Letter to Shareholders

1st Half 2005/06

voestalpine GROUP – KEY FIGURES

according to IFRS; in millions of euros

	1H 2005/06 4/1–9/30/2005	1H 2004/05 4/1–9/30/2004	Change in %
Revenue	3,262.4	2,724.1	19.8
EBITD	549.7	338.6	62.3
EBITD margin (in %)	16.8	12.4	
EBIT	371.5	193.4	92.1
EBIT margin (in %)	11.4	7.1	
Profit before tax	347.9	172.9	101.2
Profit for the period form continuing operations	260.4	111.1	134.4
Profit for the period	260.4	105.8	146.1
Basic earnings per share from continuing operations (Euro)	6.49	2.71	139.3
Investments	254.0	300.8	–15.6
Depreciation and amortisation	178.2	145.2	22.7
Equity	2,326.0	1,919.5	21.2
Net financial debt	610.8	789.6	–22.6
Net financial debt in % of equity	26.3	41.1	–36.2
Employees excl. apprentices	23,548	23,722	–0.7
Capital Employed	3,909.7	3,476.7	12.5

LETTER FROM THE MANAGEMENT BOARD

Ladies and Gentlemen,

For the voestalpine Group, the year 2005, which will be ending in a few weeks, is a special year in many different respects.
In terms of performance, the business year that ended on March 31, 2005 was the most successful year in our Group's history. Based on the figures for the first half of the current 2005/06 business year, it becomes apparent that we will be able to increase sales and operating results again and surpass the record figures of the previous year.

2005 is also a very special year as far as the development of our company's ownership structure is concerned. It was ten years ago this week that shares of voestalpine AG, which until then had been the epitome of Austria's nationalized industry, were offered to the public. All those shareholders who bought voestalpine shares at that time and since then have continued to put their trust in our company have been rewarded with an increase in the price of the voestalpine share from EUR 20.71 at the time of the initial offering to an all-time high of EUR 74.40 on November 18, 2005 and an average dividend yield of 4.6% per annum. While in October 1995 only 38.5% of our shares were traded at the stock market, today—ten years later—100% are listed on the stock exchange, because on August 31, 2005, the last tranches of the exchangeable bond issued by the Austrian state holding company ÖIAG (in the fall of 2003 in preparation of its full exit) were converted to voestalpine shares. This is also the formal end of the chapter of ownership by the state.
The consistent implementation of our privatization strategy—in addition to the long-standing partnerships with our key customers, the commitment and knowledge of our employees and the trust and confidence of our shareholders—was one of the central requirements for the successful path taken by our Group during the last ten years-both in terms of the company's operative performance and the development of the share price.
All in all, when we look back over the past ten years, we are proud to say that this was the time that brought the most profound changes for our Group, but also its most notable successes-and this is something we want to build on for the future.

Linz, November 22, 2005

Wolfgang Eder　　Josef Mülner　　Wolfgang Spreitzer

Franz Hirschmanner　　Robert Ottel

OVERVIEW OF KEY FIGURES

In comparison to the previous record year 2004/05, the voestalpine Group was again able to significantly increase revenue, operating result, and financial key figures in the first six months of the current business year.

Key corporate data in the first half of 2005/06 compared with the first six months of the prior year are as follows:

- **Revenue** rose by 19.8% from EUR 2,724.1 million to **EUR 3,262.4 million.**

- **EBITD** (profit from operations before depreciation) increased by 62.3% from EUR 338.6 million to **EUR 549.7 million.** As a result, the **EBITD margin** rose from 12.4% to **16.8%.**

- **EBIT** (profit from operations) was increased from EUR 193.4 million to **EUR 371.5 million,** thus almost doubling with a plus of 92.1%. The **EBIT margin is 11.4%** (first half of 2004/05: 7.1%).

- **EBT** (profit before tax) showed a similar gain; the previous year's figure of EUR 172.9 million rose by 101.2% to **EUR 347.9 million,** that is, it more than doubled.

- The **profit for the period** (from continuing operations) rose by 134.4% from EUR 111.1 million to **EUR 260.4 million.**

- The **earnings per share** for the first half of 2005/06 come to **EUR 6.49** as compared to EUR 2.71 in the previous year (+139.3%).

- **Equity** increased by 21.2% from EUR 1.9 billion to **EUR 2.3 billion,** whereas **net financial debt** declined by 22.6% from EUR 789.6 million to **EUR 610.8 million.** Thus, the **gearing ratio** (net financial debt in percent of equity) **dropped** from 41.1% to **26.3%.**

- All of the **major Group companies** posted clearly **positive results** in the first half of 2005/06.

- As of September 30, 2005, the voestalpine Group had **23,548 employees.**This represents a decline by 0.7% compared to the previous year (23.722).

BUSINESS PERFORMANCE OF THE voestalpine GROUP

With an increase in revenue by 20%, a more than 60% higher EBITD, an EBIT that has almost doubled, and accordingly higher earnings margins in the first half 2005/06, the voestalpine Group succeeded in further improving the record figures posted in the previous business year.

When reviewing the individual divisions, however, the picture is somewhat more differentiated. In the Division Steel, the average price level in the first six months of the current business year was clearly higher than that of the equivalent period of the previous year, while demand for supply quantities remained stable. The considerable price increase in the raw materials sector was more than compensated by higher revenues. Overall, this led to a significant increase in the division's revenues and results. Comparing the first to the second quarter of the current business year, however, prices went slightly down and quantities declined marginally subject to seasonal influences.

In the Division Railway Systems, the first half of 2005/06 was satisfactory for both the track and the switches sectors; the segments of seamless tubes, where the booming energy sector (oil and natural gas production) led to the highest price level ever, and quality wire clearly surpassed expectations. Additionally, the beginning upswing in the European automotive industry had a positive effect on the wire segment. Overall, the Division Railway Systems was able to considerably increase both revenue and profitability as compared to the previous year.

The upturn of the economic situation in the automotive industry that has been registered in the past few months, along with the optimization of the product portfolio in the previous business year (closure of voestalpine Matzner GmbH) also enabled the Division Automotive (previously "division motion") to surpass its last year's figures with regard to revenue and operating result and to improve its margin profile. With respect to this division it must be taken into consideration that due to holiday-related shutdowns the second quarter of the business year is always weaker than the remaining three quarters.

The Division Profilform's first half of 2005/06 was characterized by market environment that was significantly weaker than that in the same period in the previous business year. While the revenues have risen—partly as a result of acquisitions (purchase of Nedcon)—, the Division was simultaneously confronted with a significantly intensified price pressure especially for standard products and with negative effects resulting from continuing high prematerial costs.

Compared to the first half of 2005/06, the following companies with substantial impact on the Group's revenue and results were included in the scope of consolidation: in the Division Railway Systems the companies VAE VLN Industries Private Ltd., and Digvijay Steels Private Ltd. (both India) as well as SST Signal & System Technik GmbH and CONTEC GmbH Transportation (both Germany); in the Division Automotive the companies Polynorm van Niftrik B.V. (Netherlands), HTI Maschinen- und Apparatebau GmbH, and the voestalpine Vollmer Group (both Germany); and in the Division Profilform the Nedcon Group (Netherlands).

ACQUISITIONS

In May 2005, the Division Railway Systems acquired-as already stated in the report on the first quarter of the current business year—51% of CONTEC GmbH, a manufacturer of switch machines, and 80% of SST Signal & System Technik GmbH, which specializes in monitoring systems for railway traffic.

In addition to these two acquisitions in Germany, the switches sector of the Group took a further step in its expansion strategy on the Indian railway market during the first half of 2005/06. In August, VAE GmbH acquired a majority interest of 51% in the Indian switches manufacturer Rahee Track Technologies Pvt. Ltd., which has 150 employees at two locations in Calcutta and Hyderabad. This joint venture will enable the voestalpine Group to further improve its access to the market with demand-oriented production also in the Southeast of the sub-continent, in whose northern part it had already been represented with two locations.

The automotive sector of the Group, the Division Automotive, completed two acquisitions in Germany at the beginning of the business year. One was the Vollmer Group, which consists of Vollmer Metallwaren GmbH & Co. KG, Nagold (from now on, voestalpine Vollmer GmbH & Co. KG) and Vollmer GmbH & Co. KG, Pfaffenhofen (from now on, voestalpine Vollmer Pfaffenhofen GmbH & Co. KG), and the other was HTI GmbH. These acquisitions were already presented in detail in the Shareholders' Letter for the first quarter of 2005/06.

INVESTMENTS

The investments of the voestalpine Group in the first half of 2005/06 amounted to EUR 254.0 million. Compared to the previous year (EUR 300.8 million), this corresponds to a decline of 15.6%.

The main reason for the decrease was the conclusion of the first stage of the Division Steel's "Linz 2010" expansion program at the end of 2004, which, with its scope of approximately EUR 1 billion, had been the focus of the Group's investment activities in the past two business years. Furthermore, compared with the previous year, minor expenditures for acquisitions were made.

In the Division Steel, the contracts for the most important projects of the second stage of "Linz 2010". were awarded in June 2005. This phase, with an investment scope of about another EUR one billion, will be largely completed by the beginning of the 2007/08 business year and will include, among other projects, the erection of a new cold rolling mill, two hot-dip galvanizing plants, as well as a significant expansion of the capacity of the hot strip mill. In addition, the Division Steel is about to complete the expansion of its Steel Service Center's capacities in Linz. In Poland, work on a new SSC is scheduled to start this year.

The start-up of operations of the world's most modern rail rolling plant at the Donawitz location (investment volume of around EUR 66 million) is planned for February 2006. This project is currently the focus of the investment activities in the Division Railway Systems.

Division Automotive realized some smaller modernization and expansion investments at several locations. In the Division Profilform a new production hall for special profiles in Vyskov, Czech Republic, and the production facility for industrial storage systems in Vyshniy Volochek, Russia, which was erected together with a local partner, were put into operation in June 2005.

RESEARCH AND DEVELOPMENT

In addition to the development of new special steel grades, particularly in the area of high strength and ultra high strength grades, the further optimization of the coating technology, and the continued improvement of processes and processing technologies as well as cross-divisional projects for new materials combinations (hybrid concepts), the R&D activities of the voestalpine Group focus on the sectors of recycling/raw materials, energy utilization, and noise reduction.
In this context, voestalpine Schienen GmbH plays an important role in the EU project "Quiet City Transport" (QCITY). The goal of the project that was begun in the first half of 2005 is the reduction of noise pollution from street and railway traffic in cities and near city areas.

As has already been announced in the 2004/05 annual report, voestalpine Stahl GmbH—as the first and currently sole manufacturer worldwide—has begun with the implementation of a special process in July of this year, in which highest grade plates are hot-dip galvanized without using any chromate or chromium. After a five-year period of development and testing, production in series was thus started, and by the end of the year, all customers in the white goods and building industries will be included.

Furthermore, the consortium ULSAB-AVC ("Ultra Light Steel Auto Body – Advanced Vehicle Concepts"), in which the voestalpine Group has participated very actively, received this year's "Star of Energy Efficiency Award" for outstanding contributions to energy conservation in the automotive transport sector.

There has been an organizational change in the responsibility for research activities in the Management Board of voestalpine AG. As of October 1, 2005, the Group-wide responsibility for "R&D and innovation strategy", which was previously assigned to Dipl.-Ing. Josef Mülner, was transferred to Dipl.-Ing. Franz Hirschmanner.

CHANGES IN THE MANAGEMENT BOARD OF voestalpine AG

With the retirement of the previous Chief Financial Officer and deputy chairman of the Management Board, Dr. Werner Haidenthaler, who retired as of September 30, 2005, the following changes, which were approved by the Supervisory Board of voestalpine AG in December 2004, became effective.
Dipl.-Ing. Mag. Robert Ottel, who headed the Division Automotive as yet, has been appointed Chief Financial Officer of voestalpine AG in succession of Dr. Haidenthaler, effective October 1, 2005. At the same time, Dipl.-Ing. Franz Hirschmanner, whose responsibility in the Management Board so far was the technical management of the Division Steel, took over responsibility for the Division Automotive.

OUTLOOK

From the present perspective and given the trend to date of the 2005/06 business year, a further increase in sales and operating result of the voestalpine Group compared with the previous year can be expected.
In detail, the development in the Division Steel is once again characterized by growing demand and the trend towards rising prices, following a phase of lower sales revenues in the short-term sector as a result of temporarily high inventory levels and imports. Thus, in this Division it will be possible once again to outperform the previous year's very satisfactory operating result despite continuing high costs for raw materials.
This applies to an even greater degree to the Division Railway Systems, where on one hand, the tracks and switches segments represent a steady basis for the operating result due to a strong market presence, and on the other hand, the two smaller sectors in the qualitatively demanding wire and semi-finished products segment are currently delivering disproportionately high contributions to the operating result. In conjunction with the continuing boom in demand for seamless tubes, particularly for oilfield pipes, the Division expects to be able to post the best operating result in its history.
In the Division Profilform the market weakness posted at the beginning of the business year has given way to a distinct revival following the summer months with the result that this Division, too, can again expect a very good operating result for the business year overall, although it will be somewhat below the record result of the previous year.
The development progress in the Division Automotive (formerly "motion") is very gratifying in the laser-welded blanks and safety components segments. The same can also be said for the HTI, Vollmer and Polynorm van Niftrik companies, which were acquired in the previous year, while the stamping and tool-making segments continue to be under pressure due to the trend towards insourcing experienced with car manufacturers. Nevertheless, the Division Automotive will also be able to improve considerably on its previous year's operating result.
In summary, it may be assumed that in the 2005/06 business year, the voestalpine Group will increase its sales to more than EUR 6 billion and its operating result (EBIT) to more than EUR 600 million.

BUSINESS PERFORMANCE OF THE DIVISIONS

Division Steel

In millions of euros	1H 2005/06 4/1 – 9/30/2005	1H 2004/05 4/1 – 9/30/2004
Sales	1,748.7	1,399.8
EBITD	331.4	187.7
EBITD margin (in %)	18.9	13.4
EBIT	234.5	111.6
EBIT margin (in %)	13.4	8.0
Employees excl. apprentices	9,740	9,430

In the first half of the 2005/06 business year, the Division Steel achieved significant increases in both revenue and earnings. Sales revenue rose by 25% and operative result (EBIT) by 110%. As a result, the EBIT margin increased from 8.0% to 13.4%.

Shipments have risen by 6.4% from 2.07 million tons to 2.2 million tons, the average price level was about 24% above that of the previous year.

In comparison to the immediately preceding quarter, however, both quantities and prices in the short-term sector declined slightly in the second quarter of the business year. This tendency, resulting from excessive inventory levels among customers and increased steel imports to Europe was, however, limited to the summer months. The past few weeks were again characterized by an increase in demand and a consolidation of prices.

The market for special products used in the energy sector (off-shore steel grades and heavy plate for sophisticated pipeline applications) continued to develop particularly favorable.

The increase in the number of employees by 3.3% is solely due to the expansion of capacity in the context of the investment program "Linz 2010".

Compared to the first six months of the previous business year, the crude steel production at the Linz site rose from 2.15 million tons to 2.47 million tons. Including the production of the Division Railway Systems in Donawitz (increase from 707,000 to 753,000 tons), the overall crude steel production of the voestalpine Group in the first half of 2005/06 was 3.22 million tons. Compared with the previous year (2.86 million tons) this corresponds to an increase by 12.6%.

Division Railway Systems

In millions of euros	1H 2005/06 4/1–9/30/2005	1H 2004/05 4/1–9/30/2004
Sales	938.9	807.6
EBITD	145.9	80.0
EBITD margin (in %)	15.5	9.9
EBIT	104.6	45.1
EBIT margin (in %)	11.1	5.6
Employees excl. apprentices	6,780	7,266

In the first six months of the 2005/06 business year, the Division Railway systems achieved significant increases in revenue (+16.3%) and operating result (EBIT +131.9%), which resulted in a doubling of the operating margin.
In addition to a slightly improved business development in the segments of rails and switches (in which the effects of the still comparatively weak European market could be compensated by an expansion of the overseas exports) compared to the same period of the previous business year, this was above all due to the outstanding development of the sectors seamless tubes and and wire rod. It was particularly the accelerated expansion of oil and natural gas production that led to an enormous demand for seamless tubes. The price level in this area has reached a historic high.
As a result of the quality strategy, which was implemented some years ago with a clear focus on the highest quality special grades that offer attractive margins, the wire sector also significantly surpassed expectations.
In addition, the sale of high-quality semi finished products (billets, blooms) to a selected group of customers also had a positive impact.
The decline in the number of employees by 6.7% was mainly a result of the disposal of Schmid Schrauben GmbH and voestalpine Personalservice Donawitz GmbH which took place at the end of the 2004/05 business year.

Division Automotive

In millions of euros	1H 2005/06 4/1–9/30/2005	1H 2004/05* 4/1–9/30/2004
Sales	412.5	377.8
EBITD	39.9	34.9
EBITD margin (in %)	9.7	9.2
EBIT	16.7	14.7
EBIT margin (in %)	4.1	3.9
Employees excl. apprentices	3,978	4,036

* Income statement and employees retrospectively adjusted by discontinued operations.

Both revenue and profitability figures of voestalpine Group's automotive sector were above those of the 2004/05 business year. (In the table above the comparison figures of the first half of 2004/05 were adjusted with regard to operations of voestalpine Matzner, that were discontinued at the end of 2004/05 business year.)
The improved performance is a result of both market-based and internal factors: on one hand, the beginning recovery of the economic situation of the (Western European) automotive industry and, on the other, restructuring measures that became effective in the course of the past six months. Moreover also the recently acquired companies, which have established themselves as leading providers in profitable niche areas with attractive margin profiles, made significant contributions to the results.
As far as the division's traditional core segments are concerned, the development in the areas of "laser-welded blanks" and "safety technology/tube components" (voestalpine Rotec group) is highly satisfactory. The situation regarding the stamping and tool-making activities (Polynorm group) is somewhat more difficult due to the automotive industry's insourcing efforts.
As compared to the previous year, the sales revenues of the division, which were increased by 9.2%, include the acquisitions Polynorm van Niftrik B.V. (Netherlands) and the two German companies HTI Maschinen- und Apparatebau GmbH and the voestalpine Vollmer group for the first time.

Division Profilform

In millions of euros	1H 2005/06 4/1–9/30/2005	1H 2004/05 4/1–9/30/2004
Sales	402.0	319.9
EBITD	53.4	54.0
EBITD margin (in %)	13.3	16.9
EBIT	38.7	42.2
EBIT margin (in %)	9.6	13.2
Employees excl. apprentices	2,698	2,654

Compared to the previous year, the economic environment for the Division Profilform was unequally more difficult in the first half of the 2005/06 business year. Despite a significant increase in sales revenue, the very good result of the first six months of the previous year could not be repeated. This is mainly due to a noticeable drop in demand in continental Europe.

The rise in revenue by 25.7% was largely a result of the acquisition of Nedcon, as well as significant increases at the subsidiaries in Great Britain and the United States.

Further improvements in the result could be achieved in the storage technology segment, which experienced a continuing high demand in Europe and North America, and in the special profiles sector (e.g. for the commercial vehicle industry and the British building industry); This development, however, could not compensate for the difficult market situation in the segment of standard tubes and profiles, which was characterized by declining quantities and increased pressure on prices.

voestalpine SHARE

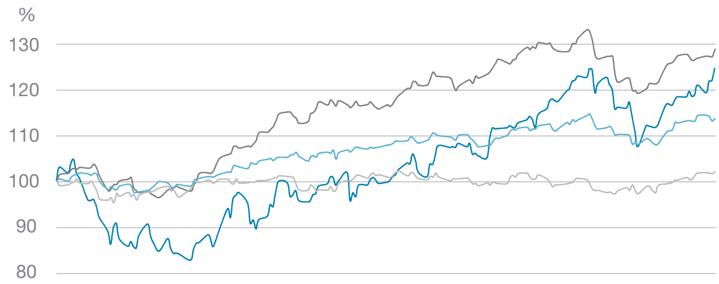
PRICE PERFORMANCE

After a slightly declining development at the beginning of the 2005/06 business year, the share price continued its upwards trend that has prevailed since 2003.
The temporary drop in the share price was, from today's point of view, mainly a result of the early conversion of the ÖIAG exchangeable bond between March and June, which in turn was caused by the preceding share price rally.
As of August 31, 2005, voestalpine AG is also in formal terms a fully privatized company in which, for the first time in its history, the state does not hold any shares. Along with the continuing good fundamental data of the Group and the generally positive predictions for the 2005/06 business year overall, this resulted in a significant recovery of the share price from summer onward. On November 18, 2005, its closing price even reached a historical high at EUR 74.40.

voestalpine AG
VS. INTERNATIONAL INDICES

April 1, 2005 – November 18, 2005
Change compared to March, 2005 in %

— voestalpine AG
— Austrian Traded Index (ATX)
— DOW JONES STOXX
— STOXX Index (Europe)



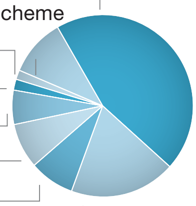
SHAREHOLDER STRUCTURE

Ownership structure (indicative)
There has been no material change in the fundamental shareholder structure since the Shareholders' Letter dated June 30, 2005; the shareholder structure is as follows:

Ownership structure (indicative)

1H 2005/06

45.0%	Austria
10.3%	Employee shareholding scheme
1.7%	Rest of world
2.0%	Switzerland
6.0%	Rest of Europe
8.0%	Germany
8.0%	Great Britain
19.0%	North America



CONVERTIBLE BOND

The Management Board's authorization to issue a convertible bond that was approved by the Annual General Shareholders' Meeting of voestalpine AG on June 30, 2005 was already implemented on July 14, 2005. The goal of this issue was to create a solid financial basis for the Group's future growth at the best possible conditions.

The convertible bond had a total value of EUR 250 million (including greenshoe), the interest coupon is 1.5%, the conversion price is just under EUR 75. Because of the strong demand, the convertible bond was oversubscribed several times only within just a few hours; this is additional proof of the capital market's confidence in the long-term growth strategy of the voestalpine Group.

SHARE INFORMATION

Share capital	EUR 287,784,423.30 divided into 39,600,000 non-par value shares Shares in proprietary possession as of September 30, 2005: 99,885 shares
ISIN	AT0000937503
Reuters	VOES.VI
Bloomberg	VOE AV

CLASS OF SHARES

Common bearer shares, details in euros

Highest market price April 2005 through September 2005	73.18
Lowest market price April 2005 through September 2005	49.20
Share price of September 30, 2005	73.18
Market capitalization as of September 30, 2005*	2,897,928,000

* Basis: total number of shares minus repurchased shares.

BUSINESS YEAR 2004/05

Details in euros

Earnings per share	9.44
Dividend per share	1.50 + 0.60 Bonus
Book value per share	54.79

PROJECTED SCHEDULE FOR 2006

February 2006	Letter to Shareholders 3rd quarter 2005/06
June 8, 2006	Publication of the operating result of the 2005/06 business year
July 5, 2006	Annual General Shareholders' Meeting
July 10, 2006	Ex-dividend date
July 17, 2006	Dividend payment date

Regular analyses regarding the development of the price of voestalpine AG shares as viewed by the capital market are prepared by the following institutions:

Bank Austria Creditanstalt, Vienna. BHF-BANK, Frankfurt. CSF B, London. Deutsche Bank, Vienna. Erste Bank, Vienna. Exane BNP Paribas, Paris. Goldman Sachs, London. HS BC, Paris. JP Morgan, London. Merrill Lynch, London. Morgan Stanley, London. Raiffeisen Centrobank, Vienna. Steubing AG , Frankfurt. UBS, London.

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voestalpine AG
FINANCIAL DATA 9/30/2005
ACCORDING TO IFRS

CONSOLIDATED BALANCE SHEET

ASSETS

In millions of euros

	9/30/2005	3/31/2005
A. NON-CURRENT ASSETS		
Property, plant and equipment	2,194.9	2,166.6
Goodwill	245.1	217.4
Other intangible assets	67.7	48.9
Investments in associates	55.7	57.8
Other financial assets	105.2	113.7
Deferred tax assets	72.4	70.0
	2,741.0	**2,674.3**
B. CURRENT ASSETS		
Inventories	1,283.9	1,224.8
Trade and other receivables	1,138.4	1,110.4
Other financial assets	211.1	182.2
Cash and cash equivalents	492.7	177.5
	3,126.0	**2,694.9**
TOTAL ASSETS	**5,867.0**	**5,369.2**

IFRS-Comment:
- First-time application of “IAS 19 – corridor recognition directly in equity” at September 30, 2005; adjustment of previous year according to IAS 8.
- Income statement 1st half 2004/05 retrospectively adjusted by discontinued operations.

EQUITY AND LIABILITIES

In millions of euros

	9/30/2005	3/31/2005
A. EQUITY		
Share capital	287.8	287.8
Capital reserves	470.8	451.8
Retained earnings and other reserves	1,510.4	1,337.4
Equity attributable to equity holders of the parent	2,269.1	2,076.9
Minority interest	56.9	47.8
	2,326.0	**2,124.7**
B. NON-CURRENT LIABILITIES		
Pensions and other employee obligations	480.8	466.8
Provisions	25.1	24.8
Deferred tax liabilities	75.5	69.9
Financial liabilities	932.8	697.4
Trade and other payables	5.7	3.0
	1,519.9	**1,261.8**
C. CURRENT LIABILITIES		
Provisions	387.5	360.8
Financial liabilities	677.6	619.6
Trade and other payables	956.0	1,002.3
	2,021.2	**1,982.7**
TOTAL EQUITY AND LIABILITIES	**5,867.0**	**5,369.2**

CONSOLIDATED INCOME STATEMENT

In millions of euros	4/1–9/30/2005	4/1–9/30/2004	7/1–9/30/2005	7/1–9/30/2004
Revenue	3,262.4	2,724.1	1,594.0	1,376.7
Cost of sales	–2,523.0	–2,178.7	–1,237.7	–1,101.9
Gross profit	**739.4**	**545.3**	**356.2**	**274.8**
Other operating income	77.5	58.5	33.1	26.9
Distribution costs	–217.0	–199.0	–110.3	–94.0
Administrative expenses	–143.1	–137.1	–71.6	–75.3
Other operating expenses	–85.4	–74.3	–40.9	–33.4
Profit from operations (EBIT)	**371.5**	**193.4**	**166.6**	**99.0**
Share of profit of associates	7.1	9.3	3.5	5.8
Finance income	21.7	16.4	6.2	9.0
Finance costs	–52.4	–46.2	–26.7	–22.5
Profit before tax (EBT)	**347.9**	**172.9**	**149.5**	**91.3**
Income tax expense	–87.4	–61.8	–37.2	–33.4
Profit for the period from continuing operations	**260.4**	**111.1**	**112.3**	**57.9**
Discontinued operations	0.0	–5.3	0.0	–2.5
Profit for the period	**260.4**	**105.8**	**112.3**	**55.4**
Attributable to:				
Equity holders of the parent	256.6	101.9	110.6	53.2
Minority Interest	3.8	3.9	1.7	2.2
Basic earnings per share from continuing operations (Euro)	6.49	2.71	–	–
Diluted earnings per share from continuing operations (Euro)	6.32	2.71	–	–

CONSOLIDATED CASH FLOW STATEMENT

In millions of euros

	4/1–9/30/2005	4/1–9/30/2004
OPERATING ACTIVITIES		
Profit for the period	260.4	105.8
Adjustments	184.6	171.2
Changes in working capital	–22.3	–54.0
Cash flows from operating activities	**422.7**	**223.0**
Cash flows from investing activities	**–297.3**	**–300.8**
Cash flows from financing activities	**194.6**	**1.2**
Net decrease/increase in cash and cash equivalents	**320.1**	**–76.6**
Cash and cash equivalents, beginning of period	177.5	196.6
Net exchange differences	–4.8	0.0
Cash and cash equivalents, end of period	**492.7**	**120.0**

STATEMENT OF CHANGES IN EQUITY

In millions of euros

	4/1–9/30/2005	4/1–9/30/2004
Equity at April 1	2,124.7	1,906.1
Profit for the period	260.4	105.8
Dividends	–86.3	–67.8
Convertible bond	19.1	0.0
Retrospective amortisation of actuarial gains/losses	0.0	–26.7
Own share acquired/disposed	–2.6	3.0
Currency translation	5.3	–1.7
Hedge accounting	1.9	0.7
Other changes	3.5	0.1
Equity at September 30*	**2,326.0**	**1,919.5**

* incl. minority interest

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