

## Press release

15 February 2008  
7:00 am

# Annual results 2007

## Strong performance in a challenging environment

### Financials

- Recurring EBIT of € 78.4 million
- Net recurring profit, Group share of € 44.2 million (EPS adjusted € 1.74/share)
- Net profit, Group share of € 46.3 million (EPS declared € 1.82/share)
- Net financial debt of € 159.4 million, gearing ratio at 27%
- Return on capital employed (ROCE) of 13.6%
- Proposal to maintain the gross dividend at € 0.70/share

### Business

- Copper Refining : continued strong performance and successful start-up of the Pirdop smelter after the planned maintenance shutdown
- Copper Products : higher deliveries and improved market conditions
- Construction of the new refinery in Bulgaria proceeding according to plan

### Combination with Norddeutsche Affinerie

- Creation of a leading European copper production and processing group and a solid platform for further growth
- Transaction recommended by the Cumerio Board
- Transaction approved by the EU merger control authorities
- Cash tender offer at € 30/share started on 28 January

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## Key Figures

(€ million)	HY2 06	HY2 07	2006	2007
Turnover	1 788.7	1 684.3	3 395.3	3 329.2
Revenues (excluding metals)	155.1	153.1	318.4	301.0
EBIT - Recurring	53.7	38.8	93.8	78.4
EBIT - Non-Recurring	-	(4.9)	1.8	(0.1)
EBIT - IAS 39 effect	(2.7)	6.9	3.3	5.5
EBIT - Total	51.0	40.8	98.9	83.8
Recurring EBIT margin %	34.6%	25.3%	29.5%	26.0%
Net consolidated profit (loss), Group share	39	19.9	72.5	46.3
Net consolidated profit before non-recurring items and IAS 39 effect, Group share	39.1	22.0	70.4	44.2
EBITDA - Recurring	73.5	59.1	132.4	117.3
Capital Expenditure	37.3	40.1	48.5	83.0
Cash Flow before Financing	45.5	(36.7)	(32.5)	2.9
Consolidated net financial debt (end of period)	131.9	159.4	131.9	159.4
Net debt/(Net debt+Equity) (end of period) %	24.8%	27.1%	24.8%	27.1%
Capital Employed (end of period)	522.9	582.3	522.9	582.3
Return on Capital Employed (ROCE) %	19.8%	13.4%	18.2%	13.6%
Total shares outstanding (end of period)	25 702 075	25 702 075	25 702 075	25 827 213
EPS declared (€/share) - basic	1.53	0.78	2.84	1.82
EPS adjusted (€/share) - basic	1.53	0.87	2.75	1.74

## Overview of the copper market

In 2007, **copper prices** again reached high levels. For most of the year, prices remained high with peaks above US\$ 8,000 per tonne. The copper price averaged US\$ 7,119 per tonne, compared to a 2006 average of US\$ 6,731 per tonne.

The first months of the year have seen a slowing demand and increasing inventories on the main metal exchanges, leading to lower copper prices. However, as of the second quarter, activity levels in China started to rise and this drove copper prices up again. By the end of the year, copper prices weakened to close the year at US\$ 6,677 per tonne cash.

As in 2006, metal exchange inventories in London (LME) and New York (Comex) remained fairly low, with a combined average of around 185,000 tonnes. The Shanghai Futures Exchange (SHFE) inventories also remained low, with levels of approximately 60,000 tonnes. This situation is another illustration of the current copper market environment characterised by a sustained high demand and a continued tight supply. This was further evidenced by a market which has been in backwardation (i.e., a situation in which cash prices exceed forward prices) during most of the year.

Demand for **refined copper** remained strong in 2007. According to Brook Hunt, global consumption rose by 3.9% year-on-year to exceed 18 million tonnes. China's consumption increased by 633,000 tonnes or 16% since 2006. Today, China accounts for about 25% of the worldwide copper consumption. Consumption in Western Europe declined from 3.9 million in 2006 to 3.7 million tonnes last year. The global refined copper market ended once again with a small deficit.

Similarly to last year, the **concentrates market** has been hit by some supply disruptions. As a number of smelters in Latin America and Asia were also confronted to similar problems, no real shortage of concentrates was experienced throughout the year. China remains the most important driver in this market. Imports of copper concentrates into China increased by 25% compared to the previous year. This increase reflects the additional demand from a number of new smelters which started production during the year. The expected global concentrates deficit, though much less than initially anticipated, resulted in lower market treatment and refining charges (TC&RCs) for 2007 at US\$ 15.4 cents per pound of copper, down from US\$ 23.9 cents per pound in 2006.

The copper scrap market has been buoyant during most of the year, reflecting the high prevailing copper prices. Especially during the second half, supply levels have been good and this has led to favourable refining charges.

## Business Review

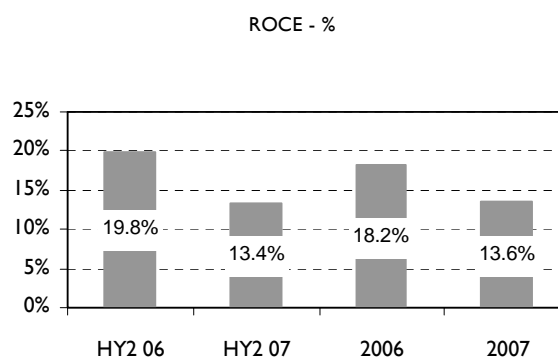
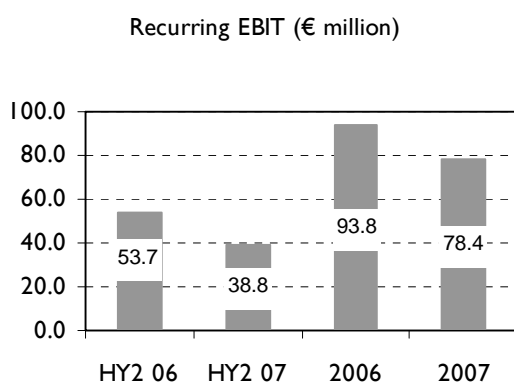
### Recurring EBIT by segment

(€ million)	HY2 06	HY2 07	2006	2007
Copper Refining (1)	51.6	34.6	93.2	70.2
Copper Products (2)	5.9	7.8	8.2	16.2
Unallocated (3)	(3.8)	(3.6)	(7.6)	(8.0)
<b>Total</b>	<b>53.7</b>	<b>38.8</b>	<b>93.8</b>	<b>78.4</b>

(1) Includes the smelting and refining operations in Bulgaria and Belgium

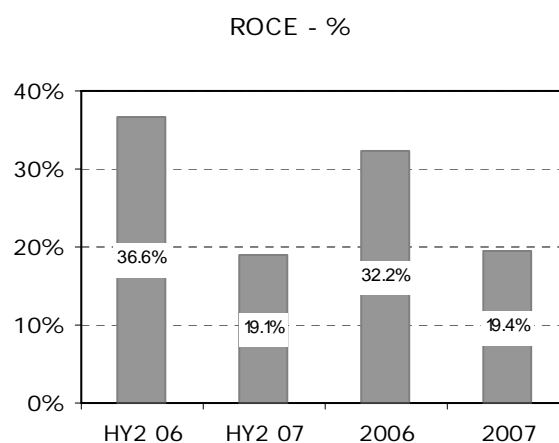
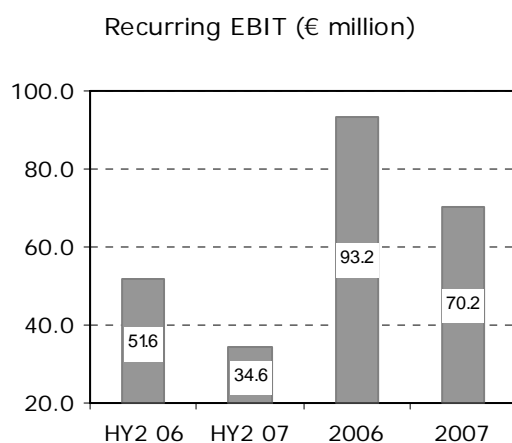
(2) Includes the production of wire rod, specialty rod and profiles, shapes and wires in Belgium, Italy and Switzerland.

(3) Includes mainly corporate costs



## Copper Refining

(€ million)	HY2 06	HY2 07	2006	2007
Turnover	1 357.0	1 391.0	2 572.0	2 591.4
Revenues (excluding metals)	121.8	113.3	246.4	217.3
EBIT - Recurring	51.6	34.6	93.2	70.2
EBIT - Non-Recurring	-	(3.1)	1.8	(2.8)
EBIT - IAS 39 effect	(1.3)	5.6	2.5	3.9
EBIT - Total	50.3	37.1	97.5	71.3
Recurring EBIT margin %	42.4%	30.5%	37.8%	32.3%
EBITDA - Recurring	67.7	49.0	123.5	97.8
Capital Expenditure	32.0	34.1	40.5	72.3
Capital Employed (end of period)	316.3	465.0	316.3	465.0
ROCE %	36.6%	19.1%	32.2%	19.4%



Cumerio's Copper Refining business unit's recurring operating result totalled € 70.2 million with a return on capital employed of 19.4%.

## **SMELTING**

### ***A successful overhaul of the Bulgarian smelter***

On 29 May 2007, Cumerio successfully finalized one of the most complex projects in its recent history. In less than two months, the company completed an extensive once-every-nine-years maintenance at its Bulgarian smelter.

Simultaneously, Cumerio de-bottlenecked the smelter, resulting in an increase in the annual anodes production capacity to 275,000 tonnes.

Cumerio Med has commissioned a new Gas Cleaning System (GCS) for the secondary waste gases from the Pirdop smelter. The new GCS, which represents an investment of €13 million, consists of a bag house filter (for dust and heavy metals emission reduction) and wet and dry scrubbers (for SO<sub>2</sub> emission reduction). Consequently, the Pirdop plant has been in full compliance with the strictest emissions standards imposed by the IPPC permit as of October 2007 (*Integrated Pollution Prevention and Control*).

### ***Anodes production in line with expectations***

Cumerio's anodes production in 2007 was in line with the target set for the year. The Pirdop smelter produced approximately 229,000 tonnes, a decrease compared to last year due to the shutdown for maintenance. However, anodes sales were lower than anticipated in the second half, leading to unusually high stocks of anodes at the end of the year. This confirms once again the need to expand the refining capacity in Pirdop.

### ***Lower benchmark TC&RCs for 2007***

The 2007 benchmark TC&RCs was fixed at US 15.4 cents per pound of copper, significantly below the 2006 level of US 23.9 cents per pound of copper. Cumerio has been affected by this reduction though less than many industry players. Indeed, the company had somewhat anticipated the drop in TC&RCs by concluding a number of multiyear contracts at an average TC&RC of US 25 cents per pound of copper. This enabled Cumerio to realise much higher effective TC&RCs during the year than the 2007 benchmark.

Cumerio's effective TC&RCs were US 21.5 cents per pound of copper, down from US 31.0 cents per pound of copper (including price participation) in 2006.

## **REFINING**

### ***Construction of the new Bulgarian refinery on track***

The construction of the new copper refinery in Pirdop, which started in August 2006, is proceeding according to plan, though the estimated investment will be somewhat exceeded due to higher materials costs. Despite some delays in construction, the plant is expected to be commissioned in the second quarter of 2008. The new refinery will have a capacity of 180,000 tonnes per year, about three times the current production level. As a result, Cumerio's total refining capacity will be lifted to 525,000 tonnes of cathodes per year.

This additional capacity will enable the company to meet the growing demand for refined copper in the Black Sea region, a demand estimated to grow by 4% to 6% on average each year.

### ***Record cathodes production***

With over 414,000 tonnes produced in 2007, Cumerio's cathodes production remained high as in previous years. Both refineries in Olen, Belgium and Pirdop, Bulgaria performed at full capacity. Furthermore, the Bulgarian refinery achieved a new record production level at nearly 70,000 tonnes of cathodes.

### ***High cathode producer premium reflects a supply tightness***

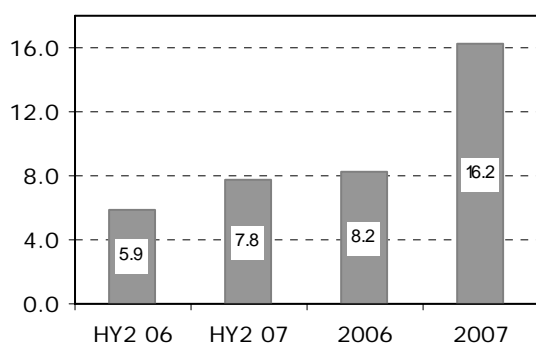
The cathode producer premium for 2007 was set at US\$ 125 per tonne. This record premium reflects the tightness of the market throughout the year, a situation which has been prevailing since 2004.

Although it is forecasted that the cathode market might ease up somewhat this year, the cathode producer premium for 2008 has been set at US\$ 115 per tonne for delivery to the main European ports. Cumerio will be able to benefit from this development as it will considerably boost its cathode production as from the second quarter of 2008.

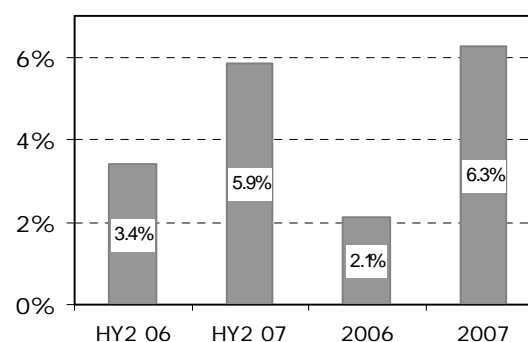
## Copper Products

(€ million)	HY2 06	HY2 07	2006	2007
Turnover	1 122.9	1 058.1	2 216.6	2 266.4
Revenues (excluding metals)	33.4	39.7	72.0	83.6
EBIT - Recurring	5.9	7.8	8.2	16.2
EBIT - Non-Recurring	-	(1.1)	-	(0.1)
EBIT - IAS 39 effect	(1.4)	1.4	0.8	1.7
EBIT - Total	4.5	8.1	9.0	17.8
Recurring EBIT margin %	17.6%	19.6%	11.4%	19.4%
EBITDA - Recurring	8.8	10.8	13.6	22.2
Capital Expenditure	3.0	3.3	5.3	5.5
Capital Employed (end of period)	203.6	119.3	203.6	119.3
ROCE %	3.4%	5.9%	2.1%	6.3%

Recurring EBIT (€ million)



ROCE - %



The profitability of the Copper Products business unit improved significantly compared to last year. Recurring EBIT reached € 16.2 million. High delivery volumes and increased premium levels positively affected the business unit's financial performance. The return on capital employed was 6.3%.

## ***Record deliveries of wire rod***

As anticipated at the end of 2006, sales of wire rod have further increased during the course of the year. Deliveries totalled 446,000 tonnes, 10% more than in 2006 and one of the highest levels ever. A similar increase has been recorded in Belgium and Italy.

The year was not marked by the seasonal slowdown that traditionally characterizes the second half of the year. This can be explained by a continued positive economic climate and a sustained demand from the power, electronics, construction and automotive industries.

The year was also marked by significantly improved premium levels reflecting a continued strong demand and the prevailing supply tightness in Western Europe, following the closure last year of the Prysmian facility in the United Kingdom.

Cumerio was likewise able to improve payment terms. This has had a positive impact on the business unit's net working capital requirements. The latter was, however, affected by the high copper prices and the strong delivery levels until the end of the year.

## ***Specialty rod volumes up by more than 40%***

Cumerio has reaped the rewards from intense commercial efforts in the area of specialty rod. Deliveries rose to 20,600 tonnes last year, an increase of about 40% compared to 2006.

As expected, most of the improvement came from applications related to the Conform® technology. In this context, Swiss Advanced Materials (SAM) successfully developed a number of new products. The company designed, amongst others, an innovative hollow profile for inductors which has now been homologated by a number of customers.

By the end of 2007, Cumerio increased its stake in SAM to 100%, representing an additional investment in the order of € 5 million.

## ***Deliveries of shapes impacted by substitution***

With 66,000 tonnes of shapes delivered, volumes declined by approximately 20% compared to 2006. Deliveries of billets were particularly affected, reflecting the impact of substitution in plumbing tubes due to high prevailing copper prices.

## Unallocated

(€ million)	<b>HY2 06</b>	<b>HY2 07</b>	<b>2006</b>	<b>2007</b>
EBIT - Recurring	(3.8)	(3.6)	(7.6)	(8.0)
EBIT - Non-Recurring	-	(0.7)	-	2.8
EBIT - Total	(3.8)	(4.3)	(7.6)	(5.2)
Capital Employed (end of period)	3.0	(2.0)	3.0	(2.0)

Recurring results include corporate costs and a large portion of the charge related to the stock option plan implemented in February 2007.

Capital Employed includes unallocated fixed assets, receivables and payables and the fair value of the transactional hedges.

## Norddeutsche Affinerie and Cumerio to combine business activities

On 24 June, Cumerio and Norddeutsche Affinerie (NA) announced their intention to combine their business activities to form the leading European copper production and processing group and create a growth platform beyond Europe. The resulting company will together produce in the order of 1 million tonnes of copper cathodes annually and employ about 4,600 people.

This combination will be achieved by NA making a cash tender offer at € 30.00 per Cumerio share, valuing Cumerio at € 777 million. The take-over bid was conditional upon NA obtaining at least 80% of the Cumerio shares at the completion of the offer and on obtaining a clearance by the EU and Swiss merger control authorities.

On 10 July, having received a positive advice from Cumerio Belgium's Works Council, Cumerio's Board of Directors recommended that Cumerio's shareholders accept the terms of the offer and to tender their shares into the take-over bid.

On 31 July, NA announced the filing of the merger control notification of the planned takeover of Cumerio with the EU Commission.

On 18 September, the European Commission opened an in-depth investigation under the EU Merger Regulation into the planned combination. The Commission's preliminary market investigation found that the proposed transaction raised serious doubts as to its compatibility with the Single Market and the European Economic Area (EEA) agreement. The Commission had until 5 February 2008 to decide whether the takeover would significantly impede effective competition within the EEA or a significant part of it.

On 12 December, the Swiss competition authority cleared the combination, subject to any remedies that the EU Commission would impose and that would have to be implemented in Switzerland as well.

On 23 January 2008, the European Commission announced clearance of the proposed combination without remedies. This has enabled NA to proceed with the offer which started on 28 January.

A prospectus describing the terms of the offer can be obtained from ING Belgium or downloaded from Cumerio's website. The English version of the prospectus was approved by the Belgian Banking Finance and Insurance Commission (CBFA) on 22 January.

## Financial Review

### Dividend

At the Ordinary General meeting to be held in Brussels on 24 April 2008, Cumerio's Board of Directors will propose to the shareholders a gross dividend of € 0.70 per share. This is unchanged compared with the year 2006.

### Cash flows and debt

During the year, Cumerio generated a strong cash flow from operations, before changes in working capital requirements, at € 104.5 million.

Net working capital requirements were impacted during the year by the high metal prices and the increased deliveries of copper products. This effect was partially offset by the positive effect of reduced payment terms in copper products. During the latter part of the year, net working capital requirements increased due to rising anodes inventories in Pirdop, Bulgaria. Compared to last year, net working capital requirements increased by € 18.4 million.

Capital expenditures for the period amounted to € 83.0 million. This includes the cost of the maintenance shutdown of the Pirdop smelter which took place in April and May last year. Key non-maintenance items include the expansion of the smelter to 275,000 tonnes and the construction of the new 180,000 tonnes refinery in Bulgaria.

Cumerio's net financial debt increased from € 131.9 million at the end of December 2006 to € 159.4 million, up also from € 112.0 million at the end of June last year. This represents a gearing ratio - net debt / (net debt + equity) - of approximately 27%.

### Financial result and taxation

Recurring financial charges for the period amounted to € 20.3 million. Net interest charges for the period totalled € 16.4 million, reflecting the impact of rising interest rates.

The recurring tax charge amounted to € 13.8 million. This corresponds to an effective tax rate of approximately 23.8 % on recurring pre-tax earnings. Recurring current taxes for the period were € 12.4 million, or 21.4 % of the recurring pre-tax consolidated profit. In addition to the favourable tax situation in Bulgaria, the introduction of notional interest in Belgium last year continues to have a positive effect on the Group's consolidated tax charge.

## Non-recurring items and IAS 39 effect

Cumerio has booked non-recurring results of € 0.6 million after taxes. Non-recurring results include mainly the gain in relation to the sale of Cumerio's stake in Non Ferrous International (NFI) as well as part of the advisory and other costs related to the planned combination with Norddeutsche Affinerie, including charges due to changes to existing options plans.

Non-recurring results likewise include the effect of changes to employee benefit plans in Belgium and Italy and the impact of provisions for early retirement in Belgium. Also included in non-recurring are the estimated demolition costs of certain facilities in Pirdop (old refinery) and Olen (old chimney).

The application of IAS 39 in respect of transactional hedges resulted in a positive impact of € 1.5 million after tax for the year. As disclosed previously, the strict application of this standard creates some non-cash P&L volatility which Cumerio has decided to exclude from recurring operating, financial and tax results, with a view to improving the readability and comparability of the financial statements.

## Hedging

Cumerio's effective dollar rate for 2007 was approximately US\$ 1.34. During the year, Cumerio has started to hedge part of its anticipated structural dollar exposure for 2008. At 15 February, 40% of Cumerio's estimated strategic US\$ exposure for 2008 has been hedged, at approximately €/US\$ 1.37. This has been done partly as the company started last year to hedge some of its exposure to metal prices for 2008, taking advantage from the high prevailing metal prices.

## Shares and stock option plans

Cumerio's Board of Directors has approved in February last year the implementation of a new stock option plan for the Executive Committee and a number of other senior executives. This plan gives the beneficiaries the right to purchase 198,500 existing or new shares over a period of 7 years, at an exercise price of € 18.08 per share. In accordance with IFRS 2, a charge of € 0.9 million has been recognized during the first half of the year.

In the context of the planned combination with Norddeutsche Affinerie, Cumerio's Board of Directors decided on 23 June to issue 228,000 warrants as a substitution to the stock options previously granted to Cumerio's senior management. The exercise prices for the warrants are those initially applicable to the stock options. With a view to compensating for the dilution effect resulting from the future exercise of the warrants, the company has undertaken to organize, as soon as practicable, the cancellation of the existing treasury shares.

At 31 December, 125,138 warrants have been exercised.

Since the announcement of the planned combination with Norddeutsche Affinerie and until the end of the year, in excess of 80% of the outstanding number of Cumerio shares have been traded. On 21 August, Norddeutsche Affinerie declared a stake in Cumerio of 25.11%. On 21 December, Austrian-based A-Tec Industries declared a 27.83% interest.

## Outlook 2008

In Copper Refining, Cumerio expects to produce in the order of 275,000 tonnes of anodes, compared with 229,000 tonnes last year due to the extended shutdown of the Pirdop smelter. Market treatment and refining charges will drop to US\$ 11.5 cents per pound of copper, down from US\$ 15.4 cents per pound of copper in 2007. Cumerio will however benefit from higher contractual TC&RCs due to its presence in the Black Sea region and the positive impact of the carry-over of contracts at more advantageous terms. There will be a reduction in the cathode producer premium this year compared with 2007. However the business unit will benefit from an increased cathode production in Pirdop. Also on a positive note, the sulphuric acid market has strengthened considerably and this will positively impact the results of Copper Refining.

At this time, we expect demand for copper products to remain strong during the year. The profitability of the Business Unit is expected to improve further due to sustained volumes, higher premiums and reduced payment terms.

This outlook does not take into account any impact of the planned combination with Norddeutsche Affinerie.

An audio webcast presentation of the analysts' meeting can be followed live on [www.cumerio.com](http://www.cumerio.com) as of 2:30 pm (CET) on 15 February 2008. Audio streaming will be available separately in case of technical access restriction. All details are available on our website.

## Forward looking statements

*This document also contains forward-looking information that involves risks and uncertainties, including statements about Cumerio's plans, objectives, expectations, and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic, and competitive uncertainties and contingencies, many of which are beyond the control of Cumerio. Should one or more of these risks, uncertainties, or contingencies materialize, or should any*

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*underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated, or projected. As a result, neither Cumerio nor any other person assumes any responsibility for the accuracy of these forward-looking statements.*

## Condensed consolidated financial information

### Auditor's report

*The condensed consolidated financial information in the press release is an extract from the consolidated financial statements which will be published at the end of March 2008 for submission to the Ordinary General Meeting of shareholders on 24 April 2008. These consolidated financial statements will be prepared in accordance with International Financial Reporting Standards as adopted by the EU.*

*The statutory auditor, PriewaterhouseCoopers Reviseurs d'Entreprise SCCRL, represented by Robert Peirce, has confirmed that this audit work, which is substantially complete, has not revealed any significant matters requiring adjustments of the 2007 condensed consolidated income statement, balance sheet, cash flow statement or condensed consolidated statement of income and expenses recognized in equity included in the press release.*

## Condensed consolidated income statement

(€ thousand)	HY2 06	HY2 07	2006	2007
Revenues	1 788 704	1 684 255	3 395 325	3 329 197
Other operating income	(6 646)	45 126	27 857	18 464
<b>Operating income</b>	<b>1 782 058</b>	<b>1 729 381</b>	<b>3 423 182</b>	<b>3 347 661</b>
Raw materials and consumables used	1 679 840	1 609 325	3 179 953	3 106 145
Payroll and related benefits	24 647	28 240	51 719	58 551
Depreciation and impairment result	17 612	17 010	36 180	33 886
Increase (decrease) in provisions	(18 669)	(1 104)	(4 254)	2 146
Other operating expenses	27 549	35 072	60 655	63 096
<b>Operating expenses</b>	<b>1 730 979</b>	<b>1 688 543</b>	<b>3 324 253</b>	<b>3 263 824</b>
<b>RESULT FROM OPERATING ACTIVITIES</b>	<b>51 079</b>	<b>40 838</b>	<b>98 929</b>	<b>83 837</b>
Financial income	4 091	4 105	6 163	8 337
Financial expenses	(13 721)	(13 307)	(21 648)	(25 816)
Foreign exchange gains (losses)	3 748	(6 360)	(863)	(6 539)
<b>PROFIT (LOSS) BEFORE INCOME TAX</b>	<b>45 197</b>	<b>25 276</b>	<b>82 581</b>	<b>59 819</b>
Income taxes	(6 424)	(5 319)	(10 267)	(13 408)
<b>PROFIT (LOSS) OF THE PERIOD</b>	<b>38 773</b>	<b>19 957</b>	<b>72 314</b>	<b>46 411</b>
Of which group share	38 979	19 935	72 499	46 339
Of which minority interests	(206)	22	(185)	72
EPS declared - Basic (€/share)	1.53	0.78	2.84	1.82
EPS declared - Fully diluted (€/share)	1.53	0.77	2.83	1.80

## Condensed consolidated balance sheet

(€ thousand)	31/12/2006	31/12/2007
<b>NON CURRENT ASSETS</b>	<b>271 022</b>	<b>310 040</b>
Intangible assets	2 734	6 089
Goodwill	4 947	9 698
Property, plant and equipment	246 469	287 762
Available-for-sale financial assets	20	20
Long term loans granted	13 710	
Trade & other receivables	20	3 499
Deferred tax assets	3 122	2 972
<b>CURRENT ASSETS</b>	<b>672 993</b>	<b>657 076</b>
Inventories	330 862	440 891
Trade and other receivables	271 795	162 866
Income tax receivables	413	2 063
Cash and cash equivalents	69 923	51 256
<b>TOTAL ASSETS</b>	<b>944 015</b>	<b>967 116</b>
<b>GROUP SHAREHOLDERS' EQUITY</b>	<b>399 072</b>	<b>427 841</b>
Share capital	181 220	182 103
Share premiums	31 282	32 226
Retained earnings	172 137	200 783
Fair value and other reserves	18 977	17 062
Treasury shares	(4 544)	(4 333)
<b>MINORITY INTERESTS</b>	<b>569</b>	<b>488</b>
<b>GROUP EQUITY</b>	<b>399 641</b>	<b>428 329</b>
<b>NON CURRENT LIABILITIES</b>	<b>146 868</b>	<b>201 208</b>
Provisions for employee benefits	9 149	8 633
Financial debts	130 890	180 787
Trade debt & other payables	2 470	2 285
Deferred tax liabilities	3 563	6 796
Provisions for other liabilities & charges	796	2 707
<b>CURRENT LIABILITIES</b>	<b>397 506</b>	<b>337 579</b>
Financial debts	70 949	29 829
Trade debt & other payables	321 400	306 107
Income tax payable	5 157	1 625
Provisions for other liabilities & charges	-	18
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>944 015</b>	<b>967 116</b>

## Condensed consolidated cash flow statement

(€ thousand)	2006	2007
Operating cash flow	125 843	104 451
Change in working capital requirements	(102 492)	(18 381)
Tax paid during the period	(4 260)	(16 860)
<b>NET CASH FLOW GENERATED BY (USED IN) OPERATIONS</b>	<b>19 091</b>	<b>69 210</b>
Capital expenditure	(48 549)	(83 007)
Acquisitions of subsidiaries (net of cash acquired)	(1 583)	
Acquisitions of additional shareholdings in subsidiaries		(3 954)
Disposals	369	10 745
Loans	(1 811)	9 912
<b>NET CASH FLOW GENERATED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(51 574)</b>	<b>(66 303)</b>
Capital increase		1 827
Own shares	(4 544)	211
Change in debt	40 516	7 746
Dividends	(15 245)	(17 358)
Interests	(9 539)	(16 294)
<b>NET CASH FLOW GENERATED BY (USED IN) FINANCING ACTIVITIES</b>	<b>11 188</b>	<b>(23 868)</b>
<b>Increase (decrease) in cash &amp; cash equivalents at the end of the period</b>	<b>(21 295)</b>	<b>(20 962)</b>

## Condensed consolidated statement of income and expenses recognized in equity

(€ thousand)	2006	2007
Changes in cash flow hedge reserves	8 920	(209)
Changes in post employment reserves	(775)	(953)
Changes in share based payments reserves	694	925
Changes in deferred taxes recognized in equity	(1 097)	(1 433)
Changes in currency translation differences	(13)	(122)
<b>NET INCOME (EXPENSE) RECOGNIZED DIRECTLY IN EQUITY</b>	<b>7 729</b>	<b>(1 792)</b>
Profit (loss) of the period	72 314	46 411
<b>TOTAL RECOGNIZED INCOME (EXPENSE)</b>	<b>80 043</b>	<b>44 619</b>
<i>of which minority share</i>	<i>(171)</i>	<i>56</i>
<i>of which group share</i>	<i>80 214</i>	<i>44 563</i>

## Notes to the Consolidated Financial Statements

### 1. Basis of preparation

The condensed consolidated financial statements for the twelve months ended 31 December 2007 have been prepared in accordance with the legal and regulatory requirements applicable to the consolidated financial statements of Belgian companies. They do not include all the information required for full annual financial statements for the year 2006 as published in the 2006 Annual Report. The condensed consolidated financial statements were authorised for issue by the Board of Directors on 14 February 2008.

New standards, amendments and interpretations that are mandatory for the accounting periods beginning on or after 1 January 2008 have not been early adopted by the Group.

### 2. Changes in accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended on 31 December 2006, as described in the 2006 annual report.

## 3. Segment information

(€ thousand)

2006	Copper Refining	Copper Products	Unallocated	Total
<b>Total segment turnover</b>	<b>2 572 022</b>	<b>2 216 569</b>	<b>(1 393 266)</b>	<b>3 395 325</b>
of which external	1 178 725	2 216 569	31	3 395 325
of which inter-segment	1 393 297	-	(1 393 297)	-
<b>Operating result</b>	<b>97 540</b>	<b>9 021</b>	<b>(7 632)</b>	<b>98 929</b>
of which recurring	93 271	8 187	(7 632)	93 826
of which non-recurring	1 759	-	-	1 759
of which IAS 39 effect	2 510	834	-	3 344
<b>Total assets</b>	<b>598 476</b>	<b>229 405</b>	<b>116 134</b>	<b>944 015</b>
<b>Total liabilities</b>	<b>264 387</b>	<b>25 951</b>	<b>254 036</b>	<b>544 374</b>

2007	Copper Refining	Copper Products	Unallocated	Total
<b>Total segment turnover</b>	<b>2 591 428</b>	<b>2 266 430</b>	<b>(1 528 661)</b>	<b>3 329 197</b>
of which external	1 062 730	2 266 430	37	3 329 197
of which inter-segment	1 528 698	-	(1 528 698)	-
<b>Operating result</b>	<b>71 279</b>	<b>17 802</b>	<b>(5 244)</b>	<b>83 838</b>
of which recurring	70 222	16 212	(8 000)	78 435
of which non-recurring	(2 818)	(76)	2 756	(138)
of which IAS 39 effect	3 874	1 666	-	5 540
<b>Total assets</b>	<b>742 110</b>	<b>209 145</b>	<b>15 861</b>	<b>967 116</b>
<b>Total liabilities</b>	<b>277 100</b>	<b>89 846</b>	<b>171 841</b>	<b>538 787</b>

## 4. Non-recurring items and IAS 39 effect

(€ thousand)	2006	2007
<b>Result form operating activities</b>	<b>98 929</b>	<b>83 837</b>
<i>of which non-recurring</i>	1 759	(138)
<i>of which IAS 39 effect</i>	3 344	5 540
Finance Cost - Net	(16 348)	(24 018)
<i>of which non-recurring</i>	-	-
<i>of which IAS 39 effect</i>	(2 987)	(3 763)
<b>Profit (Loss) before income tax</b>	<b>82 581</b>	<b>59 819</b>
<i>of which non-recurring</i>	1 759	(138)
<i>of which IAS 39 effect</i>	357	1 777
Income Taxes	(10 267)	(13 408)
<i>of which non-recurring</i>	(185)	745
<i>of which IAS 39 effect</i>	194	(308)
<b>Profit (Loss) after tax</b>	<b>72 314</b>	<b>46 411</b>
<i>of which non-recurring</i>	1 574	608
<i>of which IAS 39 effect</i>	551	1 469
Minority interests	185	(72)
<b>Group profit (loss) of the period</b>	<b>72 499</b>	<b>46 339</b>

## 5. Changes in shareholders' equity

(€ thousand)	2006	2007
<b>Balance at the end of the previous year</b>	<b>340 693</b>	<b>399 641</b>
Change in accounting policies	(1 527)	
<b>Balance at the beginning of the period</b>	<b>339 166</b>	<b>399 641</b>
Dividends	(15 436)	(17 853)
Capital increase		1 827
Changes in scope	412	(116)
Changes in treasury shares	(4 544)	211
Result of the period	72 314	46 411
Net income (expenses) recognised in equity	7 729	(1 792)
<b>Balance at the end of the period</b>	<b>399 641</b>	<b>428 329</b>

## PROFILE

CUMERIO is one of Europe's leading independent copper companies. Its operations include copper smelting, refining and recycling. Cumerio also transforms copper into products such as wire rod, specialty rod and profiles, wires, cakes and billets for a wide range of end-user industries. Cumerio has a total copper products capacity in excess of 500,000 tonnes per year.

Cumerio is headquartered in Brussels and has industrial operations in Belgium, Bulgaria, Italy and Switzerland. Cumerio currently employs about 1,450 people and generated a turnover of €3.3 billion in 2007.