

**NA Group Report  
on the 3<sup>rd</sup> Quarter  
of fiscal year 2003/2004  
- 1 April to 30 June 2004 -**

## **Profit rise in 3<sup>rd</sup> quarter – good dividend targeted**

Hamburg, 10 August 2004 – The 3<sup>rd</sup> quarter earnings of Norddeutsche Affinerie (NA) again show a significant uptrend. Pre-tax earnings amounted to €19 million, a strong performance which increased earnings for the first nine months of the fiscal year to €26 million (€3 million in the previous year).

The strong demand for NA copper products made a substantial contribution to earnings. At the same time the continuing high copper price brought about the recovery on the raw material markets. The refining charges for copper scrap rose further and stabilised at a high level. The spot market for copper concentrates improved as a result of the increased output at the international mining companies.

The international copper market is impacted by the global shortage of copper cathodes. The strong physical demand in Asia, USA and meanwhile also in Europe has since led to a copper deficit, as reflected in the high – but volatile – price of copper.

In the 3<sup>rd</sup> quarter the throughput of copper concentrates at NA was increased by 6 % to 275,000 tonnes (260,000 tonnes in the previous year). The cathode output totalled 137,000 tonnes (135,000 tonnes in the previous year).

Record figures were again achieved for output and sales of copper products. NA's plants are working at full capacity. The output of continuous cast wire rod was up 14 % in the 3<sup>rd</sup> quarter to 110,000 tonnes (97,000 tonnes in the previous year). For continuous cast shapes output increased by as much as 60 % to 69,000 tonnes (43,000 tonnes in the previous year). Strip production at Prymetall developed well. In contrast, capacity utilisation at Schwermetall remained unsatisfactory.

In view of the high utilisation rates of all NA's production capacities and the continuing uptrend in earnings NA is well on the way to being able to pay a dividend.

<b>Consolidated key figures of NA Group in accordance with IFRS</b>		<b>Fiscal year 2002/03</b>	<b>Fiscal year 2002/03</b>	<b>Fiscal year 2003/04</b>
		<b>12 months 01.10.-30.09.</b>	<b>9 months 01.10.-30.06.</b>	<b>9 months 01.10.-30.06.</b>
Revenues	€m	1,816	1,321	<b>1,776</b>
Gross profit	€m	354	255	<b>277</b>
Personnel expenses	€m	192	143	<b>133</b>
Depreciation/amortisation	€m	63	44	<b>45</b>
EBITDA	€m	79	56	<b>80</b>
EBIT	€m	16	11	<b>35</b>
Earnings before taxes	€m	3	3	<b>26</b>
Net income	€m	3	2	<b>15</b>
Earnings per share	€	0.10	0.05	<b>0.45</b>
Gross cash flow	€m	64	45	<b>76</b>
Capital expenditure	€m	26	19	<b>18</b>
Copper and copper alloys	1,000 t	774	589	<b>623</b>
Copper price (average)	US\$/t	1,653	1,618	<b>2,523</b>
Number of employees (average)		3,458	3,469	<b>3,223</b>

## **NA Group's assets, financial situation and profitability**

For fiscal year 2003/04 NA Group has for the first time reported interim figures pursuant to International Financial Reporting Standards (IFRS). The previous year's key figures were likewise prepared in accordance with IFRS to facilitate comparison. The valuation principles applied in preparing the IFRS-based consolidated financial statements as at 30 September 2003 are unchanged. The IAS 34 stipulation concerning interim reports was observed.

### **Profitability**

NA Group's revenues were up in the first nine months of the current fiscal year due largely to metal prices but also to increased sales. Revenues rose to € 1,776 million (€ 1,321 million in the previous year).

At € 277 million the gross profit exceeded the previous year (€ 255 million) by € 22 million. Thus earnings in the 2<sup>nd</sup> and 3<sup>rd</sup> quarters more than compensated for the expansion-related decline in gross profit in the 1<sup>st</sup> quarter.

The € 10 million decrease in personnel expenses to € 133 million (€ 143 million in the previous year) is attributable primarily to having reduced the workforce at the Lünen and Hamburg sites as well as at our Prymetall and Schwermetall subsidiaries.

Depreciation/amortisation in the amount of € 45 million (€ 44 million in the previous year) and capital expenditure in the amount of € 18 million (€ 19 million in the previous year) are in line with the previous year's figures.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) for the period amounted to € 80 million (€ 56 million in the previous year). Earnings before interest and taxes (EBIT) totalled € 35 million, also significantly up on the previous year (€ 11 million).

In total, NA Group generated pre-tax earnings in the amount of € 26 million, an increase of € 23 million over the previous year (€ 3 million).

The following developments impacted earnings in the 3<sup>rd</sup> quarter:

- The improvement in the availability of copper scrap supplies as well as in the refining charges at Hamburg and Lünen has continued.
- The good utilisation of the concentrate processing capacity could be further enhanced.
- Output and sales of continuous cast wire rod and shapes as well as copper semis could be increased once again. In contrast, the output of pre-rolled strip was in line with the previous quarter.

- The continued restructuring and modernisation measures implemented throughout NA Group further improved the cost position.
- Provisions were formed for severance payments to be made in Hamburg.
- All the subsidiaries made a positive contribution to earnings in the 3<sup>rd</sup> quarter and on an accumulated basis over the fiscal year.

After nine months the consolidated net income including minority interest totalled € 15 million (€ 2 million in the previous year).

Earnings per share amounted to € 0.45 € (€ 0.05 in the previous year).

## **Financial situation**

Gross cash flow increased to € 76 million in the first nine months of fiscal year 2003/04 on account of the improved earnings and reduced tax payments in the amount of € 45 million in the previous year.

The good supplies of copper scrap, the higher order intake for copper products as well as the rise in metal prices have led to an inventory build-up.

Capital expenditure in the sum of € 18 million (€ 19 million in the previous year) was mainly directed into replacement and rationalisation measures taken as part of our current performance enhancement programmes, dyNAmic plus at NA AG and Euro-Copper at Prymetall. At NA AG in Hamburg the optimisation of the precious metal processing facilities and measures to improve environmental protection in the secondary smelter were continued. The Federal Environment Ministry has approved a subsidy in the amount of € 1.5 million in view of the unparalleled character of the environment project.

## **Assets**

Total assets increased in particular due to a rise in inventories (+ € 120 million) as well as higher receivables by € 124 million to € 1,038 million.

As at 30 June 2004 equity totalled € 408 million. Including minority interest the equity ratio amounts to 40 %, which represents an unchanged sound equity basis for NA Group.

Financial liabilities increased by € 10 million to a total of € 185 million as a result of the enhanced business volume due to increased unit sales and higher metal prices. Trade accounts payable rose by € 84 million to € 204 million. At 44 % gearing remained at an unchanged low level.

## **Copper market**

After the copper market's positive trend in the 2<sup>nd</sup> quarter as reflected in the more than 30 % rise in the copper prices, the prices were readjusted in the 3<sup>rd</sup> quarter. The settlement quotation for copper on the London Metal Exchange (LME) dropped from just over 3,100 US\$/t at the beginning of April to a low of 2,574 US\$/t by mid May, but then recovered again by the end of the quarter to 2,665 US\$/t. Quoted in Euro the copper price declined from more than 2,500 €/t to about 2,200 €/t. Currently copper is being quoted at 2,825 US\$/t and 2,311 €/t.

The decline in prices was primarily the result of changes in the market situation. The sharp price rise in the 2<sup>nd</sup> quarter had been mainly caused by high copper demand in China, where measures were taken to slow down investment dynamics. In addition, the massive quantities of copper imported over the past months and sales from the strategic inventories held by the Chinese State Reserve Bureau ensured that supplies were more readily available. The prices of copper in China fell to less than the levels on the LME and Commodity Exchange in New York. There was a notable decline in the buying activities of Chinese enterprises on the global copper market.

Nevertheless, the basic mood on the copper market is still positive because copper demand in Asia – above all in China but now in Japan as well - is still high. On the two other main markets, North America and Europe, demand continues to grow. While demand in the U.S.A. is expected to grow by some 7 % this year, it will grow by about 2.4 % in Western Europe.

The availability of copper cathodes on the world market has declined further. In total, copper stocks at the international metal exchanges decreased in the 3<sup>rd</sup> quarter by a further 261,000 tonnes to 242,000 tonnes, i.e. by 52 %. At the end of June 2004 only 1,575 tonnes of copper were stored in the European LME warehouses. These are all-time lows which - it is generally estimated - will even lead to a deficit of about 600,000 tonnes by the end of the calendar year. The undersupply on the markets is also reflected in the length of time backwardation has continued on the LME. Backwardation shows a market condition which is typical for the current situation on the copper market and in which the spot prices are higher than futures prices. At the end of June it amounted to 47 €/t for the three month period.

## **Copper Production Segment**

At € 1,142,611 thousand revenues exceeded the previous year's figure (€939,220 thousand). Earnings before taxes (EBT) amounted to € 5,928 thousand due to the improved situation in copper scrap processing and the increased throughput of copper concentrates in the primary smelter (RWO) and consequently was higher than in the previous year (€ -4,240 thousand).

<b>Key figures in accordance with IFRS (in thousand €)</b>	<b>Fiscal 2002/03 9 months 01.10.–30.06.</b>	<b>Fiscal 2003/04 9 months 01.10.–30.06.</b>
Revenues	939,220	<b>1,142,611</b>
EBIT	360	<b>10,130</b>
EBT	(4,240)	<b>5,928</b>

## **Raw material markets**

The concentrate market has staged the expected recovery. Production at the major mines is again almost trouble-free and being expanded further. The production start of our new supplier, the Sossego Mine in Brazil, went off without any difficulties so that the first tonnages have already been shipped to NA and other smelters.

Treatment and refining charges in the spot market rose considerably in the 3<sup>rd</sup> quarter and have more than doubled from their former low of less than \$ 30.--/t and ¢ 3.--/lb Cu to more than \$ 60.--/t and ¢ 6.--/lb. Accordingly, positive signals are also expected for the market conditions of long-term contracts.

The market for copper scrap and alloy scrap has likewise been positively impacted by the high copper price and the relatively low demand from China. For the time being refining charges continue to rise and in the course of the quarter could then be kept at a satisfactory level, however they still did not match the level of former periods.

## **Cathodes and precious metals**

### NA AG (Hamburg)

As was the case in the 2<sup>nd</sup> quarter of the current fiscal year, NA's primary smelter was kept well supplied in the 3<sup>rd</sup> quarter. The concentrate throughput was increased slightly once again.

275,000 tonnes (260,000 tonnes in the previous year) of concentrates were processed. As a result the concentrate throughput for the 9 months amounted to 771,000 tonnes (767,000 tonnes in the previous year). The anode output in the primary smelter was sufficient to keep the Hamburg copper tankhouse well supplied throughout and to produce an additional anode surplus of 11,000 tonnes in the 3<sup>rd</sup> quarter for processing into cathodes in the Lünen tankhouse.

In the Hamburg tankhouse the cathode output totalling 92,000 tonnes in the 3<sup>rd</sup> quarter was only just under the previous year's output of 94,000 tonnes. In the first nine months of the current fiscal year 260,000 tonnes of cathodes were produced (281,000 tonnes in the previous year).

Silver and gold starting materials declined due to a change in the raw material mix in the primary and secondary copper production sectors. As a result silver output was down in the 3<sup>rd</sup> quarter compared with the previous year to 181 tonnes (209 tonnes in the previous year). However, the total silver output in the current fiscal year has risen to 605 tonnes (587 tonnes in the previous year). Gold output at 4.5 tonnes was also less in the 3<sup>rd</sup> quarter than in the previous year (7 tonnes). In the current fiscal year 16.1 tonnes of gold have been produced (18.9 tonnes in the previous year)

The higher concentrate throughput caused the sulphuric acid output to increase to 268,000 tonnes (239,000 tonnes in the previous year). Thus, in the first nine months 750,000 tonnes (744,000 tonnes in the previous year) of sulphuric acid were produced.

On 28 June 2004 NA's special transport ship ENA 2 collided with a container ship in the Hamburg harbour. As a result of the damage ENA 2 subsequently sank but fortunately no one was injured. ENA 2 is a modern double wall tankship that has been designed specifically for transporting sulphuric acid. The vessel is the property of NA but is chartered out to a logistics company that conveys sulphuric acid for NA. Great care as regards safety and environmental aspects was taken in salvaging the damaged ENA 2. The latest tests have confirmed that the environment has not suffered any lasting impairment. We take this opportunity to repeat our thanks to all those who were involved in the salvaging operations.

### NA AG (Lünen works)

As expected, the processing of copper-bearing secondary raw materials in the smelter facilities in Lünen recorded an uptrend. The throughput in the new Kayser Recycling System (KRS) was high, only interrupted by scheduled maintenance work. This was completed quicker than expected. The KRS was reconnected without problems; the plant is running at almost full capacity.

Our anode output was increased by some 13 %. At the end of the quarter scheduled maintenance work on one of the anode furnaces was performed together with numerous technical improvements identified in the HK dyNAmic project, which target a further increase in anode output.

The tankhouse was fully utilised with a cathode output of about 45,000 tonnes (41,000 tonnes in the previous year). In total 122,000 tonnes (126,000 tonnes in the previous year) were produced in the nine months.

### Copper Processing Segment

Revenues rose from € 1,007,450 thousand to € 1,416,676 thousand, above all due to significantly increased sales of continuous cast wire rod and shapes together with increased copper prices. In so doing, earnings before taxes rose to € 18,444 thousand (€ 4,347 thousand in the previous year). Apart from significant growth in unit sales the increase in earnings reflects additional revenues from the higher cathode premiums.

<b>Key figures in accordance with IFRS (in thousand €)</b>	<b>Fiscal 2002/03 9 months 01.10.–30.06.</b>	<b>Fiscal 2003/04 9 months 01.10.–30.06.</b>
Revenues	1,007,450	<b>1,416,676</b>
EBIT	8,156	<b>22,437</b>
EBT	4,347	<b>18,444</b>



## **Product markets**

Demand has continued to pick up in our main customer industries. This applies in particular to the cable and wire industries. Of these energy cable and installation cable are the main drivers, but increased demand for enamelled wire and communication cable is also significant. Only the automotive cable sector is on a slight downtrend.

Business in the semis industry – as our main sales market for continuous cast shapes and pre-rolled strip – continued to grow after the already very good previous quarters. This export-oriented industry benefits at present from high economic growth in North America and Asia, especially in the electrical engineering and electronics industries. The air conditioning and cooling sectors are also looking very robust; demand for products for the construction industry was stronger for seasonal reasons.

### **Continuous cast wire rod (ROD)**

In the 3<sup>rd</sup> quarter 110,000 tonnes of wire rod was produced (97,000 tonnes in the previous year). Overall the output for the first nine months of the current fiscal year totalled 301,000 tonnes (261,000 tonnes in the previous year).

Peak figures were recorded for output and sales in June 2004, about 14 % up on the same period of the previous year.

Our plants are currently well utilised. In contrast to previous years we are not expecting demand to decline in the summer months. We are optimistic that sales of our wire rod will also remain at a high level in the coming months.

### **Continuous cast shapes and pre-rolled strip (CAST/ROLL)**

Sales of NA continuous cast shapes in the 3<sup>rd</sup> quarter showed a vigorous uptrend. In total 69,000 tonnes of shapes were produced (43,000 tonnes in the previous year). Output was at an all-time high in May. The trend towards high-value materials has continued.

In the 3<sup>rd</sup> quarter sales at our subsidiary Schwermetall at 32,000 tonnes of pre-rolled strip were in line with the previous year's figure (34,000 tonnes; 50 % NA share). Schwermetall therefore is not yet participating in the good capacity utilisation in the copper semis industry.

## **Prymetall**

In the 3<sup>rd</sup> quarter Prymetall produced 21,000 tonnes (17,000 tonnes in the previous year) of strip and wire products, year-on-year an increase of 25 %. In the first nine months of the fiscal year output totalled 55,000 tonnes (50,000 tonnes in the previous year). Thus the significant increase in sales since the beginning of the year has not only continued but has stabilised at a high level. A production high was achieved in June. The surprisingly good order intake for this time of year – particularly for strip products – gives reason to believe that the high production level will continue as well in the coming months.

## **Human resources**

At the end of the 3<sup>rd</sup> quarter NA Group had 3,152 employees including apprentices (3,414 in the previous year). The reduction of 262 employees is the result of adjustments to staffing levels within the framework of the performance enhancement projects.

A Reconciliation of Interests and Social Plan has meanwhile been agreed with the Works Council on account of the measures being taken to reduce personnel in connection with dyNAMic plus, the performance enhancement programme in Hamburg. The current plan is to cut some 200 workplaces based on staffing levels as at 30 September 2002. Much of this is being achieved by normal labour turnover. Under the Social Plan arrangements will be made to assist employees who are being laid off. These include outplacement activities which have proved their worth in the chemical industry. The respective employees will be offered professional help in finding new jobs in other organisations.

NA is keeping to its commitment as an important provider of training programmes for young people. On 6 August 2004 NA employed 40 apprentices. With a total of 151 apprentices representing about 7.5 % of the workforce in Hamburg NA offers one of the most extensive training programmes in Northern Germany.

## **Corporate Governance**

Possehl Beteiligungsverwaltung GmbH, Lübeck, has advised us that, after briefly falling short of the 10 % threshold as regards its share voting rights in NA, the holding is again just over 10 % after buying additional shares. The share voting rights of HSH Nordbank AG, Hamburg and Kiel, are unchanged at just under 10 %. The free float still amounts to about 80 %.

At its meeting on 12 July 2004 the Supervisory Board extended the appointment of Dr Werner Marnette, born 27 September 1945, as Chairman of the Executive Board and Director of Labour Affairs by a further five years from 1 April 2005 to 31 March 2010.

Senior staff and the Executive Board are entitled to convertible bonds in the amount of € 1,037,312 from the 5<sup>th</sup> and last tranche of the stock option plan started in 1998. On maturity in spring 2005 these can be exchanged into 405,200 shares in accordance with the bond conditions.

### **Research and Development**

This fiscal year Research and Development (R&D) at NA is focusing on the optimisation of internal material cycles in copper production in order to be more flexible in the changed raw material and recycling markets. In addition, work is continuing on new or improved copper products in order to strengthen NA Group's position primarily in the strip sector. Strip with improved surface properties for industrial applications are currently being launched on the market.

As a result of the improved interaction between melting and leaching processes we could identify more favourable processing possibilities for some raw materials.

We have successfully presented the results of the future-oriented project, copper-based flexible solar cells, in Hamburg, Santiago de Chile and Sao Paulo and have received positive market assessments in many discussions. Contacts with suitable project partners are being continued.

### **Operative and strategic measures to improve earnings**

The implementation of all the improvement projects throughout the NA Group was again given top priority in the 3<sup>rd</sup> quarter.

The idea identification phase of dyNAmic plus, the project to cut costs at NA AG in Hamburg, was completed in June 2004. Identified potential has been developed since the beginning of 2004 and is already having a noticeable impact on results.

As a result of the Cooperation Agreement with Yunnan Copper Industry (Group) Corp. Ltd five Chinese engineers and managers spent six months at NA. They received instruction at NA in state-of-the-art production technology and Western management methods. On 30 June 2004 they successfully completed their training programme. On the basis of our contractual stipulations NA is examining possibilities for building on the cooperation with Yunnan Copper and also fundamentally launching on the market in the downstream copper processing sector in Asia/China.

## **Outlook**

Copper is in great demand worldwide. The all-time low stocks at the warehouses of the international metal exchanges and the growing demand for copper in the main markets, above all in China, keep the copper price at a high level. After the easing of the copper scrap market the availability of copper concentrates will also improve long term in the next few months. However, for the 4<sup>th</sup> quarter we believe that supplies of recycling materials will decline. In addition we expect that demand from China for copper scrap will pick up again.

The crucial growth impulses still come from abroad. The economy in Germany is divided between domestic and foreign trade. However, the signs of a stable upturn are slowly increasing. A sustainable rise in national investment and consumer spending will also ensure that copper demand in Germany grows again. NA is already feeling this: with higher capacity utilisation now, our order books are also well filled for the coming months.

In the 4<sup>th</sup> quarter a stoppage in the secondary smelter in Hamburg is planned for maintenance work which will also be used to realise an environmental protection project subsidised by the Federal Environment Ministry. This measure will result in again significantly reduced fugitive emissions.

The programmes to enhance performance are having a positive impact on NA's results. We are continuing our endeavours at every site in the Group to enhance our global competitiveness further. We are continuing our growth strategy by enhancing our competence in recycling and pursuing our aim to sell NA copper products in Asian growth regions.

We are expecting business to continue its positive trend and that a solid profit will be generated for the current fiscal year. That is a good basis for us to be able to resume our dividends payments. In so doing, NA will be guided by the future business trend and the dividend policy up to now.

## **Financial Calendar**

23 October 2004	Open Day at the Hamburg Stock Exchange
16 December 2004	Unaudited financial statements
End January 2005	Interim report 1 <sup>st</sup> quarter 2004/05, Annual press conference Analysts' meeting
31 March 2005	Annual General Meeting

---

## **Legal Notice**

### *Forward-looking Statements*

*This information contains forward-looking statements based on current assumptions and forecasts. Various known and unknown risks, uncertainties and other factors could have the impact that the actual future results, financial situation or developments differ from the estimates given here. We assume no liability to update forward-looking statements.*

<b>NA Group Consolidated Balance Sheet (IFRS)</b> <b>(in thousand €)</b>	<b>30.06.2004</b>	<b>30.09.2003</b>
<b>ASSETS</b>		
Intangible assets	54,035	58,846
Property, plant and equipment	353,264	376,563
Financial assets		
Interest in affiliated companies	272	272
Investments	603	624
Other financial assets	933	1,110
	1,808	2,006
Non-current assets	409,107	437,415
Inventories	379,446	259,482
Receivables and other assets		
Trade accounts receivable	161,481	139,878
Other receivables	79,938	56,756
	241,419	196,634
Short-term securities	967	1,167
Cash and cash equivalents	4,256	11,008
Current assets	626,088	468,291
Deferred tax assets	2,338	8,272
	1,037,533	913,978

<b>NA Group Consolidated Balance Sheet (IFRS)</b> <b>(in thousand €)</b>	<b>30.06.2004</b>	<b>30.09.2003</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Subscribed capital	85,528	84,593
Additional paid-in capital	29,409	27,101
Retained earnings	283,088	270,850
Change in accumulated other comprehensive income	10,349	3,941
	408,374	386,485
Minority interest	3,989	4,051
Long-term provisions		
Pension liabilities	50,220	48,155
Deferred taxes	50,917	49,881
Other long-term provisions	27,028	29,610
	128,165	127,646
Long-term liabilities		
Long-term financial liabilities	149,897	129,716
Other long-term payables	121	2,713
	150,018	132,429
Long-term provisions and payables	278,183	260,075
Other short-term provisions	49,147	50,532
Short-term liabilities		
Short-term financial liabilities	35,599	45,674
Trade accounts payable	203,816	119,459
Other short-term payables	58,425	47,702
	297,840	212,835
Short-term provisions and payables	346,987	263,367
	1,037,533	913,978

<b>NA Group Consolidated Profit and Loss Account (IFRS)</b> <b>(in thousand €)</b>	<b>3<sup>rd</sup> quarter 2003/04</b>	<b>1<sup>st</sup> – 3<sup>rd</sup> quarter 2003/04</b>	<b>3<sup>rd</sup> quarter 2002/03</b>	<b>1<sup>st</sup> – 3<sup>rd</sup> quarter 2002/03</b>
Revenues	661,131	1,776,230	445,472	1,321,040
Changes in inventories of finished goods and work in progress	(12,670)	85,358	(17,969)	9,387
Work performed by the enterprise and capitalised	281	1,051	698	2,171
Other operating income	5,113	13,395	6,721	21,956
Cost of materials	(549,176)	(1,598,710)	(355,379)	(1,099,899)
<b>Gross profit</b>	<b>104,679</b>	<b>277,324</b>	<b>79,543</b>	<b>254,655</b>
Personnel expenses	(45,425)	(133,490)	(50,277)	(142,974)
Depreciation and amortisation expense	(15,137)	(45,432)	(14,617)	(44,343)
Other operating expense	(22,506)	(64,220)	(17,143)	(56,884)
Income from investments	0	375	1	1,026
Finance costs	(2,765)	(8,191)	(2,694)	(8,362)
<b>Net profit from ordinary activities</b>	<b>18,846</b>	<b>26,366</b>	<b>(5,187)</b>	<b>3,118</b>
Income taxes	7,821	10,411	(2,079)	763
<b>Consolidated net income before minority interest</b>	<b>11,025</b>	<b>15,955</b>	<b>(3,108)</b>	<b>2,355</b>
Income attributable to minority interest	(432)	(1,139)	(280)	(740)
<b>Consolidated net income</b>	<b>10,593</b>	<b>14,816</b>	<b>(3,388)</b>	<b>1,615</b>
Earnings per share (in €)	0.32	0.45	(0.10)	0.05
Diluted earnings per share (in €)	0,31	0,44	(0,10)	0,05



<b>NA Group Consolidated Cash Flow Statements (in thousand €)</b>	<b>1<sup>st</sup> – 3<sup>rd</sup> quarter 2003/04</b>	<b>1<sup>st</sup> – 3<sup>rd</sup> quarter 2002/03</b>
Result of ordinary activities	26,366	3,118
Depreciation and amortisation of non-current assets	45,432	38,767
Change in long-term provisions	(517)	2,335
Gain from disposal of non-current assets	(78)	(173)
Income from investments	(375)	(1,026)
Finance costs	8,191	8,361
Income taxes paid	(3,442)	(6,112)
<b>Gross cash flow</b>	<b>75,577</b>	<b>45,270</b>
Change in trade accounts receivable and other assets including short-term securities	(45,636)	3,444
Change in inventories	(119,964)	(64,449)
Change in short-term provisions	(1,385)	(8,470)
Change in trade accounts payable (excl. debt)	97,359	9,913
<b>Cash inflow/outflow from operating activities (net cash flow)</b>	<b>5,951</b>	<b>(14,292)</b>
Purchase of non-current assets	(17,829)	(19,063)
Proceeds from the disposal of fixed assets	799	264
Interest received	2,434	2,753
Dividends received	375	1,026
<b>Cash outflow from investing activities</b>	<b>(14,221)</b>	<b>(15,020)</b>
Proceeds from capital increases	3,243	927
Proceeds from the issuance of bonds and borrowings	36,106	81,520
Payments for the redemption of bonds and bank loans	(26,006)	(14,062)
Interest payments	(10,625)	(11,114)
Dividend payments	(1,200)	(22,297)
<b>Cash inflow from financing activities</b>	<b>1,518</b>	<b>34,974</b>
Net change in cash and cash equivalents	(6,752)	5,662
Cash and cash equivalents at beginning of period	11,008	6,999
<b>Cash and cash equivalents at end of period</b>	<b>4,256</b>	<b>12,661</b>

<b>Consolidated Statement of Shareholders' Equity – NA Group</b>					
<b>(in thousand €)</b>	<b>Subscribed capital</b>	<b>Additional paid-in capital</b>	<b>Retained earnings</b>	<b>Changes in accumulated other comprehensive income</b>	<b>Total equity</b>
Balance as at 30.09.2002	83,720	27,047	288,677	(7,400)	392,044
Capital increase	873	54	-	-	927
Dividend payments	-	-	(21,257)	-	(21,257)
Consolidated net income for the period	-	-	1,615	-	1,615
Changes in accumulated other comprehensive income	-	-	-	20,050	20,050
Balance as at 30.06.2003	84,593	27,101	269,035	12,650	393,379
Balance as at 30.09.2003	84,593	27,101	270,850	3,941	386,485
Capital increase	935	2,308	-	-	3,243
Dividend payments	-	-	-	-	-
Consolidated net income for the period	-	-	14,816	-	14,816
Changes in accumulated other comprehensive income	-	-	-	6,408	6,408
Change in equity due to deconsolidation	-	-	(2,578)	-	(2,578)
Balance as at 30.06.2004	85,528	29,409	283,088	10,349	408,374

<b>NA Group Segment Analysis</b>								
<b>(in thousand €)</b>	<b>Copper Production Segment</b>		<b>Copper Processing Segment</b>		<b>Other</b>		<b>Group total</b>	
	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2003/04	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2002/03	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2003/04	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2002/03	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2003/04	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2002/03	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2003/04	1 <sup>st</sup> – 3 <sup>rd</sup> quarter 2002/03
Revenues Total	1,142,611	939,220	1,416,676	1,007,450	1,034	422	2,560,321	1,947,092
- thereof with other segments	760,143	606,137	23,948	19,915	0	0	784,091	626,052
- thereof with third parties	382,468	333,083	1,392,728	987,535	1,034	422	1,776,230	1,321,040
EBIT	10,130	360	22,437	8,156	1,990	2,964	34,557	11,480
Earnings before taxes	5,928	(4,240)	18,444	4,347	1,994	3,011	26,366	3,118