

CONSOLIDATED STATEMENT OF INCOME

In millions of euros	dec 2007	% Prog	dec 2006*	dec 2006 published
Sales, net of taxes	82 148,5	6,8%	76 886,7	77 901,1
Other revenues	1 147,2	10,7%	1 036,1	1 042,5
<b>Total revenues</b>	<b>83 295,7</b>	<b>6,9%</b>	<b>77 922,8</b>	<b>78 943,6</b>
Cost of sales	(64 609,4)	7,0%	(60 405,2)	(61 203,6)
Margin of current activities	18 686,3	6,7%	17 517,6	17 740,1
SG&A	(13 672,7)	7,0%	(12 777,7)	(12 894,8)
<b>Activity contribution</b>				
Before depreciation & provisions(ACDA)	5 013,6	5,8%	4 739,9	4 845,3
Depreciation & provisions	(1 722,5)	10,6%	(1 556,9)	(1 586,9)
<b>Activity contribution (AC)**</b>	<b>3 291,2</b>	<b>3,4%</b>	<b>3 183,0</b>	<b>3 258,4</b>
Non current income and expenses	47,0		86,0	15,9
<b>EBIT</b>	<b>3 338,2</b>	<b>2,1%</b>	<b>3 269,0</b>	<b>3 274,3</b>
Financial result	(526,1)	11,1%	(473,6)	(479,6)
Result before tax	2 812,1	0,6%	2 795,4	2 794,7
Income tax	(806,9)	-0,5%	(811,1)	(810,2)
Net income from recurring operation of Consolidated companies	2 005,2	1,1%	1 984,3	1 984,5
Equity accounted companies	43,1	17,6%	36,7	35,8
Net income from recurring operation	2 048,3	1,4%	2 021,0	2 020,3
Minority interests	(179,8)	8,9%	(165,2)	(163,4)
<b>Net income from recurring operation- Group Share</b>	<b>1 868,5</b>	<b>0,7%</b>	<b>1 855,8</b>	<b>1 856,9</b>
Discontinuing operations Group Share	430,9		412,7	411,7
Discontinuing operations Minority Interest	(0,0)		2,1	0,4
Total net income	2 479,2	2,0%	2 431,6	2 431,6
Net income- Group Share	2 299,4	1,4%	2 268,5	2 268,5
<b>(**) AC non reclassified</b>	<b>3 359</b>	<b>3,3%</b>	<b>3 252</b>	

(\* ) 2006 : restated from discontinued activities (according to IFRS 5: Portugal and Suisse) and IFRS 2 costs reclassified in SG&A

Main ratios

Main ratios	dec 2007	dec 2006	dec 2006 published
Gross margin / Sales	22,7%	22,8%	22,8%
SG&A / Sales	-16,6%	-16,6%	-16,6%
Activity contribution / Sales	4,0%	4,1%	4,2%
EBIT / Sales	4,1%	4,3%	4,2%
Tax rate	28,7%	29,0%	29,0%
ACDA / Financial result	(9,5)	(10,0)	(10,1)
Activity contribution / Financial result	(6,3)	(6,7)	(6,8)

<b>CONSOLIDATED BALANCE SHEET</b>
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In million of euros	dec 07	dec 06
<b>ASSETS</b>		
Intangible assets	12 847	11 890
Tangible assets	14 751	13 736
Financial Investments	1 555	1 528
Deferred tax assets	944	922
Investment properties	500	455
<b>Non current assets</b>	<b>30 597</b>	<b>28 531</b>
Inventories	6 867	6 051
Trade receivables	3 424	3 620
Bank loans	4 672	4 242
Other receivables	1 538	1 368
Cash and cash equivalents	4 164	3 697
<b>Current assets</b>	<b>20 665</b>	<b>18 978</b>
Non current assets of discontinued activities	669	23
<b>TOTAL</b>	<b>51 931</b>	<b>47 532</b>
<b>LIABILITIES</b>		
Shareholders equity, Group share	10 663	9 486
Minority interests in consolidated companies	1 107	1 017
<b>Shareholders equity</b>	<b>11 770</b>	<b>10 503</b>
Deferred tax liabilities	462	280
Provisions for contingencies	2 147	2 256
<b>Non current liabilities</b>	<b>14 379</b>	<b>13 039</b>
Borrowings	11 523	10 006
Trade payables	17 077	16 449
Bank loans refinancing	4 419	3 943
Other debts	4 307	4 082
<b>Current liabilities</b>	<b>37 325</b>	<b>34 479</b>
Non current liabilities of discontinued activities	227	13
<b>TOTAL</b>	<b>51 931</b>	<b>47 532</b>

<b>MAIN RATIOS</b>
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	<u>dec 07</u>	<u>dec 06</u>
Net debt	7 358	6 309
Net debt / Shareholders equity	63%	60%
Operating working capital (in days of COGS)	39	41

## CONSOLIDATED STATEMENT OF CASH FLOW

In million of euros	dec 2007	dec 2006
<b>NET DEBT OPENING</b>	<b>(6 309)</b>	<b>(6 790)</b>
Cash Flow	3 918	3 586
Change in working capital	(88)	96
Others	40	(222)
<b>Cash flow from operations (ex. financial services)</b>	<b>3 869</b>	<b>3 460</b>
Capital expenditures	(3 069)	(3 290)
Change in payables to fixed assets suppliers	(6)	130
Others	(103)	(79)
<b>Free Cash Flow</b>	<b>691</b>	<b>222</b>
Financial investments	(1 489)	(594)
Disposals	1 221	2 078
Others	(44)	(279)
<b>Cash flow after investments</b>	<b>378</b>	<b>1 427</b>
Dividends / capital increase	(814)	(808)
Others (dividends, change and perimeter)	(614)	(138)
<b>NET DEBT CLOSING</b>	<b>(7 357)</b>	<b>(6 309)</b>

CHANGES IN SHAREHOLDERS EQUITY

In million Euros	Retained Earnings	SH equity Group share	Minority Interests
At December 31, 2006	10 503	9 486	1 017
Fy 2007 result	2 479	2 299	180
2006 dividends	-821	-722	-99
Capital increase and premiums	14	0	14
Foreign currency translation adjustments	66	64	3
Change in consolidation perimeter	-18	-12	-6
Treasury shares and other movements	-454	-452	-2
At December 31, 2007	11 770	10 663	1 107