

INTERNATIONAL BRIQUETTES HOLDING AND ITS SUBSIDIARIES

**CONSOLIDATED BALANCE SHEET
ACCORDING TO INTERNATIONAL FINANCIAL REPORTING STANDARDS
(Thousands of US dollars)**

	<u>31/12/ 2004</u>	<u>31/12/ 2003*</u>
	<u>Assets</u>	
Current assets:		
Cash and cash equivalents	38,714	6,779
Short-term investments	544	
Accounts receivable:		
Commercial and other	106,095	30,663
Related companies	4,078	5,308
Inventories	34,533	4,794
Pre-paid expenses and other	2,114	1,828
Restricted accounts receivable	173,692	
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Total current assets	359,769	49,372
Property, plant and equipment	1,042,397	145,430
Spare parts and other	7,188	1,623
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Total assets	1,409,355	196,425
	<u>Liabilities and shareholders' equity</u>	
Current liabilities:		
Bank loan in restructuring process	359,175	
Accounts payable:		
Suppliers	81,539	8,094
Related Companies	70,569	27,590
Profit sharing, vacation and other personnel accruals	2,804	540
Taxes	8,956	182
Other current liabilities	3,388	2,959
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Total current liabilities	526,432	39,365
Long-term loan with financial institution	234,930	
Long-term loans assigned by BHP Billiton to financial creditors	387,960	
Restructured suppliers debt	41,622	
Other liabilities	7,285	856
Deferred taxes	132,745	
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Total liabilities	1,330,974	40,221
Minority Interests	(54,517)	5,356
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Shareholders' equity	132,898	150,848
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Total liabilities, minority interests and shareholders' equity	1,409,355	196,425

* It does not include Orinoco Iron

**INTERNATIONAL BRIQUETTES HOLDING
AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF OPERATIONS
ACCORDING TO INTERNATIONAL ACCOUNTING STANDARDS**

(Thousands of US dollars)

	<u>Quarter ended</u> <u>31-Dec-04</u>	<u>Quarter ended</u> <u>12/31/2003*</u>
Net Sales:		
Exports	104,709	25,974
Domestic	6	273
Subproducts	82	
	<u>104,798</u>	<u>26,247</u>
Cost of sales	<u>(61,802)</u>	<u>(19,206)</u>
Gross income (loss)	42,996	7,041
General, administrative expenses	<u>(7,314)</u>	<u>(950)</u>
Operating income	<u>35,683</u>	<u>6,091</u>
Total Financing costs	(52,017)	(830)
Other income (expenses)	(3,033)	387
	<u>(19,367)</u>	<u>5,648</u>
Profit (loss) before taxes and minority interests		
Taxes	<u>(7,307)</u>	-
Profit (loss) before minority interests	<u>(26,674)</u>	<u>5,648</u>
Minority interests	<u>34,531</u>	<u>(127)</u>
Net profit (loss)	<u>7,857</u>	<u>5,521</u>
Depreciation	<u>(6,046)</u>	<u>(2,103)</u>

* It does not include Orinoco Iron