

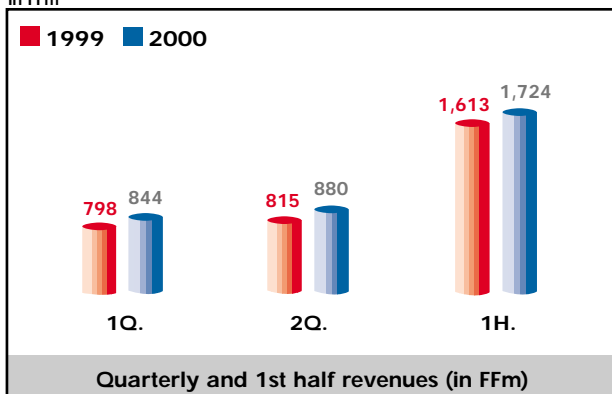


QUARTERLY REPORT

2nd quarter 2000
July 11, 2000



In FFm



First-half 2000 highlights

- Former itself acquired the entire share capital of the two companies Gradel and Gervais Le Pont on January 1, 2000.
- On May 12, 2000, Artem acquired an additional 20% stake in the Italian company Leoplast, 90% of which will be consolidated for the full year 2000.
- On June 9, 2000, GFI Industries acquired 100% of the shares of Rapid SA and its subsidiaries Mecano Rapid, KKP and Rapid China. Specialized in manufacturing metallic and plastic clip fasteners, Rapid will join Former to create GFI Automotive. The Rapid sub-group will be consolidated from June 1, 2000.

Consolidated revenues

Revenues for the first half of 2000 were 7% higher than in the same period in 1999, and included the results of Gradel and Gervais Le Pont from January 1 and Rapid from June 1. At constant consolidation scope, growth came to 2%, in line with the previously observed trend. Revenues outside France accounted for 39% of total revenues.

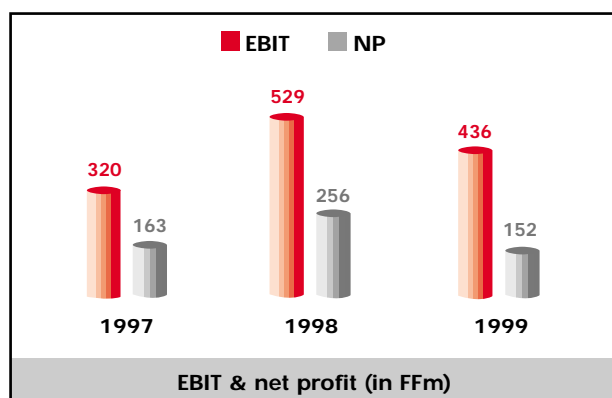
Automotive

The European car market grew slightly by 1.6% through June, maintaining its high level. Certain car-makers, with which Former and Rapid have strong sales relationships, have done especially well. Through May, PSA's revenues and production were up by 13% and 21% respectively while Renault's grew by 2% and 12%.

GFI's automotive division has benefited from these favorable market conditions and posted consolidated growth of 27%. Rapid, first consolidated in June, contributed revenues of FF 50 million, i.e. 8% of the total. At constant consolidation scope, growth was also strong, amounting to nearly 8%.

The overheating of business in the first half of the year led to some extracosts in terms of shipping and personnel.

Gradel was fully integrated and brought into line with company standards, strengthening our relationships with global automotive suppliers. Rapid remained autonomous and, with pro-forma first-half revenues of FF 313 million, should be able to achieve its announced full-year objectives.

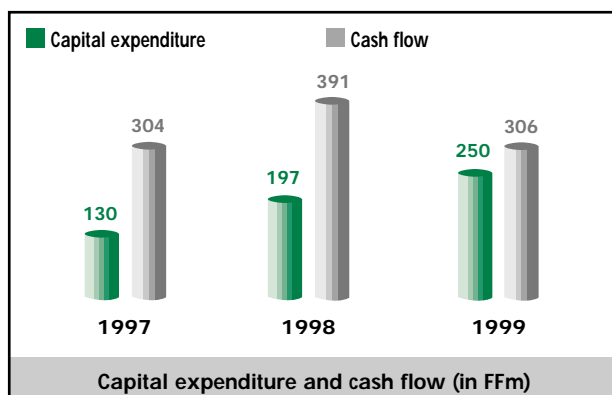


Aerospace

The new orders that have been announced have led large-aircraft manufacturers, and in particular Airbus, to revise their production forecasts upwards. The world's two large-aircraft manufacturers are expected to deliver more than 800 large aircraft in the current year. At the same time, the market for regional aircraft has remained particularly buoyant, highlighted by Bombardier's sales success. The decision to launch the A3XX could have beneficial consequences for our business starting in 2002 or 2003.

In line with the trend set in the year's first quarter, GFI Aerospace's revenues declined by 12% for the first half. The revenues of our Hi-Shear Corp. subsidiary continued to drop in the second quarter, but less sharply than in the first, and have now stabilized. At constant scope, Hi-Shear's Q2 revenues were down by 27% compared with the year-earlier period whereas Q1 revenues had fallen by 34%. In Europe, our business held steady at a high level. Our U.K. factory focuses now on a limited number of productions perfectly mastered. Production at our French facilities, on the other hand, grows in line with Airbus's increased deliveries.

Revenues at the high technology division, which generates high margins, posted very good growth of 8%.



Fragrances & Cosmetics Packaging

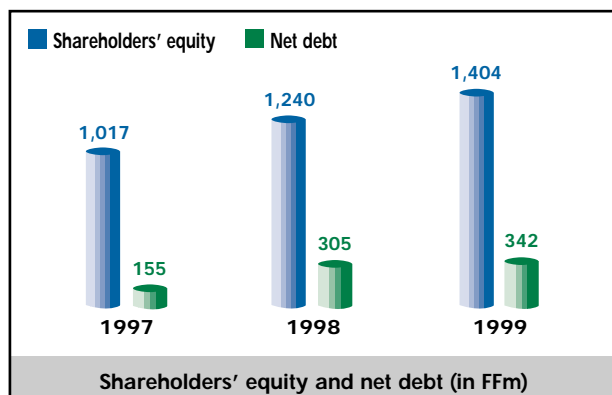
Strong sales in the first quarter continued in the second and resulted in first-half growth of 12%, thanks to the success of major product lines and the development of promising new products in which Artem is well positioned.

Our large customers' redeployment in Asian markets together with growth in Western markets combined to keep our market at a high level. Artem is putting these favorable conditions to good use by reorganizing manufacturing at its production sites.

Other sectors

Sales to the construction industry continued to accelerate with first-half revenue growth of nearly 9% thanks to a 22% increase in exports. Unfortunately, GFD's volume increase did not feed through to earnings.

ARS Industries continues to deliver to SNCF, the French railway operator, as required, and has succeeded in balancing its business by sharply increasing exports, which were up by 68%. As a result, first-half revenues were stable compared with the year-earlier period.



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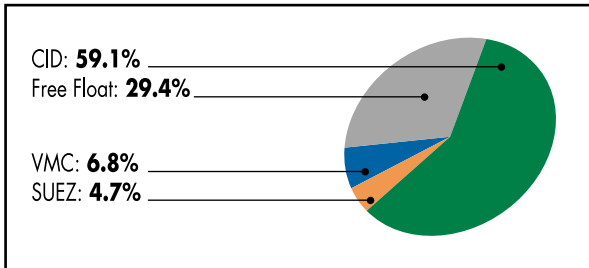
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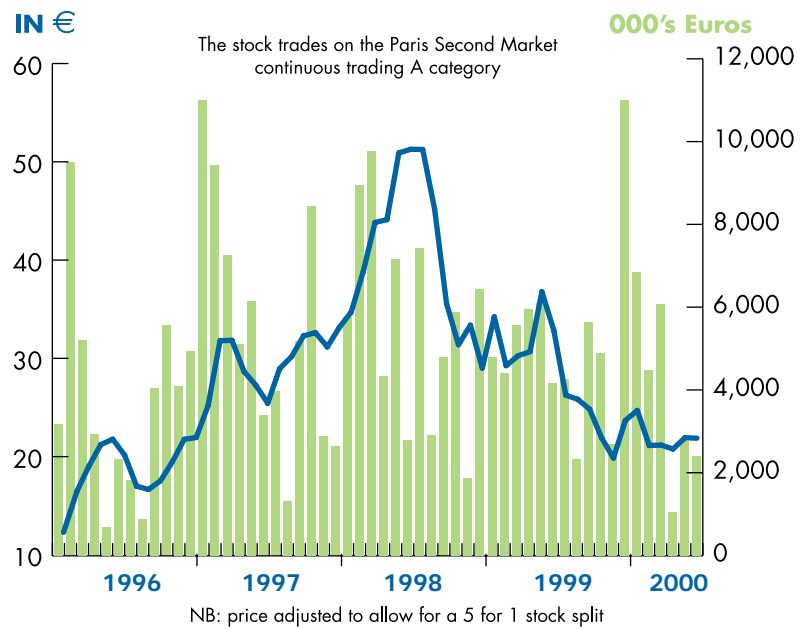
Data

Market capitalisation	231 M€ (23,59€ au 06/30/00)
Shares outstanding	9 804 205
Price range 99 (adjusted)	40,40/18,50€
Global dividend (99)	0,9€
Reuters code	GDII PA
Sicovam code	5035

Capital structure



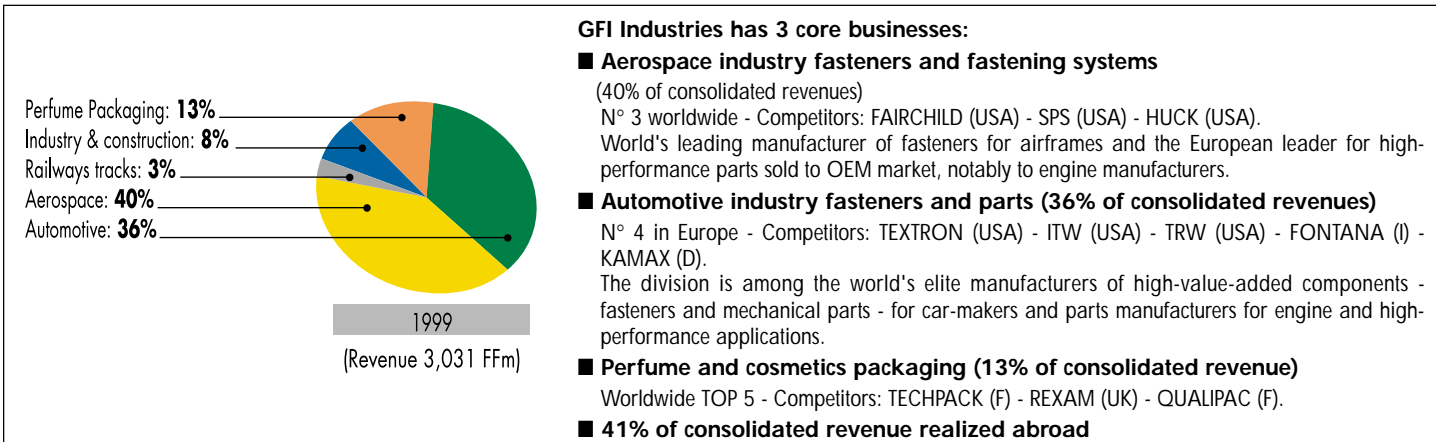
Stock market quotation and monthly traded value



History

- In the sixties, five family businesses specialized in industrial fasteners, merged in several stages giving birth in 1968 to GFD, number one in industrial fasteners and fastening systems in France.
- In 1977, GFD acquired Blanc Aero, the French leader in aerospace fasteners. The new group became GFI and was listed on the Paris Second Market in June 1989.
- Since 1991, GFI Industries has grown actively making 15 acquisitions: THIANT, FDM, BELEY, MOHR und FRIEDRICH (GER), GRADEL and GERVAIS LE PONT, RAPID SA in the Automotive division - SERICA, L'EUMAIL and LEOPLAST (I) in Packaging - ARS Industries in Railways tracks - MEGNIN in the Industrial division, HI-SHEAR Corporation (USA), AIRTEC, APT (USA) and BAB in the Aerospace division.
- In 1999, the Automotive division closed FDM and the Aerospace division sold APT (USA).

1999 Markets and activity



Financial highlights (adjusted)

	1997	1998	1999
Global dividend (in €)	0.73	0.91	0.91
High quotation (in €)	37.47	56.71	40.40
Low quotation (in €)	21.50	25.31	18.50
Daily traded value (in Ks)	267	274	243

Breakdown of FY 1999 by activity

In FFm	EBIT	NP	Cash flow	Capex	Manpower
Aerospace	214	76	134	97	1,688
Automotive	157	72	115	109	1,420
Perfume Packaging	30	(6)	29	36	630
Ind. & construction	6	1	6	2	248
Railways tracks	12	7	14	5	123
Others	17	2	8	1	7
TOTAL	436	152	306	250	4,116