

AUDITED CASH FLOW STATEMENT as at 31 December 2005

The cash flow statement is presented using the indirect method.

Operating activities show the impact of activities that generate the Sofinco Group's income. Tax inflows and outflows are included in full within operating activities.

Investing activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies property, plant and equipment and intangible assets. This section includes strategic equity interests classified as available for sale.

Financing activities show the impact of financial structure transactions concerning shareholders' equity and long-term financing.

Net cash and cash equivalents includes cash, debit and credit balances with central banks and the French postal system, and debit and credit demand balances with banks.

CASH FLOW STATEMENT

(in thousands EUR)

	31.12.2005	31.12.2004
Pre-tax income	372 279	318 804
Depreciation and amortization of property, plant and equipment and intangible assets, net	42 492	38 909
Impairment of goodwill and other fixed assets		8 133
Net charge to provisions	49 629	78 604
Share of net income of equity affiliates	-2 639	7 177
Net loss (gain) on investing activities	14	-12 215
Net loss (gain) on financing activities	21 795	18 848
Other movements	114 096	-106 466
Total non-cash items included in pre-tax income and other adjustments	225 387	32 998
Change in interbank items	1 758 018	2 896 311
Change in customer items	-1 992 872	-3 547 462
Change in financial assets and liabilities	478 465	427 563
Change in non-financial assets and liabilities	-328 890	692
Taxes paid	-146 193	-115 815
Net decrease (increase) in assets and liabilities used in operating activities	-231 472	-338 782
TOTAL net cash provided by OPERATING activities (A)	366 194	13 092
Change in equity investments	-43 087	54 045
Change in property, plant and equipment and intangible assets	-61 562	-79 657
TOTAL net cash provided by INVESTING activities (B)	-104 649	-25 612
Cash received from / (paid to) shareholders	-3 225	-59 216
Other cash provided / (used) by financing activities	-283 861	6 143
TOTAL net cash provided / (used) by FINANCING activities (C)	-287 086	-53 073
Effect of exchange rate changes on cash and cash equivalents (D)	-217	454
Net increase / (decrease) in cash and cash equivalents (A+ B + C + D)	-25 758	-65 139
Opening cash and cash equivalents	67 910	133 049
Cash, central banks, French postal system (assets and liabilities)	7 275	167 756
Interbank demand balances (assets and liabilities)	60 635	-34 667
Closing cash and cash equivalents	42 152	67 910
Cash, central banks, French postal system (assets and liabilities)	65 420	7 275
Interbank demand balances (assets and liabilities)	-23 268	60 635
CHANGE IN NET CASH AND CASH EQUIVALENTS	-25 758	-65 139