SAPEC, SA

CONSOLIDATED ACCOUNTS AT 30.06.2007

I. Key figures (in k€)

	30.06.07	30.06.06
Revenue	264.310	245.287
Operating result	10.575	7.226
EBITDA	16.282	14.506
EBIT	10.723	8.939
Consolidated net result	3.586	3.993

	30.06.07	31.12.06
Total balance sheet	420.267	405.224
Total non-current assets	211.379	191.100
Total shareholders' equity (excl. minority interests)	114.544	113.914
Minority interests	15.919	15.191
Net debt	179.943	167.201

The revenue increased 7.8% and the Operating result went from 7,226 k€ to 10,575 k€ (+3,349 k€), an increase of 46.3%.

The EBIT increased 20%, a lower progression than the Operating Result, which registered in 2006 part of the capital gains on the sale of our wind projects in Spain in non-operational result.

The deterioration of the financial charges is the result on the one hand of the increase in interest rates and on the other hand of the increase of the debt following an increase in working capital needs and the financing of the acquisitions in the energy sector (the amount of those investments in the balance sheet at 30.06.07 is 44,493 k€, almost the same as the increase of the net debt between June06/June07: +42,861 k€).

The increase in balance sheet from 405,224 k€ at 31.12.06 to 420,267 k€ at 30.06.07 is due mainly to the investments in the wind projects (16,496 k€).

The shareholders' equity (excl. minority interests) goes from 113,914 k€ to 114,544 k€, due to the contribution of the net result of the Group and the distribution dividends.

Despite the increase in the net debt that followed the investments in the USA/CAN, the EBITDA/ net debt ratio indicates a positive trend.

II. Analysis of the sectors of activity

	30.06.2007	30.06.2006	(Δ %)
Turnover	**264.310**	**245.287**	**7,8%**
Crop protection	39.374	35.207	
Crop nutrition	12.288	10.184	
Chemical products distribution and environment	18.739	17.753	
Logistics	8.576	6.345	
Agro commodities distribution	180.531	167.585	
Energy	6.004	4.569	
Unallocated (1) + Eliminations	-1.202	3.645	

	30.06.2007	30.06.2006	(Δ %)
EBITDA	**16.282**	**14.506**	**12,2%**
Crop protection	4.168	4.419	
Crop nutrition	935	567	
Chemical products distribution and environment	2.113	1.997	
Logistics	2.294	916	
of which: recurrent	2.292	916	
Agro commodities distribution	6.403	2.778	
Energy	3.284	4.357	
of which: recurrent	3.476	2.660	
Unallocated (1) + Eliminations	-2.916	-527	

	30.06.2007	30.06.2006	(Δ %)
Résultat Opérationnel	**10.575**	**7.226**	**46,4%**
Crop protection	3.252	3.447	
Crop nutrition	464	177	
Chemical products distribution and environment	1.094	1.091	
Logistics	1.029	-324	
Agro commodities distribution	5.806	2.138	
Energy	2.305	1.443	
Unallocated (1) + Eliminations	-3.375	-746	

(1) Includes "Holdings", "Property" and "cons. adjust"

Comments on the sectors activity

Crop Protection Sector

In general, the agricultural context is favourable and optimism reigns in the Iberian Peninsula, the climate conditions, the levels of prices for agricultural crops and the new markets that bio-fuels offer or may offer are the explanation for this.

The market as regards distribution sales grew from 5 to 7% and the retailers in this favourable context were able to clean-up their stocks accumulated since 2005.

In the Iberian Peninsula, our sales showed a greater growth than the market, and are in line with our objectives. We consequently are continuing to gain market share.

A) <u>Development on the Portuguese market:</u>

Sapec Agro Portugal has maintained its position as co-leader on the Portuguese market. Despite the favourable context and a slight increase in sales, the current profits for the first half-year are slightly below those of 2006.

The gross margin eroded slightly in relation to 2006, due to a slightly different sales mix.
The payment delays did not worsen since the beginning of the year. Nevertheless they are still longer at the end of June than at the end of June 2006, penalizing the financial costs.

Selectis realised sales in the first half-year in line with its objectives and with an increase of 12.6% in relation to 2006.
The competitive pressure caused a slight reduction of the margins.

The structural costs and financial costs are in line with our forecasts.

B) <u>Development on the Spanish market</u>

Sapec Agro Spain saw a sales growth of 26% compared to 2006 and consequently increased its market share in Spain significantly.
The gross margin in relation to 2006 lost 2.4 points, but this situation should quickly return to normal. In effect, a series of products, soon to be excluded from the European catalogue, for which the sales permit expired at the end of June in Spain, were placed on the market at a significant discount in the second quarter by some suppliers and distributors in order to clear their stocks. This caused a sharp pressure on the prices for some categories of products.

Tradecorp, in plant protection, saw its sales increase by 27% in relation to 2006 and consequently could also significantly increase its market share in Spain.

Also in Spain, our structural costs and financial costs are in line with our forecasts.

<u>Crop Nutrition Sector</u>.

The total sales increased by 19%, or 17% in the Iberian Peninsula and 20% internationally. In relation to the objectives we have a slight drop in the Iberian Peninsula (-7%) which is compensated by a slight increase internationally.

A) <u>Development on the Iberian market</u>

At Tradecorp in Spain the progression of sales was 15% on a market that has not progressed and that according to some assessments has decreased by 5% in relation to

2006. In effect in the citrus fruit sector, large-scale consumers of this type of products are still experiencing a crisis.

Tradecorp thereby strengthened its position as leader in Spain in this sector; the commercial reorganisation in 2006 is yielding and has been assimilated well. The structural costs are in line with our forecasts as well as the related rotation of capital.

B) International Developments

Internationally, sales have developed by 20% in relation to 2006 and are generally in line with the objectives. The gross margin is maintained at the same percentage level as that of 2006 and this despite a rather unfavourable USD/€ climate.

In Brazil the situation has improved well, a part of the commercial team was substituted and a new distribution network has been developed.
In Europe, growth came from an excellent spring campaign in Italy.
In the Middle East, growth is significant in Maghreb and in Egypt.
Growth is good also in Colombia, Ecuador and Peru.

The structural costs are in line with our forecasts as well as the related rotation of capital.

Chemicals Distribution and Environment

A) Distribution sector of chemical products

The distribution sector for chemical products, has experienced a difficult first half-year like 2006, a significant proportion of our customers are still debating the lack of economic activity and increasing liquidity problems.
Prudence was exercised on sales and pressure on the margins affected the results.
New projects and products are to being developed for this sector of activity.

B) Environment sector

The first half-year was good for the CITRI activity, which exceeded its objectives in both volumes and sales.

- The construction of the third cell started in August.
- The CIRVER project is under construction, which should take approximately 12 months.

Agro Commodities Distribution Sector

The cereal harvest in Spain and Portugal reached a record this year, which was not the case in Europe as a whole (average in France and England; very weak in Eastern Europe

and the Ukraine). This situation as well as the extremely low world stocks and the increase of the demand to produce Bio-ethanol caused the sharp rise in prices for cereals worldwide.
A good forward-looking policy in the face of price increases and adequate management of the maritime freight, that remain high and volatile, explain the significant increase in the profits of Interpec during the first half-year.
Seteia, in Portugal, has experienced a normal year, slightly increased in comparison to the previous year.

Logistics Sector

A) The land sector

As a whole, sales of the land sector of the group are growing (+14%) and so is EBIT (-€106.000 as of 30/06/07 versus -€322,000 as of 30/06/06), due to measures implemented in the "profit improvement program".
The Setúbal terminal was above its sales, margins and profit targets as of 30/06/07. The Lisbon terminal still has a slight loss (-€77,000 versus -€246,000 in the previous year), a net improvement despite the increased burden of the warehouse rents.
At the Valongo terminal, in the North, sales have increased (+12%), in particular in railway cargo handling, but the increase in costs (depreciation, operating costs and financial costs) due to the commencement of operations, at the end of 2006, is a burden on the profits which have decreased in relation to 30/06/06.

B) The ports sector

In the ports sector, the activity at the Sapec quay in Setubal was substantial. The increase of clinker (+240,000 MT) and sugar (+81,000 MT) significantly contributed to the profit increase.

Energy Sector

The production of hydraulic energy by Naturener in Spain broke its historic record in April and this was sustained throughout the first half-year of 2007 due to excellent rainfall and the good operation of all our plants. As regards our average sales prices, there was a decrease of 14% in relation to the high levels of the first half-year of 2006.
The recurrent EBITDA increased by 26.7%, but the final profits have fallen in relation to those of 2006 due to the capital gains recorded on the sale of wind power projects in Spain in January 2006.

Real estate

No sales of real estate assets were realised during the first half-year.

III. Consolidated accounts at 30 June 2007

1 – Consolidated balance sheet

Balance sheet on 30.06.07 and 31.12.06

(k€)

ASSETS	30.06.07	31.12.06
I. NON -CURRENT ASSETS	**211.379**	**191.100**
1. Property, plant and equipment	166.936	149.691
2. Investment property	1.344	1.345
3. Intangible assets	36.897	36.193
5. Other financial assets	4.442	3.426
6. Deferred tax assets	1.759	371
7. Derivative financial instruments	0	75
II CURRENT ASSETS	**208.888**	**214.124**
11. Inventories	86.830	90.230
12. Other financial assets	1.050	2.610
13. Derivative financial instruments	0	766
14. Tax receivables	929	485
15. Trade and other receivables	88.217	91.441
17. Cash and cash equivalents (a)	28.700	26.649
18. Other assets	3.162	1.943
TOTAL ASSETS	**420.267**	**405.224**

ASSETS

The total assets were 405,224 k€ at 31.12.06 and amount to 420,267 k€ at 30.06.07 (+15,043 k€).

This evolution is the result of the increase of the fixed assets (19,336 k€ net) and the reduction in "clients" and "stocks" (-6,549 k€, as a whole), the variation of the other items adding up +2,256 k€.

It is necessary to take into account the effect of the wind projects in the USA/CAN, whose total weight in the total assets at 30.06.07 is 44,493 k€ (27,997 at 31.12.06); if the effect of these projects had not been considered, the total assets would have had a slight reduction of 208 k€ compared to the 31.12.06.

The increase in fixed assets, with the exception of the projects USA/CAN, has to do especially with the investment in port quays installations of the subsidiary companies of Interpec Ibérica in Spain (+6.041 k€).

Balance sheet on 30.06.07 and 31.12.06

(k€)

LIABILITIES	30.06.07	31.12.06
I. TOTAL EQUITY	**130.464**	**129.105**
A. Equity attributable to equity holders of the parent	114.544	113.914
1. Issued capital	43.727	43.727
2. Reserves	70.914	70.266
3. Treasury shares (-)	-96	-79
B. Minority interest	15.919	15.191
II. Liabilities	**289.804**	**276.118**
A. Non-current liabilities	**120.545**	**112.289**
5. Interest-bearing borrowings	105.550	94.999
6. Non-interets-bearing borrowings	500	481
7. Deferred income	1.779	1.905
8. Provisions	3.958	4.212
9. Derivative financial instruments	0	0
10. Deferred tax liabilities	6.532	6.486
11. Trade and other payables	39	2.017
12. Other liabilities	2.188	2.188
B. Current liabilities	**169.258**	**163.829**
13. Interest-bearing borrowings	102.523	98.300
15. Deferred income	572	590
17. Derivative financial instruments	416	2.059
18. Tax liabilities	7.970	4.198
19. Trade and other payables	48.655	48.752
20. Other liabilities	9.052	9.860
TOTAL EQUITY AND LIABILITIES	**420.267**	**405.224**

SHAREHOLDERS' EQUITY + LIABILITIES

The debt (gross) goes from 193, 850 k€ at 2006, to 208,643 k€ at 30.06.07 (+14,793 k€), the increase was lower than the investment in wind projects in the USA/CAN for the same period (+16,496 k€), in spite of the growth of the revenue compared with the first half of 2006 (264,310 k€, against 245,287 k€, in 2006).

An improvement of the structure of the debt is noticed, the increase in the medium-term debt is +10,570 k€ the increase in the short-term debt is +4,223 k€.

The net debt follows the same evolution and goes from 167,201 k€, at 31.12.06, to 179,943 k€, at 30.06.07 (+12,742 k€).

The total equity (including the minority interests) increases by 1,359 k€, mainly due to dividends, directors emoluments (2,941 k€) and the first half year results (+3,586 k€).

2 – Consolidated income statement

Consolidated statements of income on 30.06.07 and 30.06.06

(k€)

	30.06.07	30.06.06
1. Revenue	264.310	245.287
2. Other operating income	1.037	918
3. Operating expenses (-)	-254.772	-238.979
4. Profit (loss) from continuing operations before tax, finance and other related costs	**10.575**	**7.226**
6. Gain (loss) on disposal of non-current assets not held for sale	147	52
7. Gain/loss on investments	0	1.662
8. Gain (loss) on financial instruments designated as cash flow hedges	223	127
9. Interest income (expense) - net	-5.230	-3.910
13. Profit (loss) before tax	**5.716**	**5.156**
14. Income tax expense	-2.130	-1.163
15. Profit (loss) of the period from continuing operations	**3.586**	**3.993**
17. Attribuable to equity holders of the parent	3.586	3.993
18. Attribuable to minority interests	-393	-1.148
19. Equity holders of the parent	**3.193**	**2.845**
I. EARNINGS PER SHARE		
1. Basic earnings (losses) per shares	2,65	2,95
1.1 Basic earnings (losses) per share from continuing operations	2,65	2,95
2. Diluted earnings (losses) per share	2,65	2,95

The operating profit shows an increase when compared to 2006 (10,575 k€ against 7,226: + 3,349 k€, +46%) in spite of the fact that the result of the energy sector includes a not activated cost of 259 k€ related to USA/CAN projects.

The financial charges decline compared with 2006 due to the increase in the interest rates (mainly, the EURIBOR – 3 months) and the higher level of debt.

In the first half of 2007 there were practically no gains on disposal of non-current assets not held for sale (147 k€ in 2007, against 1,714 k€ in 2006).

Thus, the result (before taxes) at 30.06.07 is 5,716 k€, increasing compared to the first half of 2006 (+560 k€; +10.9%), withdrawing gain on disposal of non-current assets not held for sale (before taxes) pass from 3,442 k€ to 5,569 k€ (+2,127 k€; + 61.8%).

The level of tax on the profits increased from 23% in 2006 to 37% in 2007. In effect, as of 30 June 2007, the contribution to the profit of the Spanish companies is greater than in 2006. While in Spain tax on company profits is significantly higher than in Portugal and the added value recorded in 2006 benefited from a reduced level of taxes (15% as opposed to 35%).

The profit of the period from continuing operations is 3,586 k€ (against 3,993 k€ in 2006), in spite of the positive evolution in the result attributable to the equity holders of the parent (3,193 k€ against 2,845 k€; + 348 k€, i.e. +12.2%).

IV. Movements of consolidated shareholders' equity

(k€)

	Capital	Share premiums	Conversion reserves	Hedging reserves	Other reserves	Shareholders' equity	Own capital	Third party interest	Total shareholders' equity
Closing balance sheet as at 2005	**36.600**	**7.127**			**65.749**		**109.476**	**17.539**	**127.015**
Result of the financial year					2.845		2.845	1.148	3.993
Dividends					-2.936		-2.936		-2.936
Operations with own shares						-55	-55		-55
Others				0			0	-2.460	-2.460
Closing balance as at 30 June 2006	**36.600**	**7.127**	**0**	**0**	**65.658**	**-55**	**109.330**	**16.227**	**125.557**
Result of the financial year					4.603		4.603	1.780	6.383
Dividendes							0	-902	-902
Operations with own shares					4	-24	-20		-20
Others					1		1	-1.914	-1.913
Closing balance for 2006	**36.600**	**7.127**	**0**	**0**	**70.266**	**-79**	**113.914**	**15.191**	**129.105**
Result of the financial year					3.193		3.193	393	3.586
Dividends and directors emoluments					-2.941		-2.941		-2.941
Operations with own shares					17	-17	0		0
Profits (pertes) non comptabilisé(e)s en compte de résultat	0	0	379	0	0	0	379	336	715
Others	-	-	-	-	0		0	0	0
Closing balance as at 30 June 2007	**36.600**	**7.127**	**379**	**0**	**70.534**	**-96**	**114.544**	**15.919**	**130.464**

V. Cash flow statement

(k€)

	30.06.07	30.06.06
Opening balance	**26.649**	**24 575**
1. Result of the financial year	3.586	3 993
2. Adjustments for elements without cash impact	5.835	4 208
Depreciation provisions	5.559	5 567
(Recovery of) impairment losses	393	319
Profit (loss) on the disposal of non-current assets not available for sale	-147	-1 713
Increase (decrease) in provisions	30	35
3. Increase (decrease) in operating capital	10.118	8 889
Increase (decrease) in stocks	7.328	9 784
Increase (decrease) in trade and other receivables	2.830	4 604
Increase (decrease) in financial instruments held for transaction purposes	-802	-790
Increase (decrease) in supplier and other payables	67	-3 840
Increase (decrease) in fiscal debts	2.647	-1 453
Other increase (decrease) in working capital/operating capital	-1.952	584
A . Cash flow relating to operations	**19.539**	**17 090**
1 . Acquisitions	-29.561	-8 928
Payments made for the acquisition of non-current, non financial assets (-)	-28.173	-8 928
Payments made for the acquisition of subsidiaries, related companies or joint ventures -net of the cash acquired) (-)	-1.388	
2. Disposals	224	16 665
Entries relating to the disposal of non-current, non-financial assets	224	1 774
Entries relating to the disposal of subsidiaries, related companies or joint ventures (net of the disposed cash)		14 891
Other cash flow relating to investment activities		-13 634
B. Net cash flow relating to investment activities	**-29.338**	**-5 897**
(Purchase) disposal of own shares		-55
Dividend and directors emoluments allocated to the shareholders (-)	-2.942	-2 935
Variation of the long-term loans	10.569	1 083
Variation of the short-term financial liabilities	4.223	-17 369
C. Net cash flow relating to financing activities	**11.850**	**-19 276**
D. Net increase in cash and cash equivalents	**2.051**	**-8 082**
E. Impact of the changes to the consolidation scope		1
F. Cash and cash equivalents, closing balance	**28.700**	**16 492**

VI. Accounting policies

The accounting principles and evaluation rules adopted by the group to prepare its annual accounts have been applied in the preparation of these half-yearly consolidated accounts.
These rules are part of the consolidated accounts closed at 31.12.2006 and are available in the corresponding report.

VII. Consolidation scope

Related to 31.12.2006 there aren't any modifications concerning the consolidation scope or/and any variation in de participations in companies of the Group.

VIII. Notes to the consolidated accounts at 30.06.2007

Accounting principles

The Group adopted the IFRS standards adopted by the European Union as from 1 January 2005.
These consolidated accounts have been prepared in accordance with these standards and in particular standard IAS 34 thereof.

At 30 June 2006 the group holds no assets and exercises no activities to which IFRS 5 ("Non-current assets held for sale on discontinued operations") applies.

Dividends

The application of the dividend as decided by the AGO of 19.06.2007 was as follows :

Dividends	2.844
Directors' fee	98
Total	2.942

Number of shares	1.355.000
Dividend per share (€)	2,10
Number of own shares held	881
Dividend of own shares	2
Dividend paid	**2.842**

REVIEW REPORT OF THE AUDITOR ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION OF SAPEC S.A. AS OF JUNE 30, 2007

TO THE SHAREHOLDERS OF SAPEC S.A.

Introduction

We have reviewed the condensed consolidated financial statements of Sapec S.A. and its subsidiaries as of June 30, 2007, including the consolidated balance sheet, the related consolidated statements of income, changes in equity and cash flows for the six-month period then ended and the notes related thereto. The board of directors is responsible for the preparation and presentation of this interim financial information in accordance with IFRSs as adopted by the European Union applicable to interim financial reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union applicable to interim financial reporting.

Brussels, September 12, 2007

MAZARS & GUERARD -Reviseurs d'Entreprises S.C.C.R.L

Auditor

Represented by

Xavier DOYEN