

CASH FLOW STATEMENTS

(in millions of euro)	notes	1st Quarter 2005	1st Quarter 2004	Year 2004
CASH FLOW ATTRIBUTABLE TO OPERATING ACTIVITIES				
Net income from continuing operations		822	853	2.935
<i>Adjustments to reconcile net income from continuing operations with cash flow generated (absorbed) by operating activities:</i>				
Depreciation and amortisation		1.254	1.135	4.852
Impairment losses/reversals on non-current assets (including equity investments)		(30)	17	446
Net change in deferred tax assets and liabilities		(51)	(60)	866
Capital gains/losses realised on disposal of non-current assets		(65)	(7)	(106)
Share of earnings of equity investments in associates valued using the equity method		(11)	(6)	4
Net change in miscellaneous receivables/payables and other assets/liabilities (I)		(578)	1.041	1.529
CASH FLOW GENERATED (ABSORBED) BY OPERATING ACTIVITIES (A)		1.341	2.973	10.526
CASH FLOW ATTRIBUTABLE TO INVESTING ACTIVITIES				
Investments in tangible assets (II)	1)	(684)	(488)	(3.145)
Investments in intangible assets (II)	1)	(234)	(320)	(1.896)
Investments in other non-current assets (II)		(13.869)	(12)	(871)
Acquisition of equity investments in subsidiaries, net of cash acquired (II)		(2)	-	(1)
Change in financial receivables and other financial assets		(47)	474	304
Consideration collected on the sale of equity investments in subsidiaries, net of cash sold (III)	2)	490	29	43
Consideration collected on the sale of tangible, intangible and other non-current assets (IV)	2)	92	-	452
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES (B)		(14.254)	(317)	(5.114)
CASH FLOW ATTRIBUTABLE TO FINANCING ACTIVITIES				
Net change in financial liabilities	3)	9.281	56	1.352
Consideration collected for equity instruments	3)	91	-	193
Share capital increases/repurchases		-	6	51
Dividends paid to minority shareholders (distribution reserves included)		(15)	(5)	(2.780)
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES (C)		9.357	57	(1.184)
CASH FLOW GENERATED (ABSORBED) BY DISCONTINUED OPERATIONS (D)	4)	(42)	(62)	(396)
AGGREGATE CASH FLOW (E = A + B + C + D)		(3.598)	2.651	3.832
NET CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR (F)				
		8.339	4.477	4.477
Net effect of foreign currency translation on cash (G)		(27)	(12)	30
NET CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD (H = E + F + G)		4.714	7.116	8.339

(I) Net of the impact of the purchase/sale of equity investments in consolidated subsidiaries

(II) Net of the change in liabilities as a result of the acquisitions

(III) Net of the change in receivables as a result of the sales

(IV) Net of the change in receivables as a result of the sales. The item includes gains/losses relating to the equity investments and excludes gains relating to the activities sold. It includes the repayment of capital and reserves distribution.

(in millions of euro)	notes	1st Quarter 2005	1st Quarter 2004	Year 2004
ADDITIONAL CASH FLOW INFORMATION:				
Income tax paid		29	31	1.476
Interest paid		876	543	2.143
RECONCILIATION OF TOTAL NET CASH AND CASH EQUIVALENT				
NET CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR				
		8.339	4.477	4.477
Cash and cash equivalent		8.394	4.751	4.751
Banks overdrafts		(237)	(510)	(510)
Discontinued Operations		182	236	236
NET CASH AND CASH EQUIVALENT AT THE END OF THE YEAR		4.714	7.116	8.339
Cash and cash equivalent		5.091	7.382	8.394
Banks overdrafts		(392)	(462)	(237)
Discontinued Operations		15	196	182