



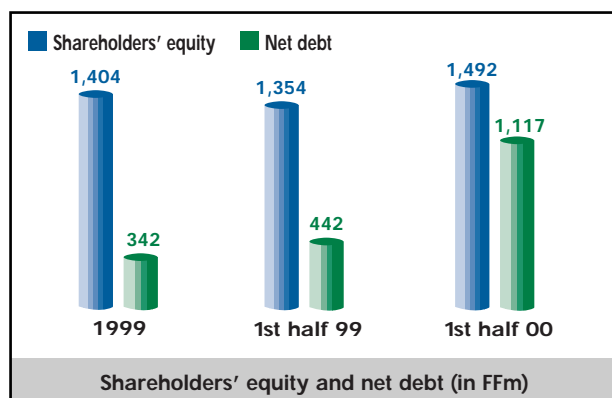
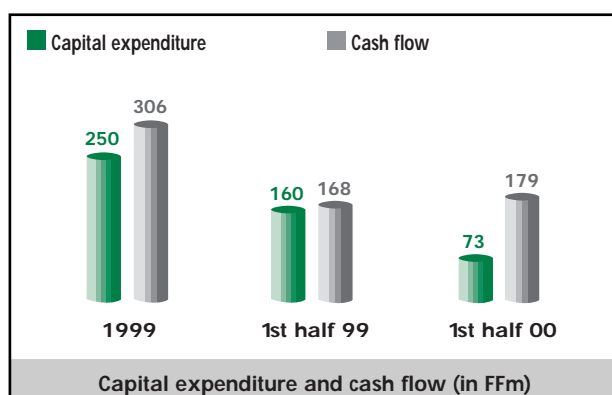
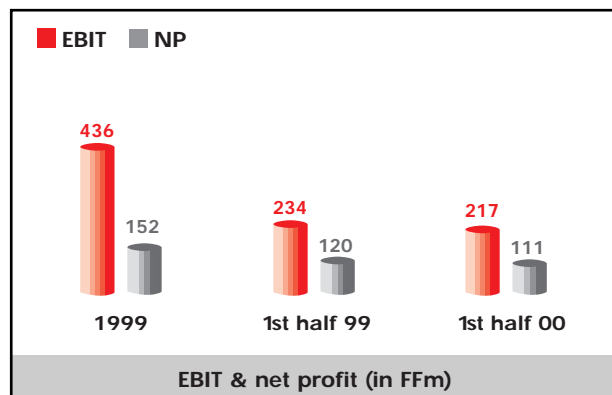
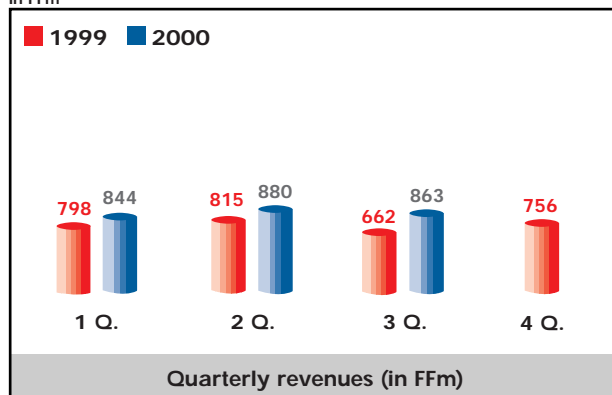
# QUARTERLY REPORT

3<sup>rd</sup> quarter 2000

October 6, 2000



In FFm



## Consolidated revenues

As of September, consolidated cumulated revenues are in strong progression of 13.7% at new consolidation scope and of 3.3% at constant consolidation scope. The third quarter shows an acceleration of the activity with a growth of 30.4%. Revenues outside France accounted 41%.

## Automotive

After a light growth during the first semester, the European market shows now a breathlessness. PSA group has a cumulated increase since the beginning of the year with 6.4% at the end of August while Renault is decreasing of 2.8%.

According to the new parts gained during the year and the new models on which the GFI Automotive group is strongly positioned, activity stays very strong.

Former group keeps its rhythm of growth of 7% at constant perimeter.

During the third quarter, the companies purchased in 2000, Rapid and Gradel, realize a revenue of FFm175 and so authorize an increase of the automotive branch of 80% at new consolidation scope and 42% on cumulated.

The high level of activity obliges Former to maintain its increasing plan of its production capacities. Production bottles neck appeared during first semester will only be desorbed after installation of heavy means and we are not awaiting significant improvement of its result for the next quarter.

In compensation, Rapid continues to confirm its excellent level of activity.

## Aerospace

The aerospace activity has been marked by the confirmation of the orders for A3XX, the signature of the project A400M for 225 aircraft and the new orders for Airbus and Boeing during the Farnborough air show (371 aircraft).

If the aerospace market continues to show this kind of perspectives, the company GFI Aerospace has always to face cyclical events.

In fact, the start of new JIT contracts and the organization in direct line feed perturb the plans of charge of the different European plants.

In this context the European branch shows a stability of his cumulated activity masking a strong progression of the part of structure and a cyclical decrease of the engine and critical parts. The British factory maintains its recovery plan with the announced objectives for this quarter.

In USA, at constant perimeter and in FF, the activity is now stabilized for the third quarter 2000. It has been at -34% during the first quarter and -27% during the second quarter. The backlog shows an increase of 15% comparing to end of March. Revenues of Blanc Aero Technologies at the end of September reaches FFm 84 with a cumulated increase of 6% and gains a favorable trend of the product mix in favour of the automotive competition.

## Fragrances & Cosmetics Packaging

The strong activity of the first semester continues with an increase of this quarter of 16% confirming the success of the last launches to our clients. The company Artem is going with the development of the market owing to new products.

So, the cumulated increase reaches 13.2% on the cosmetic and perfumery activities.

The last quarter should maintain a similar rhythm and shows strong result for this branch.

Our wishes to obtain a result consistent with our objectives are so reinforce in this development context.

## Other sectors

In the construction industry, the growth of 9% for the first quarter is decreasing for the third quarter and reaches 7%. The increase of the volumes doesn't show for the moment signs of a decrease of the production costs.

Ars Industries palliates the decrease of the volumes with the French OEM with a strong progression for the export (+300%). Nethertheless, a revision done last summer on a primordial machine, has weighed on the production of the quarter. In consequence, the cumulated revenues are late for 14.2% comparing to the third quarter 1999. A part of this delay will be caught again during the last quarter.

## TRADING AGREEMENT

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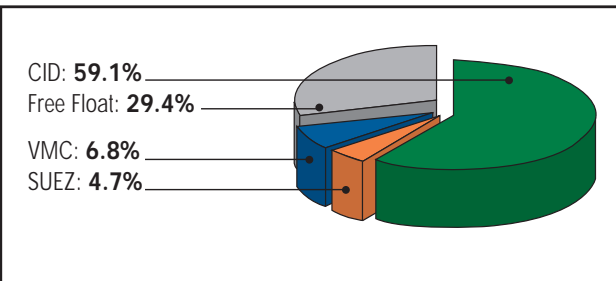
## CONTACTS : GFI INDUSTRIES

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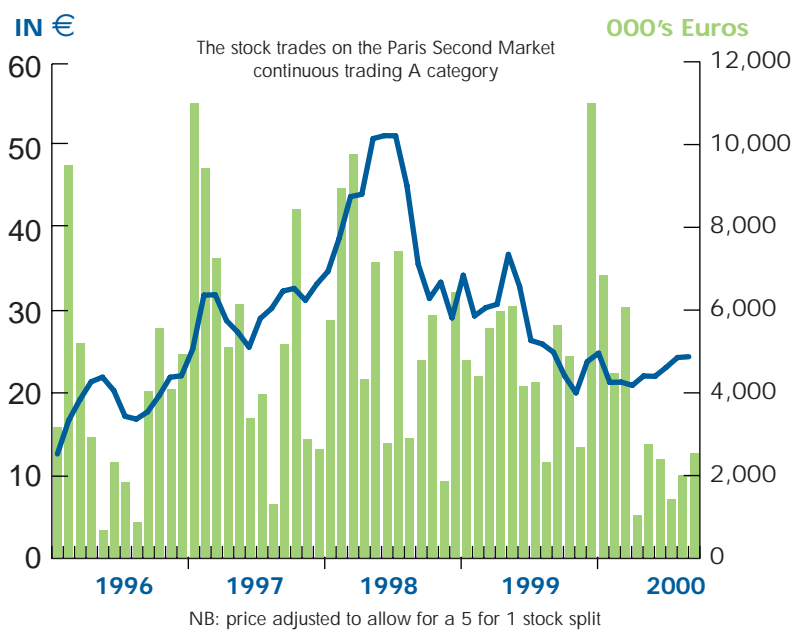
## Data

Market capitalisation	235 M€ (24.02€ on 09/30/00)
Shares outstanding	9,804,205
Price range 99 (adjusted)	40.40/18.50€
Global dividend (99)	0.91€
Reuters code	GDII PA
Sicovam code	5035

## Capital structure



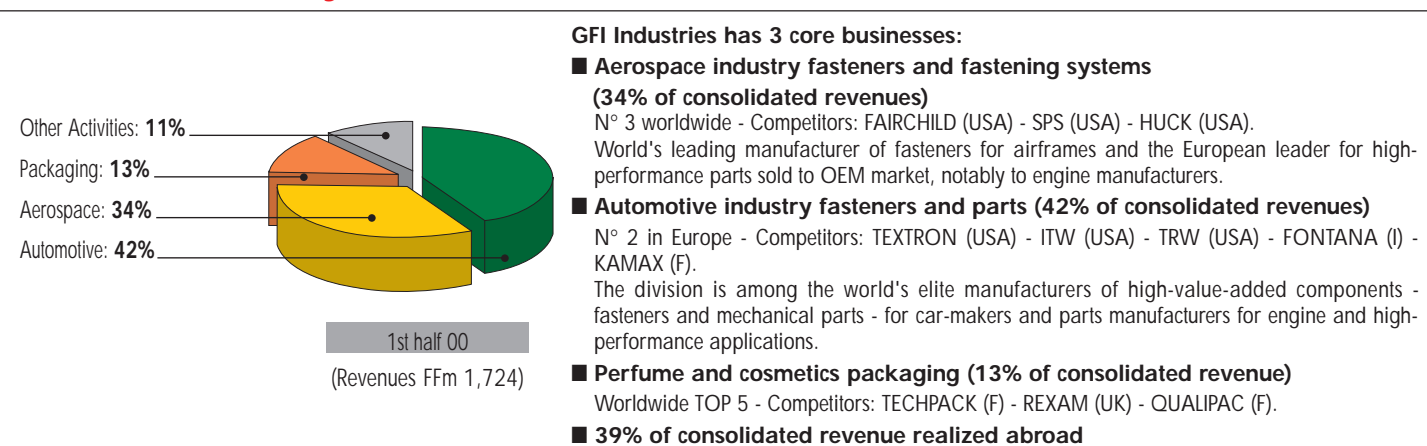
## Stock market quotation and monthly traded value



## 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).

## 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 K€)	267	274	243

## Breakdown of 1st half 2000 by activity

In FFm	EBIT	NP	Cash flow	Capex	Manpower
Aerospace	96	59	76	24	1,791
Automotive	84	47	75	33	1,961
Perfume Packaging	18	10	18	9	714
Other Activities	8	4	12	7	369
Others	11	(9)	(2)	-	6
<b>TOTAL</b>	<b>217</b>	<b>111</b>	<b>179</b>	<b>73</b>	<b>4,841</b>