**MEMORANDUM ITEMS**

**Personal guarantees**

The overall amount stated in the financial statements is 3,134,519 billion

Lire and refers to:

1. Guarantees for credit lines opened for non-consolidated subsidiary and associated companies, as well as other equity interests, in favor

58,406 million Lire of guarantees issued by banks to insurance companies, on behalf of suppliers and sub-contractors, both Italian and foreign, relating to contractual undertakings made to ourselves.

**A) - Value of production: 1,611,151 million Lire**

The distribution of the year's revenues by geographical area is the following:

- Italy	842,736
- Europe	142,387
- Africa	108,642
- America	279,873
- Asia	19,162
<b>Total revenues from works</b>	<b>1,392,800</b>
- other income	218,351
<b>Total</b>	<b>1,611,151</b>

**C) 15 - C) 16 - Financial income: 34,305 million Lire**

Financial income for the year includes (million Lire):

- income from equity interests:
  - from non-consolidated associated companies 10,954
  - from other non-consolidated equity interests 19
- other financial income:
  - from other investments classified as current assets 7,115
  - interest owed by non-consolidated subsidiary companies 842
  - interest owed by non-consolidated associated companies 4,883
  - exchange rate gains 3,695
  - interest receivable on bank accounts 2,478

- other interest owed by contracting parties and sundry receivables 4,319

**C) - 17 - Interest payable and similar charges: 70,365 million Lire**

This item includes (million Lire):

- interest payable to non-consolidated subsidiary companies 151
- interest payable to non-consolidated associated companies 320
- charges on losses on disposal of investments
- Venezuelan bonds paid in 1999 7,705
- similar charges comprise:
  - bank interest payable on short-term debt 17,319
  - bank interest payable on medium- and long-term debt 19,371
  - interest payable on other debt (1,042 million Lire of which on debentures) 10,642
  - discounts and other charges 11,909
  - exchange rate losses 2,948

**D) - 19 - Devaluation of equity interests: 33,877 million Lire**

This item comprises:

*Covering of losses.* 25,394

- Subsidiary companies 583
- Associated companies 24,811

One of the most significant amounts is the 24,599 million Lire loss suffered by the associate company Alosa S.p.A. in liquidation.

*Devaluation of equity interests.* 6,747

- Subsidiary companies 246
- Associated companies 6,238

- Other equity interests 263

This is the combined effect of the write-down of equity interests in companies in liquidation as well as interventions on the share capital of other equity interests.

*Allocation to the provision for equity interest liabilities.* 1,736

- Subsidiary companies 1,125
- Associated companies 611

This item refers to the allocation of the portion of the balance sheet deficit relating in particular to companies in liquidation.

#### **E) - Extraordinary income and charges: (3,534) million Lire**

- The extraordinary income is the sum of insurance claims paid, contingent and non-existent assets of an extraordinary nature for 17,639 million Lire.
- The 21,173 million Lire of extraordinary charges comprises damages and accidents, contingent and non-existent liabilities, amicable settlements, contractual penalties and other charges of residual value.

#### **22 - Taxation: 21,416 million Lire**

The amount is the taxation for the year of the Parent Company and the other Italian companies consolidated.

As concerns "advance and deferred taxation", the tax effects deriving from the taxable timing differences (deferred taxation) and the deductible timing differences (advance taxation) have been calculated. The taxation originating from these calculations are reported in the tables below, divided by the years in which they arose.

Deferred taxation ('000 Lire)

**ASTALDI S.p.A.**

Type of taxable differences	Prior to 2000	2000	Progr.31.12.00
Deferred capital gains	- 5,048,682	5,048,682	-
Integration of provisions	- 10,897,964	- 1,196,585	- 12,094,549
	- 15,946,646	3,852,097	- 12,094,549

**ITALSTRADE S.p.A.**

Type of taxable differences	Prior to 2000	2000	Progr.31/12/00
Deferred capital gains	-	-	-
Integration of provisions	-	-	-
	-	-	-

**R.I.C. S.p.A.**

Type of taxable differences	Prior to 2000	2000	Progr.31.12.00
Deferred capital gains	-	-	-
Integration of provisions	-	-	-
	-	-	-

**Advance taxation ('000 Lire)****ASTALDI S.p.A.**

Type of deductible differences	Prior to 2000	2000	Progr.31.12.00
Unpaid directors' emoluments	139,815	- 35,695	104,120
Costs pertaining to other years	89,070	9,007	98,077
Tax losses of previous years	-	-	-

Taxed provisions	-	-	-
	228,885	- 26,688	202,197

**ITALSTRADE S.p.A.**

Type of deductible differences	Prior to 2000	2000	Progr.31.12.00
Unpaid directors' emoluments	-	-	-
Costs pertaining to other years	351,659	- 16,785	334,874
Tax losses of previous years	33,029,091	- 10,358,451	22,670,640
Taxed provisions	35,853,869	- 1,585,515	34,268,354
	69,234,619	- 11,960,751	57,273,868

**R.I.C. S.p.A.**

Type of deductible differences	Prior to 2000	2000	Progr.31.12.00
Unpaid directors' emoluments	-	-	-
Costs pertaining to other years	752	- 404	348
Tax losses of previous years	8,595,213	- 5,439,654	3,155,559
Taxed provisions	-	-	-
	8,595,965	- 5,440,058	3,155,907

**SUMMARY TOTAL**

Type	Prior to 2000	2000	Progr.31.12.00
Deferred taxation	- 15,946,646	3,852,097	- 12,094,549
Advance taxation	78,059,469	- 17,427,497	60,631,972
	<b>62,112,823</b>	<b>- 13,575,400</b>	<b>48,537,423</b>

Having calculated the advance and deferred taxation as above, their report-

ing in the financial statements required the following policies to be adopted:

- ❖ deferred taxation is stated for the full amount, on condition that the payment thereof is not unlikely;
- ❖ advance taxation is stated in accordance with the following criteria:
  - the existence of taxable income in future years;
  - adoption of a maximum three year timescale, prudently taking into account the existence of income budgets corresponding to those periods.

Considering the planned merger by incorporation of the consolidated company Italstrade S.p.A., amply covered in the Directors' Report, and given the magnitude of the deductible timing differences of that company, the conditions to state deferred taxation in the parent company's financial statements were deemed not to exist, in compliance with the principles of reasonable certainty of the crystallization of the liability; equally, the asset side has not been stated on the basis of prudence.

#### **Average number of employees**

The average number of employees during the year, divided by category, is the following:

- senior and middle management	125
- clerical	1,327
- manual	5,186

#### **Directors' emoluments and Auditors' fees**

The emoluments and fees of the parent company's Directors and Auditors



for carrying out their duties, also for other companies included in the consolidation, are the following:

- Directors' emoluments: 1,120 million Lire;
- Statutory Auditors' fees: 116 million Lire.

*The Board of Directors*

*The Chairman*

*Prof. Ernesto Monti*

**EXCHANGE RATES USED FOR THE CONVERSION OF  
BALANCES IN FOREIGN CURRENCY**

CURRENCY COUNTRY	RATE AT 31.12.2000	AVERAGE 2000 RATE	RATE AT 31.12.1999	AVERAGE 1999 RATE
Bolivar - Venezuela	2.974	3.051	2.979	3.007
Boliviano - Bolivia	340.007	342.789	321.625	316.559
Colon -El Salvador	246.938	240.355	218.885	207.911
Cordoba oro - Nicaragua	167.754	170.554	156.586	155.106
Kroner - Denmark	259.623	259.769	260.240	260.408
Dollar - Caribbean	799.555	778.848	709.589	673.832
Dollar - Singapore	1,243.175	1,219.047	1,143.896	1,073.805
Dollar - United States	2158.794	2102.587	1.915.243	1.819.274
EURO - Europe	1.936.270	1.936.270	1.936.270	1.936.270
Fr.CFA - Comun.Fin.Africaine	2.951	2.951	2.952	2.952
Franc - Burundi	2.731	3.048	3.126	3.328
Congolese Franc - Dem. Rep. Of Congo	45.448	172.218	448.011	438.590
Franc - Guinea CK	1.149	1.272	1.391	1.362
Franc - Rwanda	6.012	5.932	5.708	5.460
Franc - Switzerland	1,279.225	1,243.507	1,209.254	1,209.924
Djibouti Franc - Djibouti	12.147	11.830	10.777	10.236
Kwacha - Malawi	27.128	37.022	41.556	41.599
Kwanza - Angola	138.054	269.524	0.0003	0.001
Kuna - Croatia	255.425	254.158	253.056	256.679
Lempira - Honduras	142.630	141.405	131.216	127.612
Leu - Romania	0.084	0.098	0.106	0.120

CURRENCY COUNTRY	RATE AT 31.12.2000	AVERAGE 2000 RATE	RATE AT 31.12.1999	AVERAGE 1999 RATE
Lira - Turkey	0.003	0.003	0.004	0.004
Metical - Mozambique	0.130	0.138	0.146	0.146
Peso - Chile	3.868	3.969	3.564	3.585
Peso - Colombia	1.015	1.036	1.017	1.048
Rand - South Africa	282.318	303.326	311.618	297.471
Rupia - Indonesia	0.229	0.252	0.269	0.236

**Astaldi S.p.A. - Consolidated Financial Statements 31.12.2000**

**Attachment 1**

Consolidation area			%		%	
Subsidiary companies				Associated companies		
5	1	R.I.C. - Railway International Construction S.p.A.	100.00%	30	Astaldi-Ferrocemento J.V.	50.00%
5	2	A.S.T.A.C. S.r.l.	100.00%	31	Amsar Rwanda S.p.a.r.l.	50.00%
5	3	EUROAST S.r.l.	100.00%	32	Satalgec Association Momentanée	35.00%
5	4	Italstrade S.p.A.	100.00%	33	Columbus de Construcciones de Honduras S.A.	25.00%
5	5	Albapavstrade D.o.o.	100.00%			
5	6	Astaldi International Limited	100.00%			
5	7	I.T.S. S.p.A.	100.00%		Other equity interests	
5	8	Astaldi International Inc. - Liberia	100.00%	34	Comet J.V.	15.00%
5	9	Seac S.p.a.r.l.	100.00%	35	Yellow River Contractors J.V.	14.00%
5	10	Astaldi Burundi Association Momentanée	100.00%			
5	11	Astaldi-Astaldi International J.V. Mozambique	100.00%			
5	12	Astaldi Guinée Association en Participation	100.00%			
5	13	Astaldi Malawi, Astaldi-Astaldi International J.V.	100.00%			
5	14	Astaldi-Rwanda Association Momentanée	100.00%			
5	15	Astaldi-Senegal Association en Participation.	100.00%			
5	16	Ass. Mom. Astaldi -Astaldi International Ltd. Guinea	100.00%			
5	17	Astaldi International Burundi Association Momentane	100.00%			
5	18	Redo Association Momentanée	100.00%			
5	19	Astaldi Thailand Joint Venture	100.00%			
5	20	Astaldi de Venezuela C.A.	99.80%			
5	21	Amsar Burundi S.p.a.r.l.	99.80%			
5	22	Astaldi Construction Corporation - Florida	99.75%			
5	23	Consorcio Astaldi-Columbus - Honduras	98.00%			
5	24	Consorcio Astaldi-Columbus - Nicaragua	98.00%			
5	25	Astur Construction and Trade A.S.	99.01%			
5	26	Astaldi-Socofran Association Momentanée	60.00%			
5	27	S.C. Italstrade-C.C.C.F. J.V. ROMIS S.r.l.	51.00%			
5	28	Romstrade S.r.l.	51.00%			
5	29	Astaldi Thailand Co. Ltd.	49.00%			

NB: The companies marked 5 are aggregated with the integral method, the others with the proportional method

## Attachment 2

### Changes in the consolidation area 2000

Equity interests leaving the consolidation area		Equity interests entering the consolidation area	
	Equity interest		Equity interest
1 Trafer Congo S.a.r.l.	98.85%	1 Astaldi Thailand Co. Ltd.	49.00%
2 Groupement Astaldi Astaldi International Ltd. Djibouti	60.00%	2 Albapavstrade Doo	100.00%
3 Astaldi Congo Association en Participation	96.80%	3 Astaldi International Limited	100.00%
		4 I.T.S. S.p.A.	100.00%
		5 Consorzio Astaldi - Columbus Nicaragua	98.00%
		6 Astaldi-Socofran Association Momentanée	60.00%

### Attachment 3

#### RECONCILIATION BETWEEN THE PARENT COMPANY FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS (in million Lira)

	Stockholders' equity	Current year Profit/loss for the year	Net equity	Prior year Profit/loss for the year
Stockholders' equity and profit/loss for the year as stated in the parent company's financial statements (net of the conversion reserve)	158,251	11,397	129,480	13,320
Conversion reserve	49,036	-	22,791	-
Elimination of the carry value of the consolidated equity interests:				
- difference between carry value and pro rata value of the stockholders' equity	15,748	-	28,373	-
- pro rata profit/loss of the companies invested in	15,779	15,779	(26,070)	(26,070)
Elimination of the effects of transactions between consolidated companies:				
- profits on related party disposals	(1,973)	(1,089)	(1,651)	-
- depreciation on related party sales	(4,740)	(4,740)	767	767
- provision for losses on consolidated companies	29,826	14,977	33,316	33,316
- dividends from consolidated companies	(20,163)	(20,163)	-	-
Leasing book-keeping using the financial method	6,105	6,105	-	-
Stockholders' equity and profit/loss for the year pertaining to the group	247,869	22,266	187,006	21,333
Minority interest stockholders' equity	2,350	(242)	13,311	12
Stockholders' equity and profit/loss for the year as stated in the consolidated financial statements	250,219	22,024	200,317	21,345

**VARIATIONS IN THE ITEMS OF THE CONSOLIDATED STOCKHOLDERS' EQUITY**  
(in million Lire)

	Share Capital	Share Premium reserve	Revaluation Reserve as per Law 72/83	Legal Reserve	Reserve for treasury stock owned	Conversion reserve (loss)	Extraordinary reserve	Reserve for special liabilities	Retained Earnings	Profit (loss) for the year	Min. interest stockholders' equity	Total stockholders' equity
Balance at 31 December 1999	100,000	-	20	8,345	700	22,791	5,569	1,546	26,702	21,333	13,311	200,317
Transfer of any profit/loss	-	-	-	693	-	-	5,222	-	2,791	(8,706)	-	-
Payment of dividends	-	-	-	-	-	-	-	-	-	(12,627)	-	(12,627)
Issue of new shares	13,044	16,957	-	-	-	-	-	-	-	-	-	30,001
Conversion changes	-	-	-	-	-	26,245	-	-	-	-	-	26,245
Other changes	-	-	-	-	-	-	-	-	(5,022)	-	(10,718)	(15,740)
Profit (loss) for the year	-	-	-	-	-	-	-	-	-	22,266	(243)	22,023
Balance at 31 December 2000	113,044	16,957	20	9,038	700	49,036	10,791	1,546	24,471	22,266	2,350	250,219

## Non-consolidated companies

	A) Share Capital	B) Stockholders' equity	C) Profit (loss) for the year	D) % ownership	E) Book value	F) Share of net equity	G) Share of provision for risks	E-F-G
<b>A) Subsidiary companies</b>								
Astaldi-Caldart - A.S.CAL. S.C.r.l. in liquidation - Via Giovanni Pacini, 12 - Palermo - Italy	90,000,000	63,853,018	(2,613,639)	60.000%	38,311,811	38,311,811		-
Bussentina S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	50,000,000	50,000,000	-	78.800%	549,109,500	39,400,000		509,709,500
CO.ME.NA. S.C.r.l. - Via Cappella Vecchia, 8 - Naples - Italy	40,000,000	40,000,000	-	70.432%	28,172,000	28,172,000		-
Cobas Uno S.C.r.l. in liquidazione - Via G.V. Bona, 65 - Rome - Italy	20,000,000	10,926,488	(5,978,481)	95.250%	10,407,480	10,407,480		-
Colli Albani S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	50,000,000	50,000,000	-	60.000%	30,000,000	30,000,000		-
Columbus Latinamericana de Construcciones S.A.	2,193,328,000	2,193,328,000	-	100.000%	2,209,090,000	2,193,328,000		15,762,000
Consorcio Astaldi Centrox - Nicaragua	2,011,890	2,011,890	-	99.500%	327,316,346	2,001,831		325,314,515
Consorcio Astaldi-Columbus - San Salvador - El Salvador	19,446,967	19,446,966	(1)	70.000%	13,612,830	13,612,876		(46)
Consorzio A.R.Z. - Astaldi-R.I.C.- ZAIRE in liquidation - Via G.V. Bona, 65 - Rome - Italy	50,000,000	44,076,210	(5,923,790)	100.000%	49,940,762	44,076,210		5,864,552
Consorzio Astaldi-C.M.B. Due in liquidation - Via G.V. Bona, 65 - Rome - Italy	20,000,000	9,379,176	6,765,814	99.000%	9,379,176	9,285,384		93,792
Consorzio Astaldi-C.M.B. in liquidation - Via Po, 13/15 - Rome - Italy	20,000,000	35,657,761	(5,007,417)	99.000%	19,999,000	35,301,183		(15,302,183)
Consorzio Ferrofir - Via Ombrone, 2/G - Rome - Italy	60,000,000	646,832,896	(34,048,602)	66.667%	40,000,000	431,221,926		(391,221,926)
Consorzio Olbia Mare in liquidazione - Via Agrigento, 5 - Rome - Italy	30,000,000	(1,397,231,405)	(1,724,281)	72.500%	-	(1,012,992,769)	1,012,992,769	-
Cospe S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	55.000%	11,000,000	11,000,000		-
Dalfer S.C.r.l. in liquidation - Via G.V. Bona, 65 - Rome - Italy	40,000,000	21,222,846	(3,549,995)	91.300%	19,376,458	19,376,458		-
Diga di Arcichiaro S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	70,000,000	70,000,000	-	100.000%	70,000,000	70,000,000		-
DIP.A. S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	100.000%	20,000,000	20,000,000		-
DP 2M S.C.r.l. in liquidation - Via G.V. Bona, 65 - Rome - Italy	20,000,000	(47,007,116)	(28,118,167)	72.000%	14,400,000	(33,845,124)		48,245,124
Eco Po Quattro S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	50,000,000	50,000,000	-	80.000%	40,000,000	40,000,000		-
Fiorbis S.C.r.l. in liquidation - Viale Sarca, 336 - Milan - Italy	90,000,000	56,000,000	(34,000,000)	99.980%	51,565,383	55,988,800		(4,423,417)
Forum S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	100,000,000	100,000,000	-	59.990%	59,990,000	59,990,000		-
Geser Muh.Ins.Gen.Hiz.Ltd - Turkey	-	-	-	99.000%	15,200,000	-		15,200,000
I.F.C. Due S.C.r.l. - Via del Ghisallo, 20 - Milan - Italy	90,000,000	90,000,000	-	99.333%	89,399,700	89,399,700		-
ITS CCCF J.V Bucuresti - Romania					116,600			116,600
Linea A S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	50,000,000	50,000,000	-	100.000%	50,000,000	50,000,000		-
Mormanno S.C.r.l. in liquidation - Via G.V. Bona, 65 - Rome - Italy	20,000,000	(99,324,260)	(20,692,084)	74.990%	-	(99,314,328)	99,314,328	-
Montedil-Astaldi S.p.A. (MONTAST) in liquidation - Via G.V. Bona, 65 - Rome - Italy	800,000,000	5,235,824,725	57,219,370	45.000%	1,260,000,000	2,356,121,126		(1,096,121,126)
Palese Park S.r.l. - Via G.V. Bona, 65 - Rome - Italy	2,000,000,000	2,000,000,000	-	90.000%	1,800,000,000	1,800,000,000		-
Place Moulin S.p.A. - Via del Ghisallo, 20 - Milan - Italy	408,000,000	1,345,000,000	748,000,000	100.000%	408,000,000	1,345,000,000		(937,000,000)
Pont Ventoux S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	100,000,000	100,000,000	-	56.250%	45,000,000	56,250,000		(11,250,000)
Porrettana S.C.r.l. - in liquidation - Via G.V. Bona, 65 - Rome - Italy	50,000,000	25,469,664	(24,530,336)	99.890%	49,945,000	25,441,647		24,503,353
Portovesme S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	50,000,000	50,000,000	-	80.000%	40,000,000	40,000,000		-
Quattro Venti S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	100,000,000	100,000,000	-	60.000%	60,000,000	60,000,000		-
Romairport S.C.r.l. - Via del Ghisallo, 20 - Milan - Italy	20,000,000	20,000,000	-	63.890%	12,778,000	12,778,000		-
S. Filippo S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	80.000%	16,000,000	16,000,000		-
S. Leonardo S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	51.000%	10,200,000	10,200,000		-
Silva S.r.l. - Via Monte Santo, 1 - Rome - Italy	30,000,000	(12,798,002)	-	99.000%	-	(12,670,022)	12,670,022	-
Susa Dora Quattro S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	100,000,000	100,000,000	-	90.000%	90,000,000	90,000,000		-
Sugct.Calarasi					111,436,920			111,436,920
TE.CRO. S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	100.000%	20,000,000	20,000,000		-
Todaro S.r.l. in liquidation - Palermo - Italy	458,000,000	375,115,572	251,196,062	88.285%	458,000,000	331,170,783		126,829,217
Tri.Ace. S.C.r.l. - Via del Ghisallo, 20 - Milan - Italy	90,000,000	90,000,000	-	80.000%	72,000,000	72,000,000		-
Varzo II S.C.r.l. - Via del Ghisallo, 20 - Milan - Italy	100,000,000	100,000,000	-	51.000%	51,000,000	51,000,000		-
Viadotti di Courmayeur S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	66.670%	7,200,000	13,334,000		(6,134,000)
Viadotto Fadalto S.C.r.l. in liquidation - Viale Sarca, 336 - Milan - Italy	99,000,000	75,000,000	(24,000,000)	80.000%	54,428,770	60,000,000		(5,571,230)
<b>Total subsidiary companies</b>					<b>8,332,375,736</b>	<b>8,491,346,972</b>	<b>1,124,977,119</b>	<b>(1,283,948,355)</b>
<b>B) Associated companies</b>								
A.F.M. Astaldi-Ferrocemento-Mambrini S.C.r.l. - in liquidation - Via G.V. Bona, 65 - Rome - Italy	90,000,000	87,684,459	(2,315,541)	35.000%	30,689,561	30,689,561		-
Adduttore Ponte Barca S.C.r.l. - Via di Pietralata, 110 - Rome - Italy	90,000,000	90,000,000	-	24.330%	21,897,000	21,897,000		-
Almo S.C.r.l. - Via Privata D. Giustino, 3/a - Naples - Italy	90,000,000	90,000,000	-	35.000%	31,500,000	31,500,000		-



Alosa Immobiliare S.p.A. - Via Boncompagni, 47 - Rome - Italy								
	20,000,000,000	(40,882,765,428)	(2,691,184,732)	50.000%	1	(20,441,382,714)		20,441,382,715
AS.H.FO. - Congo Ocean - B.P. 874 - Pointe Noire - Rep. of Congo	-	-	-	49.500%	9,009,000	-		9,009,000
Astaldi-Ecuador S.A. - Portugal 617 y 6 de Diciembre - Guayaquil - Ecuador	-	-		20.000%	6,000,000	-		6,000,000
Astaldi-Maroc S.A. - 20, Rue Tafoudart - Laayoune - Morocco	-	-	-	50.000%	9,969,050	-		9,969,050
Avola S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	50.000%	10,000,000	10,000,000		-
Blufi I S.C.r.l. in liquidation - Zona Industriale - Agrigento - Italy	50,000,000	25,344,112	-	32.000%	8,110,116	8,110,116		-
C.E.I.T.R.A.L. - Via Carlo Pisacane, 2 - Carpi - Modena - Italy	19,362,700	20,000,000	-	31.000%	6,200,000	6,200,000		-
C.F.C. S.C.r.l. - Via Privata D. Giustino, 3/a - Naples - Italy	90,000,000	90,000,000	-	49.990%	44,991,000	44,991,000		-
C.F.M. S.C.r.l. - Via Privata D. Giustino, 3/a - Naples - Italy	80,000,000	80,000,000	-	50.000%	40,000,000	40,000,000		-
CO.NO.CO. S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	50,000,000	50,000,000	-	45.000%	22,500,000	22,500,000		-
Cogefar-Astaldi Riunite per Traforti Stresa S.C.r.l. in liquidation - Via G.V. Bona, 65 - Rome - Italy	90,000,000	(265,903,227)	(3,912,991)	50.000%	-	(132,951,614)	132,951,614	-
Cogital S.p.A. in liquidation - Viale Italia, 1 - Sesto S. Giovanni (MI) - Italy	200,000,000	117,000,000	-	50.000%	58,479,488	58,500,000		(20,512)
Consorzio Contuy Medio - A.vda Andres Bello Ed. Atlantic Piso 7 Of. 1-7 - Caracas - Venezuela	-	-	-	28.300%	212,250,000	-		212,250,000
Consorzio Porce II - Calle 10 n° 35-23 - Medellin - Colombia	105,263,883,910	64,967,408,713	-	24.990%	26,305,444,589	16,235,355,437		10,070,089,152
Consorzio Asco in liquidation - Via G.V. Bona, 65 - Rome - Italy	20,000,000	16,820,443	(3,179,557)	50.000%	10,000,000	8,410,222		1,589,778
Consorzio Astaldi-Federici-Todini - Via G.V. Bona, 65 - Rome - Italy	90,000,000	90,000,000	-	33.333%	30,000,000	30,000,000		-
Consorzio C.E.A.A.V. - Via G.V. Bona, 65 - Rome - Italy	400,000,000	400,000,000	-	25.000%	100,000,000	100,000,000		-
Consorzio C.I.R. - Via Salaria, 1039 - Rome - Italy	30,000,000	30,000,000	-	33.333%	10,000,000	10,000,000		-
Consorzio C.I.R.C. - Via del Ghisallo, 20 - Milan - Italy	100,000,000	100,000,000	-	25.000%	25,000,000	25,000,000		-
Consorzio C.R.E.C.U. in liquidation - Via S. Tecla, 5 - Milan - Italy	150,000,000	150,000,000	-	25.000%	34,401,812	37,500,000		(3,098,188)
Consorzio Carnia - Viale Italia, 1 - Sesto S. Giovanni (MI) - Italy	100,000,000	100,000,000	-	33.000%	33,000,000	33,000,000		-
Consorzio Carnia S.C.r.l. - Viale Italia, 1 - Sesto S. Giovanni (MI) - Italy	90,000,000	90,000,000	-	33.000%	29,700,000	29,700,000		-
Consorzio Co.Fe.Sar. - Viale Liegi, 26 - Rome - Italy	100,000,000	100,000,000	-	30.000%	30,000,000	30,000,000		-
Consorzio Cogitau S.C.n.c. in liquidation - Via Po, 11/15 - Rome - Italy	120,000,000	2,291,066,567	(52,894,955)	38.100%	45,720,000	872,896,362		(827,176,362)
Consorzio Concil - Via Passeggiata di Ripett					1	1	6	31
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45,539,833)%36,625, 77)%

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Groupement Eurolep - Shifflandestrasse, 35 - Aarau 5000 - Switzerland	120,295,400	109,079,351	(11,216,049)	22.000%	15,659,600	23,997,457	(8,337,857)
Groupement Italgisas - Agle Boulevard de la Resistance e Rue de Puissesaux - Casablanca- Morocco	1,033,000,000	(4,598,000,000)	-	30.000%	-	(1,379,400,000)	1,379,400,000
Groupement Salini - Italstrade - Morocco	-	-	-	50.000%	-	-	-
I.F.C. S.C.r.l. - Via del Ghisallo, 20 -Milan - Italy	90,000,000	90,000,000	-	33.333%	30,000,000	30,000,000	-
Isclero S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	20,000,000	20,000,000	-	31.170%	121,275,250	6,234,000	115,041,250
Italsagi Sp. Zo. O. - Ulica Brynowska, 45/7 - Poland	7,000,000	(53,000,000)	(696,000,000)	34.000%	-	(18,020,000)	18,020,000
M.N. Metropolitana di Napoli S.p.A. - Naples - Italy	7,310,794,000	11,743,016,810	2,195,072,302	22.620%	6,387,189,610	2,656,270,402	3,730,919,208
Marsico Nuovo S.C.r.l. - Via Dora, 2 - Rome - Italy	19,749,954	62,030,346	8,629,955	25.000%	5,000,000	15,507,586	(10,507,586)
ME.SA. S.C.r.l. - Via de Gasperi, 55 - Naples - Italy- In Liquidation	80,000,000	80,000,000	-	25.000%	20,000,000	20,000,000	-
Messina Stadio S.C.r.l. - Via G.V. Bona, 65 - Rome - Italy	90,000,000	90,000,000	-	33.333%	30,000,000	30,000,000	-
Monte Vesuvio S.C.r.l. - Viale Italia, 1 - Sesto S. Giovanni (MI) - Italy	90,000,000	90,000,000	-	50.000%	45,000,000	45,000,000	-

**Attachment 6**

**CASH FLOW STATEMENT**

<b>OPERATING ACTIVITIES</b>	<b>2000</b>	<b>1999</b>
<i><u>Profit for the year</u></i>	22,266	21,333
<i><u>Depreciation/Amortization</u></i>		
of tangible fixed assets	37,035	32,474
of intangible fixed assets	31,044	42,444
<i><u>Allocations</u></i>		
to provisions for contingencies and charges	23,058	57,436
to provisions for employee severance indemnity	8,021	8,983
<i>Losses on disposals of fixed assets</i>	4,572	1,799
<i>Gains on disposals of fixed assets</i>	(11,351)	(27,677)
<b>Sub-total</b>	<b>114,645</b>	<b>136,792</b>
Utilization of the provision for contingencies and charges	(77,182)	(26,982)
Employee severance indemnity paid	(10,636)	(10,840)
Decrease (increase) of accounts receivable	67,288	(84,370)
Decrease (increase) in inventory	(60,600)	(42,935)
Decrease (increase) in prepayments and accrued income	(463)	(1,965)
Decrease (increase) in amounts owed to suppliers	26,170	(12,360)
(Decrease) increase in other non-financial amounts payable	(159,157)	(46,085)
(Decrease) increase in accruals and deferred income	1,368	(2,287)

<u>Net effect of the change in the consolidation area</u>		9,871	(3,892)
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<b>Net cash outflow from operating activities</b>	<b>a)</b>	<b>(88,696)</b>	<b>(94,924)</b>
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## INVESTMENT ACTIVITIES

Purchase of tangible fixed assets		(28,132)	(34,061)
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Increase in intangible fixed assets		(33,559)	(27,006)
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Profits from the sale of tangible fixed assets		28,784	127,904
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Decrease in intangible fixed assets		--	--
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Net change in investments		2,947	(16,459)
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(Purchase) disposal of other investments		(2,139)	--
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Effect of leasing book-keeping by the financial method		(51,942)	--
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<u>Net effect of the change in the consolidation area</u>		(16,341)	(3,892)
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<b>Net cash inflow/(outflow) from investment activities</b>	<b>b)</b>	<b>(100,382)</b>	<b>46,486</b>
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## FINANCING ACTIVITIES

Increase (decrease) in short-term debts		28,342	5,901
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Net balance of loans obtained and repaid during the year		135,798	65,186
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Payment of dividends		(12,627)	(1,184)
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Increase (decrease) in loans		6,365	20,926
Convertible debenture loan		70,001	--
Issues of new shares		30,001	--
<b>Net cash inflow from financing activities</b>	<b>c)</b>	<b>257,880</b>	<b>90,829</b>
Effect of the change in the consolidation area			
Change in minority interest stockholders' equity		(10,961)	(1,819)
Other changes		(5,022)	2,920
Change in the conversion reserve		26,245	17,046
<b>Changes in the conversion and consolidation reserves</b>	<b>d)</b>	<b>10,262</b>	<b>18,147</b>
<b>Increase/(decrease) in cash</b>	<b>a) + b) + c) + d)</b>	<b>79,064</b>	<b>60,538</b>
Net cash at 01.01.2000			
		221,173	156,743
Net cash at 31.12.2000			
		300,237	221,173