



LBC Holdings LLC Consolidated Financial Statements  
for the 3 months Ended March 31, 2005

(Unaudited)

LBC Holdings LLC  
MARCH 31, 2005  
CONSOLIDATED BALANCE SHEETS—ASSETS

	March 31, 2005 (Unaudited)	December 31, 2004
	(In €000)	
Goodwill on acquisitions .....	49,567	50,215
Intangible fixed assets.....	1,421	1,406
Tangible fixed assets .....	193,263	193,792
Financial assets .....	821	800
<b>TOTAL FIXED ASSETS .....</b>	<b>245,072</b>	<b>246,213</b>
Operating accounts receivable.....	25,041	21,616
Other accounts receivable and adjustments .....	7,283	6,791
Deferred expenses.....	10,623	9,551
Premium on notes issuance.....	6,967	7,158
Marketable securities.....	2,114	884
Cash and cash equivalents.....	11,171	8,946
<b>TOTAL CURRENT ASSETS.....</b>	<b>63,199</b>	<b>54,946</b>
<b>TOTAL ASSETS .....</b>	<b>308,271</b>	<b>301,159</b>

See notes to the consolidated Financial Statements

LBC Holdings LLC  
MARCH 31, 2005  
CONSOLIDATED BALANCE SHEETS—LIABILITIES

	March 31, 2005 (Unaudited)	December 31, 2004
	(In €000)	
Share capital .....	73,700	73,700
Consolidated reserves.....	(6,612)	0
Net result for the year.....	(2,419)	(5,626)
Translation adjustments.....	(2,051)	(4,915)
GROUP SHAREHOLDERS' EQUITY .....	<u>62,618</u>	<u>63,159</u>
TOTAL MINORITY INTERESTS.....	<u>4,915</u>	<u>4,696</u>
TOTAL PROVISIONS FOR RISKS & CHARGES.....	<u>5,889</u>	<u>5,762</u>
Banks borrowings and financial debts from credit institutions.....	187,698	186,112
Operating Liabilities .....	22,384	20,705
Deferred tax reserve.....	17,170	16,395
Others Liabilities and adjustments .....	<u>7,597</u>	<u>4,330</u>
CURRENT LIABILITIES .....	<u>234,849</u>	<u>227,542</u>
TOTAL LIABILITIES .....	<u>245,653</u>	<u>238,000</u>
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY .....	<u><u>308,271</u></u>	<u><u>301,159</u></u>

See notes to the consolidated Financial Statements

LBC Holdings LLC  
MARCH 31, 2005  
CONSOLIDATED INCOME STATEMENT  
(Unaudited)

	3 months ended March 31, 2005 <u>(in €'000)</u>
Net sales .....	29,707
Other operating revenues .....	652
Purchases .....	(9,131)
Taxes other than corporate income taxes.....	(1,144)
Personnel costs .....	(9,177)
Amortisation, depreciation and provisions .....	(5,797)
Other operating expenses .....	<u>(31)</u>
NET OPERATING INCOME .....	<u>5,079</u>
Share of joint venture operations .....	6
Net financial expense / (income) .....	<u>5,598</u>
INCOME / (LOSS) FROM ORDINARY ACTIVITIES .....	<u>(513)</u>
Exceptional items, net.....	(72)
Income tax .....	<u>967</u>
NET INCOME / (LOSS) BEFORE MINORITY INTERESTS.....	<u>(1,552)</u>
Minority Interests .....	<u>219</u>
NET INCOME /(LOSS).....	<u>(1,771)</u>
Goodwill depreciation .....	<u>(648)</u>
GROUP SHARE / NET INCOME (LOSS) .....	<u><u>(2,419)</u></u>

See Note 18 for 2004 and 2005 quarterly comparisons based on management reports.  
See notes to the consolidated Financial Statements

LBC Holdings LLC  
MARCH 31, 2005  
CONSOLIDATED STATEMENT OF CASH FLOWS  
(Unaudited)

	3 months Ended March 31, 2005 <u>(In €'000)</u>
Net income before minority interests .....	(1,552)
Adjustments to reconcile net income to cash flow:	
Amortisation, depreciation and provisions .....	5,961
Changes in deferred taxes .....	(165)
Gains and losses from disposals, net of tax.....	(1)
Equity in loss / (gain) of associated company.....	<u>6</u>
Cash flow from operating activities before changes in working capital .....	<u>4,249</u>
Net change in working capital:	
Operating accounts receivables.....	(3,425)
Operating accounts payables.....	1,679
Others, net .....	<u>2,487</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES .....</b>	<b><u>4,990</u></b>
Additions to intangible assets .....	(12)
Additions to tangible fixed assets.....	(2,056)
Additions to investments .....	(3)
Proceeds from disposals of fixed assets.....	51
Net change in other investments .....	<u>0</u>
<b>NET CASH USED IN INVESTING ACTIVITIES .....</b>	<b><u>(2,020)</u></b>
Net borrowings (repayments) under senior credit facility .....	0
High yield bond issuance.....	0
Previous Shareholder current account payment .....	0
Dividends to Minority Interest.....	0
Net change in other borrowings and liabilities.....	<u>297</u>
<b>NET CASH (USED IN) / PROVIDED BY FINANCING ACTIVITIES .....</b>	<b><u>297</u></b>
Conversion and translation adjustments.....	<u>188</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS .....</b>	<b>3,455</b>
Cash and cash equivalents at beginning of the period .....	9,830
Cash and cash equivalents at end of the period.....	<u>13,285</u>

LBC Holdings LLC  
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
 AS AT AND FOR THE FIRST QUARTER 2005  
 (Figures in €000)  
 (Unaudited)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES, RULES AND METHODS

Overview

The consolidated financial statements at March 31, 2005 presented herein consist of balance sheets, a statement of income, a statement of cash flows and the related notes. The comparative accounts presented herein consist of balance sheets at December 31, 2004 and March 31, 2005 and proforma comparative income statements based on reporting for the 3 months ended March 31, 2004.

Accounting Principles

The consolidated financial statements of LBC Holdings LLC (“the Company”) have been prepared in accordance with accounting principles generally accepted in France and rules described in CRC regulation 99-02 related to consolidated financial statements. The unaudited consolidated statements included herein have been prepared on the same basis as the annual consolidated financial statements of the former LBC Group prior to its acquisition by OEP (see Note 3), in accordance with accounting principles generally accepted in France.

Companies controlled totally or through majority ownership are fully consolidated (“global integration” under French GAAP). Jointly controlled companies are consolidated using the proportionate method. Significant transactions between consolidated companies and intercompany operations are eliminated in the consolidated financial statements.

Balance sheet accounts of foreign companies are translated into euros at the closing date exchange rate. Income statement items are translated into euros at the average exchange rate for the period. Translation adjustments are booked in shareholders' equity. The Group's share in translation adjustments are included under the caption "translation adjustments" in shareholders' equity.

<u>Currency</u>	<u>Closing rate March 31, 2005</u>	<u>Average rate for the period</u>	<u>Closing rate December 31, 2004</u>
US dollar	1.305	1.3095	1.3621

Due to the seasonality of our revenues, the results for the first quarter are not necessarily indicative of the results expected for a full year.

Intangible fixed assets, mainly business goodwill and software are depreciated over their useful life.

Goodwill arising on an acquisition represents the cost of the acquisition over the fair value of the net identifiable assets.

Tangible fixed assets are stated at the historical cost. Depreciation is charged to the income statement on a straight-line basis over their estimated useful lives. Tanks and tank containments are depreciated over a period of 20 years.

Investments in non-consolidated companies are stated at cost less impairment losses. An impairment is recognised when the carrying amount of an asset exceeds its recoverable amount.

Accounts receivables and liabilities expressed in euros are stated at their historical value irrespective of due date and remuneration rate. Advances and liabilities expressed in foreign currencies are converted at the exchange rate as at the closing date. A provision is booked to reflect the risk of non-collection due the financial position of debtors.

Exceptional or extraordinary items are defined as profit or losses that result from events or operations that are not part of the ordinary activity of the company and that should not as a consequence happen repeatedly or frequently.

Deferred tax assets and liabilities contain tax liabilities corresponding to the cancellation of depreciation expenses, expenses to be spread over more than one year and temporary differences in taxation resulting from the application of fiscal obligations. A French group releasing agreement has been signed between LBC France Holding SAS, LBC France SAS, LBC SA, LBC Sotrasol SA, LBC Nantes SA, and LBC Marseille-Fos SAS with effect on August 1<sup>st</sup>, 2004. This agreement is governed by the group relief provisions of articles 223A and thereafter of the French General Tax Code.

Employee retirement commitments are booked as a liability. An actuarial valuation is carried out were this obligation exists based on the following assumptions:

- Discount Rate: 3.9%
- Estimated annual salary increase: 2%
- Retirement age: 60 or local legal age
- Social Security contributions: 43% or local regulations
- Turnover: probability to be in the company: 50% if under 45 years old and 100% above 45 years old
- Mortality rate: INSEE tables

No changes have been booked in the first quarter.

## NOTE 2: SCOPE OF CONSOLIDATION

Applied consolidation rules and methods:

Company	Address	March 31, 2005	
		% Interest	Method
LBC Holdings LLC (Parent company)	1209 Orange Street – Wilmington Delaware 19801 -USA	100,0000	Parent
LBC Acquisition Corp Inc.....	1209 Orange Street – Wilmington Delaware 19801 - USA)	100,0000	full integration
LBC Houston LP.....	11666 Port Road - Seabrook Texas 77 586 - USA	100,0000	full integration
LBC Finance SARL.....	23 avenue de la Porte Neuve 2227 LUXEMBOURG	100,0000	full integration
LBC Luxembourg SARL.....	23 avenue de la Porte Neuve 2227 LUXEMBOURG	100,0000	full integration
LBC Luxembourg Holding SCA...	23 avenue de la Porte Neuve 2227 LUXEMBOURG	100,0000	full integration
LBC Belgium BVBA.....	Bredestraat 4 2000 Antwerpen - BELGIUM	100,0000	full integration
Financière GTS SA.....	Haven 275 - Leon Bonnetweg 28 2030 Anvers - BELGIUM	100,0000	full integration
LBC Antwerpen SA.....	Haven 275 - Leon Bonnetweg 28 2030 Anvers - BELGIUM	100,0000	full integration
LBC Rotterdam BV.....	Oude Maasweg 4 – PO BOX 5000 – 3197 Botlek - NETHERLANDS	100,0000	full integration
LBC France Holding SAS.....	5 ter rue du Dôme 75 116 Paris - FRANCE	100,0000	full integration
LBC France SAS.....	5 ter rue du Dôme 75 116 Paris - FRANCE	100,0000	full integration
LBC SA.....	5 ter rue du Dôme 75 116 Paris - FRANCE	100,0000	full integration
LBC Sotrasol SA.....	5 ter rue du Dôme 75 116 Paris - FRANCE	99,8979	full integration
Sogestrol SAS.....	Route de la Chimie 76 700 Gonfrville L'Orcher- FRANCE	49,9489	Proportionate
LBC Nantes SA.....	103, quai Emile Cormerais 44 800 St Herblain - FRANCE	99,8888	full integration
LBC Marseille-Fos SAS.....	Route du Port Pétrolier 13117 Lavéra - FRANCE	99,9955	full integration
Terliq SA.....	El Poligono El Fangal, Valle de Escombreras – 30350 Cartagena - SPAIN	78,1438	full integration
Terquisa SA.....	Calle Santa Cruz de Marcenado 31 – Madrid - SPAIN	56,2876	full integration
LBC Tanquipor SARL.....	Parque Industrial do Barreiro 2830 BARREIRO - PORTUGAL	71,1111	full integration

CHDR (30% control) is excluded from the consolidated companies scope because it is not material to overall operations.

## NOTE 3: THE ACQUISITION

Pursuant to a share purchase agreement entered into on March 25, 2004 by and between One Equity Partners and Fimalac S.A., One Equity Partners agreed to acquire Fimalac's Shareholding in LBC S.A. and its subsidiaries. In connection with the acquisition, One Equity Partners formed LBC Holdings LLC on April 15, 2004. On May 13, 2004 the transaction was effective and completed.

The acquisition was accounted for in accordance with French GAAP. As a result, for the purposes of preparing our consolidated financial statements, the total purchase price was allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the date of the Acquisition, with any excess of the purchase price over the identifiable net assets acquired allocated to goodwill. Expected payments to be received from the previous shareholder have been allocated to goodwill.

The total consideration paid for the acquisition was € 243.0 million on a debt free basis. The debt of LBC S.A. and its subsidiaries amounted to € 108.4 million and the share price amounted to € 134.6 million.

The acquisition was financed by a €73.7 million equity investment from One Equity Partners LLC (OEP); a loan from OEP of €2.0 million; the issuance of Senior Subordinated Notes (€ 133.0 million) and by borrowings under the Senior Facility Agreement (€46.0 million).

Fees and expenses related to the acquisition and its financing are estimated to be € 12.9 million. The discount or premium related to the issuance of subordinated notes is € 7.6 million which has been booked as a deferred cost and amortized over the duration of the notes (10 years). The acquisition cost of € 3.6 million is included in the goodwill (see note 4 - Goodwill). The estimated guarantee payment from the previous shareholders relative to investments € 1.2 has been booked as a goodwill reduction. The financing expense of € 9.3 million is amortized as a non-cash interest cost over the length of the respective indebtedness.

## NOTE 4: GOODWILL

For the purposes of preparing our consolidated financial statements subsequent to the Acquisition, the total purchase price was allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the date of the Acquisition, with any excess of the purchase price over the identifiable net assets acquired allocated to goodwill.

	<u>(€thousands)</u>
Estimated purchase price.....	134,600
Estimated costs and expenses of the Acquisition.....	2,377
Estimated total consideration.....	136,977
Net assets of Target as at May 13, 2004.....	<u>(85,142)</u>
Estimated goodwill on Acquisition .....	<u><u>51,835</u></u>

The following table details changes in goodwill.

	Balance December 31, 2004	Net Other Increase / (Decrease)	Balance March 31, 2005
Goodwill			
Gross value.....	51,835	0	51,835
Depreciation.....	<u>1,620</u>	<u>648</u>	<u>2,268</u>
Net.....	<u><u>50,215</u></u>	<u><u>(648)</u></u>	<u><u>49,567</u></u>

## NOTE 5: INTANGIBLE ASSETS

	Balance December 31, 2004	Balance March 31, 2005 (Unaudited)
Intangible fixed assets		
Gross value.....	3,188	3,244
Depreciation and provision.....	1,782	1,823
Net book value.....	<u>1,406</u>	<u>1,421</u>

## NOTE 6: TANGIBLE FIXED ASSETS

	Balance December 31, 2004	Balance March 31, 2005
Land.....	17,828	18,587
Buildings.....	77,811	78,666
Industrial fixture and equipment .....	339,755	344,559
Industrial fixture and equipment—under capital lease contracts.....	0	0
Other tangible fixed assets .....	11,143	11,142
Tangible fixed assets in progress.....	6,224	7,328
Gross tangible fixed assets.....	<u>452,761</u>	<u>460,282</u>
Less accumulated depreciation and amortisation .....	<u>258,969</u>	<u>267,019</u>
Net tangible fixed assets.....	<u>193,792</u>	<u>193,263</u>

## NOTE 7: OPERATING ACCOUNTS RECEIVABLE

	Balance December 31, 2004	Balance March 31, 2005
Trade accounts receivables .....	21,969	25,402
Other operating accounts receivable.....	253	245
Provisions for bad debt .....	(606)	(606)
Net operating accounts receivables .....	<u>21,616</u>	<u>25,041</u>

All trade accounts receivables are due within 1 year.

## NOTE 8: DEFERRED FINANCING COST AND ISSUANCE PREMIUMS

	Balance December 31, 2004	Conversion adjustment	Amortization	Balance March 31, 2005
Deferred Financing expense.....	8,734	204	(264)	8,674
Premiums on note issuance .....	7,158		(191)	6,967
Net deferred financing expense .....	<u>15,892</u>	<u>204</u>	<u>(455)</u>	<u>15,641</u>

The deferred financing expense is related to the issuance of the € 133 million Senior Subordinated Notes issuance and the Senior Facility Agreement (see. note 9- Net debt). This amount is booked on the balance sheet as deferred expenses which together with other operating deferred expenses of €1.9 million for a totals €10.6 million.

The premium in notes issuance is related to the issuance of the € 133 million Senior Subordinated Notes issuance (see. note 9 - Net debt).

## NOTE 9: NET DEBT

Net debt, including amounts payable within one year, is as follows:

	December 31, 2004	Net increase (decrease)	March 31, 2005
Other Credit Facilities.....	8,643	297	8,940
Senior Credit Facility.....	44,468	1,289	45,757
11% Senior Subordinated Notes.....	133,000		133,000
Accrued interest.....	2,640	3,198	5,838
Gross debt.....	<u>188,751</u>	<u>4,784</u>	<u>193,535</u>
Marketable Securities.....	884	1,230	2,114
Cash and Cash Equivalents.....	8,946	2,224	11,170
Net debt.....	<u>178,921</u>	<u>1,330</u>	<u>180,251</u>

In the balance sheet accrued interest is booked in other liabilities and adjustments.

As at March 31, 2005, we had outstanding net debt including accrued interest of € 180.3 million. As at March 31, 2005 LBC Holdings LLC and its consolidated subsidiaries also had unused facilities of €40.0 million under the Senior Credit Facilities, consisting of a € 15.0 million Capex Facility, a € 15.0 million Revolving Credit Facility and a € 10.0 million Bank Guarantee Facility

On May 13, 2004, LBC Holdings LLC and its subsidiaries entered into an agreement (the "Senior Credit Facilities") with BNP Paribas as mandated lead arranger, agent and security agent pursuant to which the lenders agreed to provide in aggregate €96.3 million in bank financing.

The Senior Credit Facilities consist of the following facilities:

- the Term A Facility, which is a U.S. dollar denominated term loan facility, in an amount equal to the U.S. dollar equivalent of €41.3 million, less the U.S. dollar amount of the Letter of Credit Facility referred to below, with a final maturity seven years after the date of the Acquisition;
- the Term B Facility, which is a € 15.0 million euro denominated term loan facility, with a final maturity eight years after the date of the Acquisition;

- the Capex Facility, which is a € 15.0 million euro or U.S. dollar denominated term loan facility with final maturity seven years after the date of the Acquisition;
- the Revolving Credit Facility, which is a € 15.0 million euro denominated revolving credit facility with final maturity seven years after the date of the Acquisition;
- the Bank Guarantee Facility, which is a € 10.0 million euro bank guarantee facility pursuant to which bank guarantees denominated in euros can be requested; and
- the Letter of Credit Facility, which is a US\$ 7.2 million letter of credit facility pursuant to which a letter of credit denominated in U.S. dollars may be issued in support of the Industrial Revenue Bonds.

On May 13, 2004, the Company issued € 133.0 million aggregate principal amount of its 11% senior subordinated notes due 2014 (the "Notes"). The Notes will pay interest semi-annually on each May 15 and November 15, commencing November 15, 2004. At any time on or before May 15, 2009, the Notes may be redeemed in whole or in part by the Company paying a "make whole" premium. At any time on or after May 15, 2009, the Company may redeem all or part of the Notes by paying a specified premium. In addition, on or before May 15, 2007, the Company may redeem up to 35% of the Notes with the net proceeds from specified equity offerings. If LBC Holdings LLC undergoes a change of control or sells certain of its assets, it may be required to offer to purchase the Notes. The Notes are general obligations and will rank subordinate to all of the Company's existing and future senior indebtedness. The Notes are secured by a second ranking pledge of certain intercompany loans made by the Company to certain of its subsidiaries.

As at December 31, 2004 the company was in breach of one of its Senior Facility Agreement Financial Covenants: Based on Proforma full year results the ratio consolidated cashflow over Total debt Service was 0,95 instead of a required minimum of 1,0. This breach, per the Senior Facility Agreement constitutes an event of default and may create a situation of cross default on other credit agreements. The company obtained a waiver on this technical covenant breach on May 17, 2005.

#### NOTE 10: SHAREHOLDERS' EQUITY AND MINORITY INTEREST

Changes in shareholders' equity are presented below.

	Balance December 31, 2004	Balance March 31, 2005
Consolidated equity at opening balance .....	74,177	63,159
Consolidated net result for the year .....	(5,626)	(2,419)
Translation adjustments .....	(5,392)	1,878
Group Shareholders Equity.....	<u>63,159</u>	<u>62,618</u>
Minority Interest .....	<u>4,696</u>	<u>4,915</u>

The Equity of LBC Holdings LLC is composed of 76,102.39 common units, 684,921.51 Series A preferred units and 119,052.40 Series B preferred units; all having a par value of \$.100. Series A preferred units are entitled a cash rate per annum of 8% and Series B Preferred Units are entitled a cash rate per annum of 15% in the case a there is a distribution declared or paid. Series A and Series B Preferred Units are not entitled to vote but are senior to common Units. If certain conditions are met and in particular by the Senior Facility agreement and the High Yield Bond indenture the Series B may be redeemed (i) upon the written request by the majority of holders or (ii) on May 15, 2015. The members of LBC Holdings LLC have expressed their intention to change in the course of 2005 the series B preferred Units to a perpetual form. Distributions of accrued interest on Series A and B are subject to covenants on our Senior Facility Agreement. No distribution has been declared or paid as of December 31, 2004 nor as of March 31, 2005.

## NOTE 11: PROVISIONS FOR RISKS AND CHARGES

	Balance December 31, 2004	Balance March 31, 2005
Provision for pension and retirement liabilities .....	1,937	1,983
Provision for risks.....	170	169
Provision for charges .....	3,655	3,737
<b>TOTAL PROVISIONS FOR RISKS AND CHARGES.....</b>	<b>5,762</b>	<b>5,889</b>

The provision for charges includes a € 2.4 million provision for land decontamination in our Antwerp terminal. This expense could, according to estimates reach a value of € 7.0 million, but the Acquisition Agreement provides that the majority of such incremental cost would be borne by the prior shareholder.

This caption also includes a reserve for OEP management fees for € 0.7 million. The OEP management fee is an annual fee payable to OEP if certain conditions are met (particularly annual Ebitda level). If the conditions are not fulfilled, which was the case for 2004, the fee is accrued and bears interest and is only payable, together with accrued interest in subsequent years upon fulfilling certain conditions (particularly annual Ebitda level).

The other significant item is a redundancy plan provision for our Marseille Terminal amounting € 0.8 million booked in 2004 as an extraordinary provision for which €0.1 million was expensed in first quarter 2005.

## NOTE 12: DEFERRED INCOME TAXES

Deferred income taxes are recognized using the liability method for timing differences between the recognition of certain items of income and expenses for financial reporting and tax purposes, as well as for consolidation adjustments (mainly purchase accounting adjustments and the elimination of non-deductible provisions). Deferred tax assets are recognized for ordinary and evergreen tax loss carry-forwards, to the extent that they are offset by deferred tax liabilities. Net deferred tax assets are recognized only where the related tax benefit can reasonably be expected to be realized.

## Deferred tax assets and liabilities

	Balance December 31, 2004	Balance March 31, 2005
Deferred tax assets.....	57	57
Deferred tax liabilities .....	16,395	17 170
Net deferred tax position.....	16,338	17,113

In the balance sheet the deferred tax asset is included in the line other accounts receivables and adjustments.

## Detail of our profit and loss taxes

	Balance March 31, 2005
Income tax.....	802
Deferred tax.....	165
Total .....	967

## Basis of Income tax

	Balance March 31, 2005
Net Income .....	(2,419)
Income tax .....	967
Income before tax.....	(1,452)
Goodwill amortization.....	648
Permanent differences .....	0,000
Taxable result.....	(804)
Income tax at the rate of 35% .....	281
Others .....	(1,248)
Income tax .....	<u>967</u>

The Parent company LBC Holdings LLC is a non taxable entity and any taxes due on the LBC Holdings LLC taxable result is payable by its shareholders.

## NOTE 13: SALES AND OPERATING PROFIT

The sales allocation by geographical area is presented below.

	Balance March 31, 2005
France.....	9,192
Other countries in Europe.....	10,996
United States.....	9,519
Net sales .....	<u>29,707</u>

The operating profit allocation by geographical area is presented below.

	Balance March 31, 2005
France.....	1,055
Other countries in Europe.....	829
United States.....	3,195
Net operating income .....	<u>5,079</u>

## NOTE 14: AMORTIZATION, DEPRECIATION AND PROVISIONS

Amortisation, depreciation and provisions are as follows:

	Balance March 31, 2005
Amortisation .....	5,424
Depreciation.....	15
Provisions .....	358
Amortisation, depreciation and provisions .....	<u>5,797</u>

## NOTE 15: NET FINANCIAL EXPENSE

	Balance March 31, 2005
Cash and interest accruals expense.....	4,393
Exchange rate loss (gain) in net	793
Amortization of deferred interest premiums and expenses .....	454
Cash and interest income .....	(42)
Net financial expense (income).....	<u>5,598</u>

## NOTE 16: EXCEPTIONAL ITEMS

The main items in the extraordinary result are:

	Balance March 31, 2005
Other extraordinary items (net) .....	(72)
Net exceptional items (income).....	<u>(72)</u>

## NOTE 17: HEADCOUNT

The total number of employees as of March 31, 2005 is

	March 31, 2005
Management Employees.....	52
Non Management Employees / Office Staff .....	182
Blue collars and Office employees.....	339
Total headcount.....	<u>573</u>

## NOTE 18: PROFORMA REPORTING STATEMENTS

Proforma reporting profit and loss statement has been derived from our march 31, 2004 management report. The proforma profit and Loss account gives effect to the acquisition and the refinancing of the group as if they had occurred on January 1<sup>st</sup>, 2004. The adjustments made in order to present the proforma reporting profit and loss statement have been based on available information and assumptions that management believes are reasonable. Main assumptions and reconciliations are listed below:

	March 31, 2004 Reporting Format (in €'000')	Proforma adjustments (in €'000')	Proforma March 31, 2004 Reporting Format (in €'000')	March 31, 2005 Reporting Format (in €'000')
Net sales.....	28,957		28,957	29,707
Other operating revenues and expenses ..... (i)	(19,446)	(125)	(19,571)	(18,831)
Ebitda.....	9,511	(125)	9,386	10,876
Amortisation, depreciation and provisions	(5,455)		(5,455)	(5,797)
NET OPERATING INCOME.....	4,056	(125)	3,931	5,079
Net financial expense / (income)..... (ii)	711	4,045	4,756	5,592
INCOME / (LOSS) FROM ORDINARY ACTIVITIES .....	3,345	(4,170)	(825)	(513)
Exceptional items, net.....	26		26	(72)
Income tax ..... (iii)	1526	(856)	670	967
NET INCOME / (LOSS) BEFORE MINORITY INTERESTS .....	1,845	(3,314)	(1,469)	(1,552)
Minority Interests .....	106		106	219
NET INCOME /(LOSS) .....	1,739	(3,314)	(1,575)	(1,771)
Goodwill depreciation ..... (iv)	(284)	(364)	(648)	(648)
GROUP SHARE / NET INCOME (LOSS)	1,455	(3,678)	(2,223)	(2,419)

- (i) The management fee has been adjusted taking into consideration a full year of actual shareholder management fee and eliminating previous shareholder management fee
- (ii) The adjustment of interest is based on a full year estimation of the Senior Facility Agreement and Senior Subordinated Notes Interest including Cash interest and non cash interest less existing interest on debt refinanced post acquisition.
- (iii) The tax adjustment takes into consideration on a full year basis of the reduction in tax payable due to increased interest costs and is based on a full year impact of the French tax group and US tax consolidation.
- (iv) Goodwill: Depreciation on a full year basis of the goodwill post acquisition.

## NOTE 19: SUBSEQUENT EVENTS

As disclosed in note 9, the company obtained a waiver from its technical covenant breach on May 17, 2005.