In 1997, the activities of the Freyssinet Group continued to expand (+13%) with a turnover of 1,775 million Francs in terms of constant perimeter for the whole of the companies controlled.

The consolidated turnover at 1,430 Francs shows an increase of 20% over the previous figure.

The net consolidated result for the Group is a profit of 14 million Francs, compared with that of 8.7 million Francs in 1996.

This progress, ensured under difficult conditions, is due to the overall improvement in the operational results of the various units, the financial and other results remaining close to those of the previous year.

Note should be taken of:
• efforts being made to recoup the losses recorded by SHW in Germany which still continue to have an adverse effect on results;
• the Seohae Viaduct site in Korea, where difficulties are still encountered.

The Group has, at the end of the year, a positive cash of 35 million Francs as opposed to the debt of 67 million Francs remaining at the end of 1996.

This turnabout is the result of both the high free cash flow and the reduction in the working capital need.

Capital
The share capital of the Freyssinet International (STUP) Company is held entirely by the Société Générale d’Entreprise.

Employees
The mean staff level of the Freyssinet Group for 1997 is 1,614 employees an increase of 12% over the previous year.

Research and Development
The cost of research and development represented nearly 1% of the turnover, that is four or five times more than standard level in firms of this type of work.

Along with efforts made to improve systems of prestressing and providing cable-stays and the development of roadway joints to cover large movements and seismic resistant devices for use in large civil engineering structures, the firm, in association with industrial partners has developed an original product – Carbon Fibre Fabrics (TFC) used in the repair of structures, whether they be bridges or buildings.

The first contracts obtained augur well for the future of this technique.

The year 1998 should see the culmination of research undertaken in the field of data processing to record the performance of structures and the production of mechanical bearings.

Prospects
Without having reached the spectacular progress made in 1995 and 1996 the order book at the end of 1997 makes it appear that 1998 will be a satisfactory year.

The circumstances still remain difficult both in Europe, where strict budget controls imposed by the European Monetary Union demand prudence and in Asia where, in spite of the persistence of infrastructure needs, the present economic difficulties are likely to slow activities down considerably.

Nevertheless, confirmation of its international vocation and its speciality contractor’s activity make the Group hopeful of maintaining its activity and enlarging its influence world-wide.

Jean-Pierre Marchand-Arpoumé
France and Export business

Amongst the most significant sites on which the French Agencies have been employed, mention should be made of:

• repair of the Channel Tunnel, damaged by fire on 18 November 1996;
• strengthening of the abutments of the CNIT at Paris La Défense;
• prestressing of the viaducts of Vernègues and Ventabren on the new high speed rail line of TGV Sud-Est;
• lifting and transfer of loads of the roof to station 2F at Roissy airport.

Generally speaking, most of the activity was concerned with strengthening and repair work, on which Freyssinet frequently appeared as general contractor.

For the France-Nord Agencies, we would mention:

• the Nelson-Mandela Bridge at Ivry-sur-Seine,
• the Marne Bridge at Châlons-en-Champagne,
• the Dordives Bridges on the A77 motorway,
• the viaduc at Noisy-le-Sec on the A3 motorway,
• the Concorde Bridge at Saint-Gilles-Croix-de-Vie,
• Covering to the A1 motorway at Saint-Denis,
• the reservoir at Choisy-le-Roi,
• the reservoir at Élué,
• the purificaton station at Saint-Aulnois-lès-Elbeuf,
• the Technip Tower at Paris-la-Défense.

For the France-Sud Agencies, mention should be made of:

• the Gerland stadium in Lyons,
• the “Stratège” building in Lyons,
• the intersection bridge at Avallon on the A6 motorway,
• the Croisettes Bridge at Annecy and the town by-pass,
• the suspension bridge at Cosne-sur-Loire,
• the suspension bridge at Cajarc,
• the suspension bridge at Mas d’Agenais,
• The Forez canal,
• the “Géant-Casino” supermarket at Angoulême,
• the “Carrefour” supermarket at Écuyli,
• the ham factory at Aoste,
• the factory for electrical components for Thomson, at Rousset.

Amongst the important contracts signed in 1997 for work to be continued in 1998 were the following:

• the viaduct at Roquemaure,
• the reservoir at Montsouris.

Freyssisol, for its part, has greatly increased work in France with the construction of retaining walls or abutments for bridges at Saint-Jean-de-Maurienne, Mulhouse and Le Mans, for instance.

The activity of the export group within the Major Works Department has been maintained worldwide at the level of the previous year, in Europe, North and South America and Asia.

In the pages which follow the most significant sites will be indicated.
Europe

As in the previous year, the outstanding site is that of the Vasco de Gama Bridge over the River Tagus in Portugal. Following the prestress for the beams of the Central Viaduct, Freyssinet dealt with the lifting and provision of cable-stays for the main bridge and provided the anti-seismic bearings and roadway joints for the whole structure.

Still in Portugal, the Group took part in the construction of the Regua Bridge over the Douro.

In Spain, advancement into the market of repair of structures and historic monuments has been continued with the start of work on the Generalitat Tower in Valencia.

In Italy, work has continued on the sites of Malpensa Viaduct and the high speed rail line (TAV).

In Germany, SHW took part in the construction of the Technical Museum in Berlin.

In Finland, the Karkistentalmi Bridge, for which Freyssinet supplied and installed the stay cables, was opened to traffic.

In the United Kingdom, work on the bridge over the River Dee in Flintshire, for which Freyssinet also provided the stay cables, was almost finished by the end of 1997.

In Belgium, work on the central station in Antwerp and, in the Netherlands, the Amersfoort footbridge and the library at Delft University.

In eastern Europe, Group activity continues to develop with the repair of numerous structures in Romania, in particular the Ploësti Viaduct and a heavy lifting operation at the petrochemical plant at Plock in Poland.

Again, in Turkey, work being carried on by Freysas on the construction of the Güzelyali Footbridge at Izmir, marks a significant break in this country.

Amongst the contracts signed in 1997 which will be carried out in 1998, mention should be made of the Rio Sado and Santarem Bridges in Portugal, a new collection of buildings for the Milan Fair in Italy, the Millennium Stadium in Cardiff and the Lek Bridge in the Netherlands.

America

In the United States, the Group took part in construction work on the metro in Porto Rico, started designs for stay-cables for the Cape Girardeau Bridges in Missouri and signed, at the end of 1997, the contract for stay-cables for the Charles River Bridge in Boston, Massachusetts.

In Trinidad and Tobago, PSC carried out the prestressing of Liquefied Natural Gas storage tanks.

In Mexico, Freyssinet SA took part in the construction of a motorway interchange in which Freyssinet was otherwise involved.

In Brazil, construction of the Linha Amarela urban line was completed in the Spring, Freyssisol assisted in the construction of the Belo Horizonte metro with the construction of a retaining wall.

In Argentina, works on the replacing of the stay-cables on the General Belgrano Bridge, at Corrientes and the Zarate and Brazo Largo Bridges on the River Parana, have been continued.

In Colombia, finally, work on the cable-stayed bridge at Pereira has been carried out according to programme.
Africa
In Algeria, construction of the cable-stayed bridge on the Oued Dib is in progress. Two new contracts have been agreed: repair work on the suspension bridge at Constantine and, for Freyssisol, construction of a retaining wall at Bouira.
In Egypt, work continues on the cable-stayed bridge at Aswan, on the Nile. A new contract has been signed for the construction of a bridge on the Suez Canal.
In Mauritania, another new contract has been agreed at the end of the year, for repair of foundations to the mine of Guelb el Rein.
In Nigeria, work on prestressing containment structures for reservoirs of liquefied natural gas at Bonny Island, for which the contract was agreed at the end of 1996, began in 1997.

Middle East
Construction of the Bahrein Viaduct, in the bay of Manama, is going on in accordance with programme. Freyssinet is providing and installing the prestress and site assistance.

Asia
In spite of monetary and climatic troubles (el Niño), the activity and order book of the Group made major steps in the right direction in this area in 1997. Freyssinet brought its experience in prestressing, construction methods and site organisation to local firms with which it has connections.
Amongst the major projects in which the Group has played a part are:
• in Korea, the Seohae Bridge;
• in Hongkong, the Ting Kau cable-stayed bridge, the Central Station of the rail terminal servicing the new Chep Lap Kok airport and the Country Park Route 3 in the North of the New Territories;
• in Malaysia, the Nordin Bridge, the urban Light Rail Transit System and People’s Railway Transit and the Malaysia Telekom Headquarters building at Kuala Lumpur;
• in Thailand, the Rangsit stadium for the next Asiatic Games;
• in Taiwan, the “C301” viaducts to the North of Taipei and the Mei-Shywe bridge;
• in Indonesia, the Barelang Bridge and the Barito Suspension Bridges;
• in Bangladesh, the bridge over the River Jamuna;
• in Vietnam, the Gianh and My Thuan Bridges are under construction and repair work is going on to the Haiphong and Saigon Bridges;
• in Singapore, the Shun Li industrial park, the commercial centre Distripark of the new C&P warehouse;
• in China, finally, the Ling Hao and the Quinshan III nuclear power stations.
Activity of the Kyokuto Kogen Concrete Shinko Co. Ltd., FKK, the Agent for the Group in Japan, has remained at a good level, in particular with the construction of the bridges at Aka, Tsukuhara and Tenkenji.

Australia
Austress Freyssinet has increased the level of its activity with work on bridges over the River Manning at Taree, the Melbourne bypass bridge and new contracts at Indooroopilly, Empress Gardens and Darling Park, in Sydney.
## Consolidated balance sheet
in thousands of francs

<table>
<thead>
<tr>
<th>Assets</th>
<th>1997</th>
<th>1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets other than goodwill</td>
<td>6 000</td>
<td>6 539</td>
</tr>
<tr>
<td>Goodwill</td>
<td>13 620</td>
<td>14 713</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>89 330</td>
<td>90 774</td>
</tr>
<tr>
<td>Financial assets</td>
<td>24 461</td>
<td>33 059</td>
</tr>
<tr>
<td>• subsidiaries and affiliates</td>
<td>16 584</td>
<td>17 070</td>
</tr>
<tr>
<td>• other financial assets</td>
<td>7 877</td>
<td>15 989</td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td><strong>133 411</strong></td>
<td><strong>145 085</strong></td>
</tr>
<tr>
<td>Inventories</td>
<td>127 254</td>
<td>200 892</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>528 237</td>
<td>484 057</td>
</tr>
<tr>
<td>Other receivable</td>
<td>131 924</td>
<td>125 632</td>
</tr>
<tr>
<td>Short-term investments, financial receivables and marketable securities</td>
<td>94 016</td>
<td>32 748</td>
</tr>
<tr>
<td>Cash</td>
<td>74 562</td>
<td>50 204</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>955 993</strong></td>
<td><strong>893 533</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>1 089 404</strong></td>
<td><strong>1 038 618</strong></td>
</tr>
</tbody>
</table>
Consolidated balance sheet  
in thousands of francs

<table>
<thead>
<tr>
<th>Shareholders’ equity and liabilities</th>
<th>1997</th>
<th>1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital stock</td>
<td>22 000</td>
<td>22 000</td>
</tr>
<tr>
<td>Retained earning, before net income for the year</td>
<td>58 551</td>
<td>67 482</td>
</tr>
<tr>
<td>Net income for the year</td>
<td>14 103</td>
<td>8 682</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>94 654</td>
<td>98 164</td>
</tr>
<tr>
<td>Minority interest</td>
<td>44 324</td>
<td>34 854</td>
</tr>
<tr>
<td>Provisions for liabilities and charges</td>
<td>126 205</td>
<td>50 473</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>62 758</td>
<td>69 043</td>
</tr>
<tr>
<td><strong>Total capital employed</strong></td>
<td><strong>327 941</strong></td>
<td><strong>252 534</strong></td>
</tr>
<tr>
<td>Down-payments from clients</td>
<td>77 074</td>
<td>147 178</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>356 660</td>
<td>357 810</td>
</tr>
<tr>
<td>Other payables</td>
<td>257 543</td>
<td>198 883</td>
</tr>
<tr>
<td>Short-term debt</td>
<td>70 186</td>
<td>82 213</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>761 463</strong></td>
<td><strong>786 084</strong></td>
</tr>
</tbody>
</table>

**Total shareholders’ equity and liabilities**  
1 089 404  
1 038 618
### Consolidated statements of income
in thousands of francs

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1996</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>1 430 485</td>
<td>1 188 372</td>
</tr>
<tr>
<td>Other revenue</td>
<td>281 692</td>
<td>14 242</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>1 458 654</td>
<td>1 202 614</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>- 1 394 659</td>
<td>- 1 157 288</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>63 995</td>
<td>45 326</td>
</tr>
<tr>
<td>Financial expense</td>
<td>- 14 725</td>
<td>- 16 536</td>
</tr>
<tr>
<td>Financial income</td>
<td>5 402</td>
<td>3 542</td>
</tr>
<tr>
<td>Financial provisions</td>
<td>- 144</td>
<td>- 2 073</td>
</tr>
<tr>
<td><strong>Net financial expense</strong></td>
<td>- 9 467</td>
<td>- 15 067</td>
</tr>
<tr>
<td><strong>Operating income less financial expense</strong></td>
<td>54 528</td>
<td>30 259</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>- 6 417</td>
<td>- 6 408</td>
</tr>
<tr>
<td>Exceptional adjustments to amortization and provisions</td>
<td>- 11 795</td>
<td>3 385</td>
</tr>
<tr>
<td><strong>Net exceptional expense</strong></td>
<td>- 18 212</td>
<td>- 9 793</td>
</tr>
<tr>
<td>Employee profit-sharing</td>
<td>- 1 572</td>
<td>- 1 056</td>
</tr>
<tr>
<td>Income taxes</td>
<td>- 10 733</td>
<td>- 6 482</td>
</tr>
<tr>
<td><strong>Income from consolidated companies (before equity and minority interest)</strong></td>
<td>24 011</td>
<td>12 928</td>
</tr>
<tr>
<td>Equity in net earning of affiliated companies</td>
<td>- 875</td>
<td>1 746</td>
</tr>
<tr>
<td>Minority interest</td>
<td>- 9 033</td>
<td>- 5 992</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>14 103</td>
<td>8 682</td>
</tr>
</tbody>
</table>

### Consolidated financial statements (past three years)
in thousands of francs

<table>
<thead>
<tr>
<th></th>
<th>1997</th>
<th>1996</th>
<th>1995</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>1 430 485</td>
<td>1 188 372</td>
<td>1 278 891</td>
</tr>
<tr>
<td>• of which foreign sales</td>
<td>971 319</td>
<td>709 058</td>
<td>684 531</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>14 103</td>
<td>8 682</td>
<td>- 19 929</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>94 654</td>
<td>98 164</td>
<td>61 366</td>
</tr>
<tr>
<td>Provisions for liabilities and charges</td>
<td>126 205</td>
<td>50 473</td>
<td>41 221</td>
</tr>
<tr>
<td><strong>Cash flow</strong></td>
<td>116 190</td>
<td>55 709</td>
<td>12 866</td>
</tr>
<tr>
<td>Capital expenditures and acquisition of investments</td>
<td>24 370</td>
<td>25 856</td>
<td>26 710</td>
</tr>
<tr>
<td>• Capital expenditures</td>
<td>22 328</td>
<td>23 115</td>
<td>26 119</td>
</tr>
<tr>
<td>• Acquisition of investments</td>
<td>2 042</td>
<td>2 741</td>
<td>591</td>
</tr>
<tr>
<td><strong>Average number of employees</strong></td>
<td>1 614</td>
<td>1 446</td>
<td>1 718</td>
</tr>
</tbody>
</table>

12
### AFRICA
- **EGYPT**
  - Freyssinet Egypt
  - Mohanndeseen-Giza
- **SOUTH AFRICA**
  - Freyssinet S.A. (Pty) Ltd
  - [Olifantsfontein](#)

### ASIA
- **HONG KONG**
  - Freyssinet Hong Kong Ltd.
  - Hong Kong
- **INDIA**
  - Freyssinet Prestressed Concrete Co Ltd
  - Bombay
- **INDONESIA**
  - PT Freyssinet Total Technology
  - Jakarta
- **JAPAN**
  - T.F.K.
  - Tokyo
- **KOREA**
  - Freyssinet Korea
  - Seoul
- **KUWAIT**
  - Freyssinet International
  - Kuwait
- **LEBANON**
  - O.P.C.
  - Beirut
- **MALAYSIA**
  - Freyssinet PSC/M Sdn Bhd
  - Kuala Lumpur
- **PAKISTAN**
  - Freyssinet Pakistan Co (Pty) Ltd
  - Karachi
- **PHILIPPINES**
  - Freyssinet Philippines
  - Manila
- **SINGAPORE**
  - Pre-Stressed Concrete
  - Freyssinet (I) Pte Ltd
  - Singapore

### EUROPE
- **BELGIUM**
  - s.a. CINEC n.v.
  - Vilvoorde
- **DENMARK**
  - A/S Skandinavisk Spænbevont
  - Værløse
- **FRANCE**
  - Freyssinet International & Cie
  - Vélizy-Villacoublay
- **GERMANY**
  - SHW Brücken Technik GmbH
  - Esslingen a.N.
- **GREAT BRITAIN**
  - PSC Freyssinet Ltd
  - Iver, Bucks
- **HUNGARY**
  - Fannon Freyssinet KFT
  - Budapest
- **ITALY**
  - Tecnicavi s.r.l.
  - Milan
  - Freyssinet s.r.l. & CE. S.A.P. S.p.A.
  - Rome
- **MACEDONIA**
  - miGal
  - Skopje
- **THE NETHERLANDS**
  - Sambo B.V.
  - Waddinxveen
- **NORWAY**
  - A/S Skandinavisk Spænbevont
  - Stavanger
- **POLAND**
  - Freyssinet International & Cie
  - Varsovia
- **PORTUGAL**
  - Armol-Freyssinet
  - Lisbon
- **RUMANIA**
  - Freyton S.A.
  - Bucharest
- **SPAIN**
  - Freyssinet S.A.
  - Madrid
- **SWEDEN**
  - AB Skandinavisk Spænbevont
  - Malmö

### OCEANIA
- **AUSTRALIA**
  - Austress Freyssinet Pty Ltd
  - Seven Hills
- **NEW ZEALAND**
  - Freyssinet New Zealand Ltd
  - Auckland

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**Freyssinet all over the world**

**June 98**

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**Daughter companies and Affiliates**

**Agents**

**Correspondants**

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