

PRESS RELEASE

Paris, August 1, 2007

First-Half 2007 Consolidated Results

- Firm growth in current operating income: + 6.2%
- Further external development in high-growth zones

On Tuesday, July 31 2007, the Board of Directors of Imerys examined the Group's accounts for the 1st half of 2007, as presented by Chief Executive Officer Gérard Buffière.

(millions of euros)	1 st half 2007	1 st half 2006	% change
CONSOLIDATED RESULTS			
Sales	1,704.9	1,665.8	+ 2.3%
Current operating income ⁽¹⁾	242.9	228.8	+ 6.2%
Net income from current operations ⁽²⁾ , Group's share	154.8	150.3	+ 3.0%
Net income, Group's share	151.4	54.9	n.a.
FINANCING			
Current operating cash flow ⁽³⁾	264.0	250.7	+ 5.3%
Paid capital expenditure	(145.7)	(100.1)	+ 45.6%
Net financial debt	1,280.7	1,215.2	+ 5.4%
DATA PER SHARE (n.b. weighted average)			
Net income from current operations	€2.44	€2.37	+ 3.1%

(1) Operating income before other operating revenue and expenses.

(2) Net income before other operating revenue and expenses, net.

(3) Current operating income plus net depreciation expense and provisions, minus tax on current operating income.

In the 1st half of 2007, Imerys' markets showed healthy overall trends, driven by firm growth in emerging countries. In addition, the economic environment was marked by further depreciation of the US dollar against the euro and by the leveling out of energy prices, which had risen sharply in 2005 and 2006.

The Group's operating performance improved in that context.

- Sales rose + 2.3% compared with the 1st half of 2006 (+ 4.4% at comparable Group structure and exchange rates);
- Current operating income increased + 6.2%, mainly due to improved product offering in all three business groups (+ 10.8% at comparable Group structure and exchange rates);
- Net income from current operations grew + 3.0%, reflecting the expected increase in financial expense during the 1st half.



IMERYS
TRANSFORM TO PERFORM

A highlight of the period was the completion of acquisitions that enabled the Group to keep up its development. Following the acquisition in April 2007 of UCM, a major producer of fused zirconium and magnesia, Imerys continued to strengthen its positions with operations in China, India and Argentina.

The Group announced two new operations today (*see specific press release*): the acquisition of ACE, India's leading monolithic refractories producer and the takeover of Vatutinsky, a Ukrainian company specializing in the production of chamottes (calcined clay) for refractories.

CEO Gérard Buffière commented, *"In the 1st half of 2007, the Group's operating performance improved. Trends were positive on most of our markets, allowing us to achieve + 4.4% organic growth. However, the further depreciation of the US dollar against all other currencies, particularly the euro and the Brazilian real, limited our performance growth. On the other hand, we did benefit from stable energy prices.*

The period was marked by an acceleration of our development in high-growth zones through acquisitions in monolithic refractories and minerals for ceramics in India, refractory chamottes in Ukraine and minerals for filtration in Argentina, reflecting our determination to be a "multi-mineral" and "multi-application" world leader in industrial minerals processing.

For the year as a whole, growth in our net income from current operations should be similar to the growth rate achieved for the 1st half, assuming comparable economic and monetary conditions."

DETAILED COMMENTARY ON THE GROUP'S RESULTS

The consolidated income statement, consolidated balance sheet and consolidated cash flow statement are provided in appendix to this press release.

Sales

Sales totaled €1,704.9 million for the 1st half of 2007, up + 2.3% from the same period in 2006 (+ 1.8% in the 1st quarter; + 2.9% in the 2nd).

The trend in half-year sales takes into account the heavy negative impact of exchange rates (- €53.1 million, i.e. - 3.2%: of which - 3.6% in the 1st quarter and - 2.8% in the 2nd), and the effect of changes in Group structure for + €19.1 million (+ 1.1%, comparable from one quarter to another) corresponding to the difference between:

- ▶ The positive contribution (+ €22.7 million) of acquisitions completed since 2006 (mainly AGS in late February 2006 and UCM in April 2007);
- ▶ The impact of divestments (- €3.6 million with respect to trading activities in ceramic products for craftsmen, deconsolidated as from April 2007).

At comparable Group structure and exchange rates, sales increased + 4.4%, with a steady growth rate over the period (+ 4.3% in the 1st quarter; + 4.5% in the 2nd). This trend reflects:

- ▶ An improved product offering (+ 2.3%, of which + 1.5% in the 1st quarter and + 3.2% in the 2nd) in all business groups;
- ▶ The rise in sales volumes (+ 2.1%, of which + 2.8% in the 1st quarter and + 1.4% in the 2nd), with exceptionally high turnover in Monolithic Refractories.

Growth in current operating income

Current operating income, at €242.9 million for the 1st half of the year, rose + 6.2% compared with the same period in 2006 (+ 6.7% in the 1st quarter; + 5.7% in the 2nd). This result takes into account:

- ▶ Heavy negative impact of exchange rates (- €11.8 million, of which - €5.3 million in the 1st quarter and - €6.5 million in the 2nd), resulting on one hand from the depreciation of the US dollar against the euro and, on the other hand, from the appreciation of the Brazilian real and the Japanese yen against the US dollar;
- ▶ The net effect of changes in Group structure for + €1.1 million (of which + €0.4 million in the 1st quarter and + €0.7 million in the 2nd).

Reprocessed to allow for exchange rate and Group structure effects, current operating income grew by + €24.8 million, i.e. + 10.8%. The clear improvement in product offering quality over the period (+ €35.2 million, i.e. + 2.1% of sales) and the rise in sales volumes (+ €11.8 million) easily offset the negative impact of variable costs (- €9.8 million) and the slight increase in fixed costs and overheads (- €9.0 million).

The Group's overall operating margin improved to 14.2% (13.7% in the 1st half of 2006).

Net income from current operations: up + 3.0%

The Group's share of net income from current operations, at €154.8 million in the 1st half of 2007 compared with €150.3 million for the same period in 2006, increased + 3.0% (+ 5.6% in the 1st quarter; + 1.0% in the 2nd).

This trend takes into account:

- A significant rise in financial expense to - €29.0 million (it was only - €18.3 million for the same period in 2006, as the Group had benefited from non-recurrent exchange gains of + €8.9 million in the 2nd quarter of 2006 mainly);
- A - €60.2 million current tax charge (- €60.4 million in 2006), reflecting a slight decrease in the effective tax rate (28.2% vs. 28.7% in the 1st half of 2006).

At €2.44 compared with €2.37 in 2006, net income from current operations per share rose + 3.1% during the period, while the average weighted number of outstanding shares was virtually stable at 63,446,107 compared with 63,497,943 in the 1st half of 2006.

Net income

Net income, Group's share, at €151.4 million in the 1st half of 2007 compared with €54.9 million for the same period in 2006, includes - €3.4 million in other income and expense, net of tax. That figure was - €95.4 million in the 1st half of 2006 and was mainly due to the reorganization plan for the Group's kaolin production.

Cash flow and financial structure

Current operating cash flow ⁽¹⁾ rose + 5.3% to €264.0 million, compared with €250.7 million in the 1st half of 2006.

This increase takes the following into account.

- €332.4 million in EBITDA ⁽²⁾ (€318.7 million in 1st half 2006), i.e. + 4.3% growth;
- A notional tax charge on current operating income of - €68.4 million (- €65.7 million in 1st half 2006).

This current operating cash flow enabled the Group to fund the capital expenditure programs announced: reorganization of its kaolin production and optimization of World Minerals' industrial assets, particularly the Lompoc plant (California, USA). In total, capital expenditure increased significantly over the period (139% of depreciation expense ⁽³⁾ vs. 81.5% in the 1st half 2006). The paid amount increased to €145.7 million from €100.1 million in the 1st half of 2006. Capital expenditure will continue at a firm pace in the second part of the year.

Change in working capital was negative at - €64.2 million (- €84.8 million in 1st half 2006), reflecting firm business and the Group's typical seasonal variations.

Current free operating cash flow ⁽⁴⁾ amounted to €58.8 million (€67.0 million in 1st half 2006).

After allowing for financial expense, net of tax (- €20.8 million after tax vs. - €13.0 million in 1st half 2006) and other working capital and non-cash items for a total of + €0.5 million compared with + €13.5 million in the 1st half of 2006, **current free cash flow** ⁽⁵⁾ amounts to €38.5 million (€67.5 million as on June 30, 2006).

The cash impact of external growth operations is - €90.3 million, compared with - €22.6 million in the 1st half of 2006. Asset divestments amounted to €3.3 million, compared with €0.3 million for the same period in 2006.

Finally, Imerys paid out €114.2 million in dividends on May 15, 2007 (€104.9 million in 2006)

Consolidated **net financial debt** rose to €1,280.7 million, compared with €1,086.1 million as on December 31, 2006 and €1,215.2 million on June 30, 2006. Net debt represents 77.4% of shareholders' equity and 1.9 times EBITDA (79.4% and 1.9x, respectively, on June 30, 2006).

(1) EBITDA less taxes on current operating income.

(2) Current operating income plus amortization, depreciation and change in provisions.

(3) Accounted capital expenditures divided by increase in asset amortization and depreciation.

(4) Current operating cash flow minus paid capital expenditure and changes in operating working capital.

(5) Current free operating cash flow less financial expenses net of tax and change in other working capital requirements and non-cash items (deferred taxes and financial provisions).

With a new bond issue of €500 million in April 2007 (10-year maturity), Imerys continues to have ample financial resources that enable it to seize any new external growth opportunities that may arise.

COMMENTARY BY BUSINESS GROUP

SALES (millions of euros)	1st half 2007	1st half 2006	Current change %	Change on comparable basis⁽¹⁾ %
Performance Minerals & Pigments	564.7	583.5	- 3.2%	+ 0.9%
- of which Pigments for Paper	373.9	388.2	- 3.7%	+ 1.5%
Materials & Monolithics	511.0	466.1	+ 9.6%	+ 10.6%
Ceramics, Refractories, Abrasives & Filtration	641.0	627.5	+ 2.2%	+ 3.0%
IMERYS GROUP⁽²⁾	1,704.9	1,665.8	+ 2.3%	+ 4.4%

(1) At comparable Group structure and exchange rates; (2) After holding companies and eliminations.

CURRENT OPERATING INCOME⁽¹⁾ (millions of euros)	1st half 2007	1st half 2006	Current change %
Performance Minerals & Pigments	57.4	54.6	+ 5.1%
- of which Pigments for Paper	42.0	35.6	+ 17.9%
Materials & Monolithics	115.0	104.7	+ 9.9%
Ceramics, Refractories, Abrasives & Filtration	87.4	84.7	+ 3.2%
IMERYS GROUP⁽²⁾	242.9	228.8	+ 6.2%

(1) Operating income before other operating revenue and expenses; (2) After holding companies and eliminations.

Performance Minerals & Pigments (33% of 1st half consolidated sales)

During the 1st half of the year, the business group's markets showed contrasting trends.

Performance Mineral markets (paint, plastics, adhesives, etc.) are still healthy in Europe. However, the North American construction sector decreased compared with the previous year: the 2nd quarter of 2007 is in line with the first, with no upturn or downturn. No clear sign of recovery can be seen at this juncture.

In Pigments for Paper, global production of printing and writing paper rose by an estimated + 1.6%. This growth is sharp in Asia (+ 4.2%), while output is stable in Europe and North America, where industrial restructuring (closure of the least productive machines) continues to affect total production.

Capital expenditure amounted to €76.9 million, i.e. 172.0% of depreciation expense, compared with €31.0 million in the 1st half of 2006.

In Performance Minerals, efforts to improve productivity and modernize industrial assets were kept up in calcium carbonates. The Arcos (Brazil) plant was shut down as planned and production was transferred to a more modern facility close to Sao Paulo, where capacity was increased. In Tunisia, production assets were extended to serve local paint markets.

In Pigments for Paper:

- Imerys is actively implementing its calcium carbonate development strategy in Asia. The new precipitated calcium carbonate (PCC) plant, built in Sumatra (Indonesia) under a joint venture with the April group, started up in the 4th quarter of 2006. It is now running at full capacity. Construction of a ground calcium carbonate (GCC) unit in Niigata (Japan) began under a 60% Imerys-owned joint venture with the papermaker Hokuetsu. The new facility should come on stream in the 2nd half of 2007, supported by Imerys' marble reserves in Malaysia and Vietnam.

The Group further strengthened its mining positions in the region with the acquisition in early 2007 of high-quality white marble reserves in China.

- The business group also increased its white marble reserves in Europe (Greece and Turkey) through the acquisition of new deposits.
- Implementation of the reorganization plan in coating kaolin for paper manufacturing continues and production transfer to Brazil will begin in the 4th quarter of 2007. Construction of new distribution facilities in Antwerp (Belgium), modernization of production units in Cornwall (United Kingdom) and capacity extension at the Barcarena (Brazil) plant are progressing as planned. In June, production was temporarily stopped at Barcarena following an unforeseen discharge of settling water from kaolin manufacturing, with no harm to fauna or the local environment. This temporary shutdown had no impact on supply to papermaker customers, thanks to the division's secure logistics chain.

Sales, at €564.7 million for the 1st half of 2007, decreased - 3.2% compared with the same period in 2006. This drop is entirely due to the heavy impact of exchange rates at -€27.2 million (- 4.7%). Changes in Group structure had a limited effect at + 0.5%. Reprocessed to allow for those two factors, sales rose + 0.9% during the period (+ 0.7% in the 1st quarter; + 1.1% in the 2nd), with a slight increase in volumes.

Current operating income is €57.4 million (€54.6 million for the 1st half of 2006). It takes into account - €5.8 million in unfavorable exchange rate impact and + €1.1 million in changes in Group structure. Allowing for both those factors, the business group's operating performance improved by €7.4 million, with the improvement in Pigments for Paper offsetting weaker results in Performance Minerals, which were affected by difficulties on the American construction market. This performance is due to a significant reduction in energy costs, particularly in the United Kingdom, and tight control of fixed costs. Operating margin improved to 10.2%, compared with 9.4% in the 1st half of 2006.

Materials & Monolithics

(30% of 1st half consolidated sales)

The business group improved its operating performance in the 1st half of 2007, buoyed by very strong demand on the monolithic refractories market in particular. It also launched major capital expenditure projects.

The French Building Materials market was robust with, however, a gradual slowdown during the period. The roofing segment grew + 1.9%, with the decrease in new single-family housing during the period (- 7% as at the end of May 2007) offset by a firm renovation sector. In structure bricks, clay products continue to win market share from concrete blocks, recording approximately + 6% growth over the period.

The Monolithic Refractories market benefited from outstanding levels of business, particularly with a dynamic European steelmaking sector and major development projects in Asia and the Middle East, which drove demand in refractories.

Capital expenditure totaled €15.0 million, i.e. 77.0% of depreciation expense, compared with €14.9 million in the 1st half of 2006.

In Building Materials, productivity-focused investments continue. Modernization and capacity extension on one of the production lines at the Saint-Germer-de-Fly (Oise, France) clay roof tiles plant is in progress, with start-up scheduled for the fourth quarter of 2007.

Moreover, in June the Group announced the launch of a major capital expenditure program in clay bricks. €100 million will be invested by 2011 in response to high growth on the French market. Production capacity extension for rectified bricks is in progress at the Gironde-sur-Dropt (Gironde, France) with start-up planned in early 2008, while new facilities at the La Boissière du Doré plant (Loire Atlantique, France) should come on stream in late 2008. Two new plants will also be built in southeast and northern France.

The business group's ongoing drive to improve its energy efficiency includes the biogas utilization unit in the Mably (Loire) clay bricks plant, which started up in the 2nd quarter of 2007.

French competition authorities have opened an inquiry into competition on the French clay roof tiles market. The Group's subsidiary Imerys TC is concerned by the inquiry.

In Monolithic Refractories, productivity improvement investments were implemented in Europe, including bagging capacity upgrading and extension in the Italian and French units.

At €511.0 million, the business group's **sales** were up + 9.6%. At comparable Group structure and exchange rates, sales increased + 10.6% during the period (+ 10.7% in the 1st quarter; + 10.6% in the 2nd). This trend reflects the combined effect of greater sales volumes, especially in monolithic refractories, and higher quality product offering across all the business group's activities.

Current operating income increased to €115.0 million in the 1st half of 2007, compared with €104.7 million in the same period in 2006 (+ 9.9%). The increase in both sales volumes and product offering quality offset the negative impact of some cost factors (particularly energy in France and raw material costs for monolithic refractories). At 22.5%, the operating margin was stable compared with the 1st half of 2006.

Ceramics, Refractories, Abrasives & Filtration

(37% of 1st half consolidated sales)

In the 1st half of the year, on healthy overall markets, the business group performed very satisfactorily despite the strong negative impact of exchange rates and stepped up its development in high-growth regions.

Minerals for Ceramics markets were stable in Europe but continued to decrease in the United States, affected by difficulties in the construction sector. Minerals for Refractories sectors were stable in the United States and grew in Europe and Asia thanks to a dynamic steel industry and the launch of new aluminum projects. Minerals for Abrasives markets in Europe benefited from firm construction and industrial equipment sectors. Filtration markets were stable compared with the 1st half of 2006 and graphite markets remained healthy.

Capital expenditure totaled €47.5 million, i.e. 138.9% of depreciation expense, compared with €35.8 million in the 1st half of 2006. These investments mainly went into improving industrial efficiency, as well as production asset maintenance and debottlenecking, particularly in Minerals for Refractories, where high sales volumes are stretching production units. In Minerals for Ceramics, the new dry mining process in Cornwall (England) is now operational. In Minerals for Refractories, efforts to improve energy continued with, in particular, implementation of the biogas utilization unit in the AGS plant in Clérac (France).

Finally, in Minerals for Filtration (World Minerals), a highlight of the period was the launch, as planned, of a major capital expenditure plan in the Lompoc (California) plant, which should be completed in early 2008.

Business was also very firm in terms of external growth with operations representing approximately €90 million in annual sales completed during the period.

Several operations across all the business group's activities enabled it to strengthen its mining and industrial positions in high-growth geographic zones.

- ▶ In China, after the acquisition of 85% of Baotou Jing Yuang Graphite Co Ltd, which specializes in high-performance natural graphite processing, in February and vermiculite and andalusite producers Yilong & Xinlong in April, a 60% Imerys-owned joint venture was created in June with ZAF, a producer of brown fused alumina for Asian abrasives markets. This third partnership consolidates the presence of Minerals for Abrasives in the country.
- ▶ In India, the acquisition in June of a 100% stake in Jumbo Mining Ltd, a feldspar producer, enhanced the business group's Minerals for Ceramics offering. Jumbo Mining Ltd owns high quality mineral reserves and two bases on southeast India. This operation will enable the Minerals for Ceramics division to step up its development on the Asian and Middle Eastern markets.
- ▶ In Argentina, the acquisition in May of a 100% stake in Perfiltra, the perlite market leader, will enable Imerys and its subsidiary World Minerals to consolidate their leadership on the profitable Minerals for Filtration market in South America. Perfiltra has substantial reserves and an effective industrial platform.

The success of the public bid for UCM Group PLC (completed in April 2007), enabled the business group to become a leading world producer of fused zirconium and magnesia with an industrial platform in the United Kingdom and the United States.

Only UCM and Baotou had an impact on the 1st half accounts. All the other acquisitions will not be consolidated until the 2nd half of the year.

In late May 2007, Imerys signed an agreement for the divestment of Ceradel and Pottery crafts, two companies specializing in trading products (kilns, raw materials, stickers, etc.) for ceramic craftsmen. In 2006, they posted €14 million in sales.

Sales totaled €641.0 million for the 1st half of 2007 (up + 2.2% vs. 1st half 2006). This trend reflects:

- ▶ The net effect of changes in Group structure for + €16.6 million, i.e. + 2.6% (acquisition of AGS in February 2006 and UCM, consolidated since April 1st, 2007; divestment of craft ceramics trading businesses, deconsolidated from April 2007);
- ▶ Foreign exchange impact of - €21.9 million (- 3.5%).

At comparable Group structure and exchange rates, sales grew + 3.0% over the period (+ 2.3% in the 1st quarter; + 3.6% in the 2nd), with an improvement of the product offering.

Current operating income was €87.4 million for the 1st half of 2007, compared with €84.7 million for the same period in 2006. Reprocessed to allow for exchange rates (- €3.5 million) and Group structure effects, the business group's operating performance improved by + €6.2 million, with the improvement in product offering offsetting the rise in certain cost factors (particularly energy and raw materials). The operating margin was 13.6% compared with 13.5% in the 1st half of 2006.

The world leader in adding value to minerals, Imerys is active in 45 countries through over 250 industrial and commercial sites. The Group achieved €3.3 billion in sales in 2006. Imerys mines and processes minerals from reserves with rare qualities in order to develop solutions that improve its customers' product performance and manufacturing efficiency. The Group's products have many applications in everyday life, including construction, personal care, paper, paint, plastic, ceramics, telecommunications and beverage filtration.

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FIRST HALF 2007 RESULTS

1. Consolidated sales

Change in consolidated sales	% current change	% structure effect	% foreign exchange effect	% comparable change (*)
IMERYS GROUP	+ 2.3%	+ 1.1%	- 3.2%	+ 4.4%

(*) Change at comparable Group structure and exchange rates

Quarterly change	Q1 07	Q2 07	H1 2007
IMERYS GROUP – current change	+ 1.8%	+ 2.9%	+ 2.3%
IMERYS GROUP – comparable change, of which:	+ 4.3%	+ 4.5%	+ 4.4%
Performance Minerals & Pigments	+ 0.7%	+ 1.1%	+ 0.9%
Materials & Monolithics	+ 10.7%	+ 10.6%	+ 10.6%
Ceramics, Refractories, Abrasives & Filtration	+ 2.3%	+ 3.7%	+ 3.0%

Sales by business group	H1 2007	H1 2006
Performance Minerals & Pigments	33%	35%
Materials & Monolithics	30%	28%
Ceramics, Refractories, Abrasives & Filtration	37%	37%
IMERYS GROUP	100%	100%
Sales by geographic destination		
France	21%	20%
Rest of Europe	41%	40%
TOTAL EUROPE	62%	60%
North America	22%	24%
Other	16%	16%
IMERYS GROUP	100%	100%

2. Simplified income statement

(millions of euros)	Q2 2007	Q2 2006	Change	H1 2007	H1 2006	Variation
SALES	855.8	831.7	+ 2.9%	1 704.9	1 665.8	+ 2.3%
CURRENT OPERATING INCOME	131.8	124.7	+ 5.7%	242.9	228.8	+ 6.2%
Financial income (expense)	(13.1)	(7.0)		(29.0)	(18.3)	
Current tax	(33.6)	(33.1)		(60.2)	(60.4)	
Minority interests/ equity method	1.4	1.0		1.1	0.2	
NET INCOME FROM CURRENT OPERATIONS⁽¹⁾	86.5	85.6	+ 1.0%	154.8	150.3	+ 3.0%
Other income and expense, net	(0.8)	(86.8)		(3.4)	(95.4)	
NET INCOME⁽¹⁾	85.7	(1.2)	n.a.	151.4	54.9	n.a.

(1) Group's share

CONSOLIDATED INCOME STATEMENT

<i>(€ millions)</i>	JUNE 30, 2007	JUNE 30, 2006
Revenue	1,704.9	1,665.8
Raw materials and consumables used	(591.5)	(563.1)
Change in W.I.P. and finished goods inventories and assets produced by the entity	12.8	12.1
External expenses	(431.0)	(416.7)
Staff expenses	(346.2)	(348.8)
Taxes and duties	(24.5)	(24.6)
Amortization, depreciation and impairment losses	(101.1)	(105.2)
Net change in operating provisions	11.6	15.3
Other operational revenue and expenses	8.0	(6.0)
Current operating income	242.9	228.8
Gains and losses on asset disposals	(1.9)	-
Impairment losses and restructuring	(1.8)	(135.5)
Other operating revenue and expenses	(3.7)	(135.5)
Operating income	239.3	93.3
Income from securities	3.3	2.9
Gross financial debt expense	(31.8)	(26.8)
Net financial debt expense	(28.5)	(23.9)
Other financial revenue and expenses	(0.5)	5.6
Financial income	(29.0)	(18.3)
Income taxes	(60.0)	(20.3)
Share in net income of associates	2.3	2.0
Net income	152.6	56.7
of which :		
Net income, Group share	151.4	54.9
Net income, Minority interests	1.2	1.8
Net income, Group share	151.4	54.9
of which :		
Current operating income, Group share	154.8	150.3
Other net operating revenue and expenses, Group share	(3.4)	(95.4)
(in €)		
Net basic earnings per share from current operations	2.44	2.37
Net basic earnings per share	2.39	0.86
Diluted net earnings per share	2.38	0.86
<i>Average exchange rate euro/USD</i>	<i>1.3288</i>	<i>1.2296</i>

CONSOLIDATED BALANCE SHEET

CONSOLIDATED ASSETS (<i>€ millions</i>)	JUNE 30, 2007	JUNE 30, 2006
Goodwill	808.3	796.9
Intangible assets	29.6	24.1
Mining assets	431.6	452.9
Property, plant and equipment	1,208.5	1,160.5
Investments in associates	34.9	32.5
Available-for-sale financial assets	44.9	13.7
Other financial assets	12.3	9.5
Other receivables and other assets	29.3	17.5
Deferred tax assets	46.1	45.8
Total non-current assets	2,645.5	2,553.4
Inventories	505.6	491.5
Trade accounts receivable	672.8	626.9
Derivative instrument assets	5.9	31.5
Marketable securities and other financial assets	3.5	4.1
Cash and cash equivalents	154.7	141.0
Other receivables and other assets	137.5	114.4
Total current assets	1,480.0	1,409.4
TOTAL CONSOLIDATED ASSETS	4,125.5	3,962.8
CONSOLIDATED LIABILITIES AND SHAREHOLDERS' EQUITY	JUNE 30, 2007	JUNE 30, 2006
Capital	126.7	126.7
Share capital premiums	158.9	182.6
Reserves	1,201.0	1,151.1
Net income	151.4	54.9
Shareholders' equity, Group share	1,638.0	1,515.3
Minority interests	16.8	15.6
Shareholders' equity	1,654.8	1,530.9
Provision for employee benefits	191.0	219.2
Other provisions	171.2	172.2
Loans and financial debts	1,004.9	903.6
Other debts	27.3	27.8
Deferred tax liabilities	58.0	61.1
Total non-current liabilities	1,452.4	1,383.9
Other provisions	23.6	19.7
Trade accounts payable	296.3	289.8
Payable income taxes	32.4	25.6
Derivative instrument liabilities	23.1	21.0
Loans and financial debts	398.7	420.1
Bank overdrafts	19.4	46.5
Other debts	224.8	225.3
Total current liabilities	1,018.3	1,048.0
TOTAL CONSOLIDATED LIABILITIES AND SHAREHOLDERS' EQUITY	4,125.5	3,962.8
Net financial debt	1,280.7	1,215.2
<i>Closing exchange rate euro/USD</i>	<i>1.3505</i>	<i>1.2713</i>

CONSOLIDATED CASH FLOW STATEMENT

<i>(€ millions)</i>	JUNE 30, 2007	JUNE 30, 2006
Cash flow from operating activities		
Cash flow generated by current operations	243.1	234.2
Paid interests	(31.7)	(31.3)
Income taxes on current operating income and financial income	(46.1)	(41.8)
Dividends received	2.1	0.5
Cash flow generated by other operating revenue and expenses	(19.2)	(8.6)
Cash flow from operating activities	148.2	153.0
Cash flow from investing activities		
Acquisitions of property, plant and equipment and intangible assets	(145.6)	(100.1)
Acquisitions of investments in consolidated entities after deduction of cash acquired	(75.4)	(16.2)
Acquisitions of available-for-sale financial assets	(0.0)	(0.1)
Disposals of property, plant and equipment and intangible assets	14.0	3.5
Disposals of investments in consolidated entities after deduction of cash disposed of	0.7	0.3
Disposals of available-for-sale financial assets	-	-
Net change in financial assets	3.1	0.7
Paid-in interests	1.4	2.4
Cash flow from investing activities	(201.8)	(109.5)
Cash flow from financing activities		
Capital increase (decrease)	-	(38.1)
Disposals (acquisitions) of treasury shares	(16.0)	11.8
Dividends paid to shareholders	(114.2)	(104.9)
Dividends paid to minority interests	(0.2)	(1.3)
Loan issues	500.1	5.1
Loan repayments	(383.3)	(25.9)
Net change in other debts	66.4	84.4
Cash flow from financing activities	52.8	(68.9)
Change in cash and cash equivalents	(0.8)	(25.4)
Cash and cash equivalents at the beginning of the period	136.5	121.1
Change in cash and cash equivalents	(0.8)	(25.4)
Impact of changes due to exchange rate fluctuations	(0.4)	(5.2)
Impact of changes in accounting policies	-	4.0
Cash and cash equivalents at the end of the period	135.3	94.5
Cash and cash equivalents	154.7	141.0
Bank overdrafts	(19.4)	(46.5)
Cash and cash equivalents at the end of the period	135.3	94.5