

# Consolidated Financial Statements

## CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE YEARS ENDED SEPTEMBER 30, 2004, 2005 AND 2006 € IN MILLIONS

	Notes	2004	2005	2006
Net sales:				
Third parties	6	6,169	5,843	7,546
Related parties	29	1,026	916	383
<b>Total net sales</b>		<b>7,195</b>	<b>6,759</b>	<b>7,929</b>
Cost of goods sold	8	4,670	4,909	5,854
<b>Gross profit</b>		<b>2,525</b>	<b>1,850</b>	<b>2,075</b>
Research and development expenses		1,219	1,293	1,249
Selling, general and administrative expenses		718	655	751
Restructuring charges	9	17	78	23
Other operating expense, net	8	257	92	108
<b>Operating income (loss)</b>		<b>314</b>	<b>(268)</b>	<b>(56)</b>
Interest expense, net		(41)	(9)	(92)
Equity in earnings (losses) of associated companies, net	17	(14)	57	78
Gain on subsidiaries and associated company share issuance, net	17	2	–	19
Other non-operating (expense) income, net		(64)	26	(33)
Minority interests	24	18	2	(23)
<b>Income (loss) before income taxes</b>		<b>215</b>	<b>(192)</b>	<b>(107)</b>
Income tax expense	10	(154)	(120)	(161)
<b>Net income (loss)</b>		<b>61</b>	<b>(312)</b>	<b>(268)</b>
Basic and diluted income (loss) per share in €	11	0.08	(0.42)	(0.36)

See accompanying notes to the consolidated financial statements.