

ANNUAL REPORT

2003

HOW MUCH OF 2003 CAN WE REMEMBER ?

How much of 2003 can we remember? This year was so rich in events, both in Switzerland and in the world. After the war in Iraq, the world became a little more dependent on the policy of the United States of America and on terrorist risks. By reaction, nationalism increased in Europe, Asia and in the Middle-East and was intensified by the lack of solutions to solve the conflict between Israel and Palestine and by religious fanaticism. Moreover, objection to globalization overtook a general questioning on the great political balances built after the fall of the Berlin wall.

Of course, these significant events far exceed the changes that occurred in Switzerland. On the other hand, with the passing months, an upturn in the world economy has been registered and now, it starts to take off again.

But still in this quite unstable general situation, STUCKY has achieved its best year in terms of results since its foundation in 1926! For six years running, STUCKY has increased its turnover by 9% on last year to reach CHF 15'583'635.-. In accordance with its objective, STUCKY has restored the balance of the share of its turnover between foreign countries (56%) and Switzerland (44%) while continuing its expansion.

Three major factors had a relevant impact on STUCKY's performance in 2003 :

- a well-adapted strategy in relation with the markets of the XXIst century, which answers the clients' precise requests
- a targeted and strengthened business development policy in Switzerland and abroad
- a whole range of multidisciplinary services focused on hydroelectricity

STUCKY has been strengthening its position on the international market by being more available on the spot in countries such as Iran and Libya. Apart from STUCKY – France with which the company has been collaborating closely for twenty years, STUCKY has opened a branch in Tripoli, in Libya.



Megenin Wadi - Libya



*220 kV Switchyard
Chavalon Power Station - Switzerland*



*Rehabilitation of the tunnel profile
after large convergences
Yacambu – Quibor - Venezuela*

In Iran, where the company has been working for more than forty years, STUCKY has strengthened its branch in Tehran in order to participate more efficiently and regularly in the local projects.

In Algeria, thanks to closer relations with some clients, a suitable structure has been consolidated with traditional partners.

STUCKY remains very active abroad in the fields of water and hydroelectric energy, more particularly in the countries where permanent staff is staying and also in other countries such as Nepal, Syria, Tadjikistan, North Korea or even Venezuela. Most of them require high technology and high-tech experience.

The national and international markets have changed and our clients' demands lead towards more global services including construction engineering and operation support. Considering this evolution and in order to provide the best "designer - operator" association, STUCKY has focused its efforts on the settling down of a Swiss Engineering Group including engineering companies and public utilities of the French-speaking part of Switzerland. Its aim is to promote group dynamics and close collaborations between companies to maintain knowledge to the long term.

In a time of growing competition, intensifying partnerships and increasing its presence on the spot through branches and subsidiary companies are the key to the development of its know-how and for the continuation of STUCKY's harmonious development.

In spite of its recognized multidisciplinary skills and its reputation, STUCKY does not rely on its past. The company is always seeking high-level staff and also participates in the development of new techniques in collaboration with the Swiss Federal Institute of Technology of Lausanne, in the fields of hydraulics and numerical modelling.

STUCKY's top priority is introducing innovations in order to offer its clients a constantly improved quality of services and remain always in touch with them to satisfy their needs.



STUCKY

TECHNICAL ACTIVITIES

WATER



*Replacement of the Peuffeyre penstock
Switzerland*

Abroad, activities were strengthened mainly through new projects of dams in Libya and Syria. Studies and construction work were carried out for Ostour, Karun IV and Pa Alam dams, in Iran. Deriner dam construction (Turkey) has been stopped for a while due to financing delays coming from contractors. In principle, works should start again during the second semester 2004 after a stop of almost one year. There were also several dam monitoring projects and technical assistance in Algeria, North Korea and Nepal. In Tadjikistan, the natural risk mitigation project was carried out with the setting-up of a monitoring and alarm system all around the Lake Sarez natural dam.

In Switzerland, emergency measures for the protection against floods were studied as well as a safety concept for the Veveysse of Châtel river (canton of Fribourg). In the field of penstocks, several rehabilitations and checkings were carried out for the account and in collaboration with EOS. Among our projects were the reconstruction of the Peuffeyre penstock (canton of Vaud), the feasibility study of the pumping-turbining of Sambuco scheme (canton of Tessin) and the project of the Louve river diversion and the use of water for turbining in Lausanne. Thanks to these projects, we could benefit from our know-how, more particularly in hydraulics.

ENERGY



*220 kV St-Triphon substation
Switzerland*

Abroad, in the field of hydroelectric schemes, activities were mainly concentrated on the preliminary design of Kénié scheme (Mali), the expertise of transient flows of Masjed-e-Soleyman in Iran and the review of the construction project of the pumping-turbining of Afourer, in Morocco. In Switzerland, the activity was the preliminary study of the pump storage scheme of Sambuco. Some studies were carried out on the operation safety and transient flows of the Martigny-Bourg scheme and on several alternatives for the rehabilitation of a penstock (Cleuson Dixence). In the field of water distribution, activities were more focused abroad, in Azerbaïdjan, with the follow-up of the end of the construction of 200 pumping stations in Baku and a feasibility study for the rehabilitation of the water public utilities of Ganja and Sheki.

In the field of power transport lines, STUCKY made operational a new software for the mechanical calculation and sizing of high-tension lines. The first study phase of the connection to Yverdon 132 kV substation was achieved.

In the field of substations, the construction of 220 kV Chamoson (Valais) substation allowed to renew a part of the high voltage but also the operation control. The construction of 65 kV St-Triphon part substation, which was necessary for the new feeding of the Diablerets region (canton of Vaud), has started. There were also several projects on Chavalon power plant site to make a diagnosis of the existing scheme and to check the possibility to transfer it to Indonesia. A new plant, for example a combined cycled one, could be built on the disused site. At the same time, the renewal of operation control equipment of the 220 kV substation and the internal services were studied.

UNDERGROUND WORKS AND STRUCTURES



*Set-up of the drafttubes for the units
Deriner Powerhouse - Turkey*

In the field of underground works and industrial structures, there were more activities in Switzerland than abroad, mainly because of the temporary stop of Deriner hydroelectric scheme project, in Turkey.

In Switzerland, the projects were very varied, such as the continuation of the construction of the railway tunnel of Loetschberg, in partnership, the start-up of the construction of the railway tunnel of Séveillon-Tridel, in Lausanne and the transformation of a pumping-pit at the EPFL (Swiss Federal Institute of Technology of Lausanne). In the field of structures, it is important to point out the rehabilitation of the Saumont bridge and the construction of the structures of Chamoson and St-Triphon substations.

In Venezuela, a technical assessment was carried out of a water conveyance channel located in rock formation submitted to large deformations.

Great efforts were made for the project management in order to develop designer-constructor synergies in the field of hydroelectric schemes and large works. As for numerical modelling, there were a large number of complex 3D studies, for example Ostour dam in Iran as well as for several other projects, both in Switzerland and abroad.

ANNUAL ACCOUNTS 2003

BALANCE SHEET

CURRENT ASSETS

FIXED ASSETS

ASSETS

FOREIGN FUNDS

ESTIMATED LIABILITIES FOR RISKS AND COSTS

SHAREHOLDER'S EQUITY

LIABILITIES

2003

CHF

7'649'485

1'106'141

8'755'626

5'632'734

3'122'892

8'755'626

Previous

Exercise

CHF

5'652'734

1'797'597

7'450'331

4'819'796

174'175

2'456'360

7'450'331

INCOME STATEMENT

Net turnover

Direct costs

OPERATING COSTS

Staff

Operating expenses

General costs

OPERATING COSTS

GROSS OPERATING RESULT

Depreciations

OPERATING RESULT

2003

CHF

15'583'635

(4'492'742)

11'090'893

(8'093'979)

(898'492)

(1'172'685)

(10'165'156)

925'737

(137'977)

787'760

Previous

Exercise

CHF

14'216'163

(3'758'073)

10'458'090

(8'269'464)

(509'184)

(1'076'176)

(9'854'824)

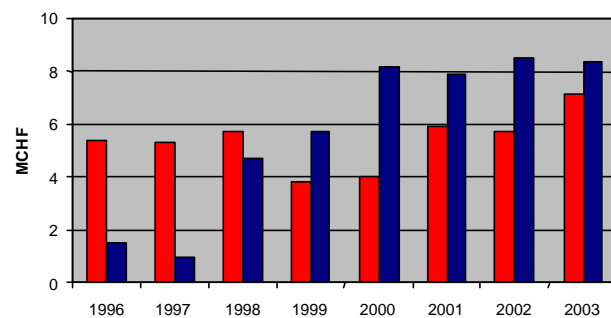
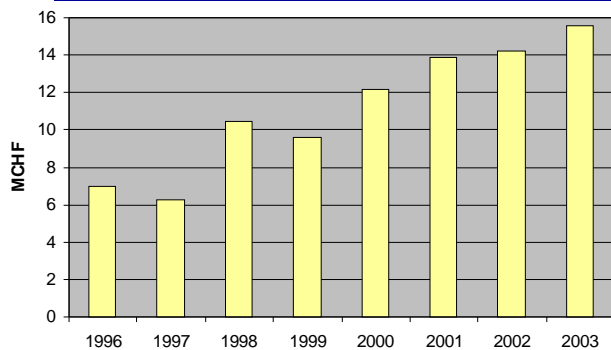
603'266

(146'900)

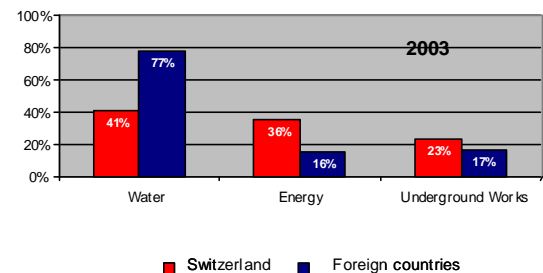
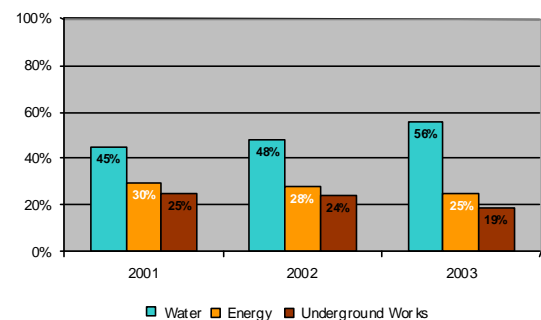
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STATISTICS





TURNOVER EVOLUTION

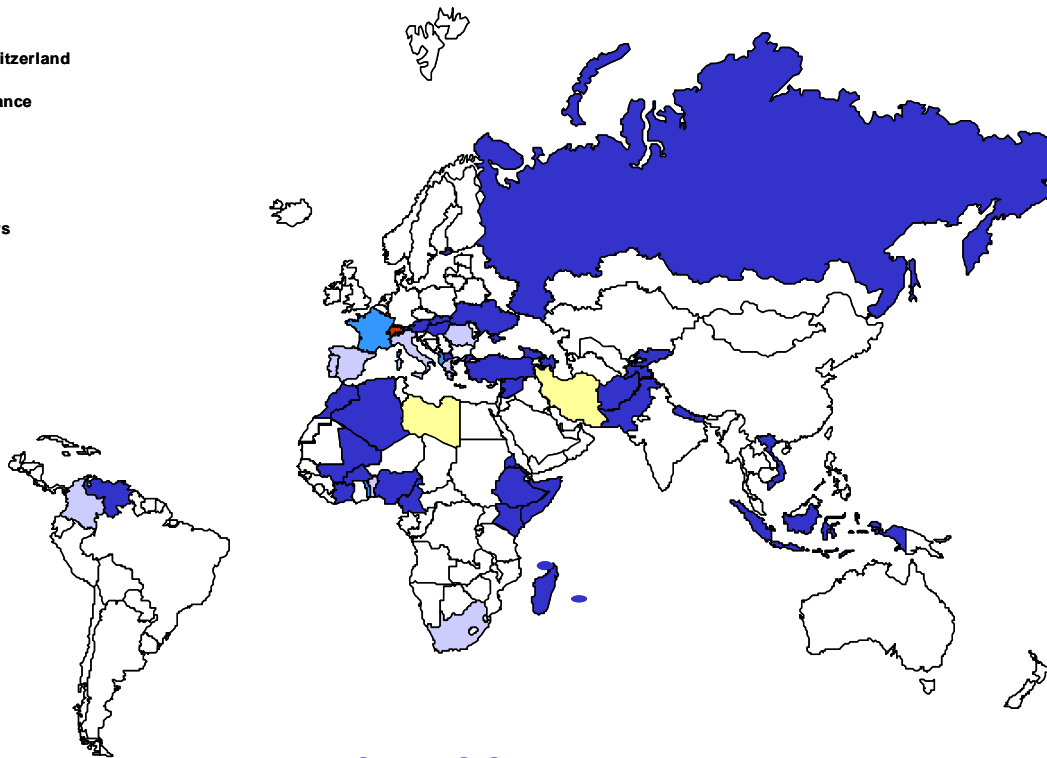


TURNOVER DISTRIBUTION (per technical department)



STUCKY IN THE WORLD

-  STUCKY Switzerland
-  STUCKY France
-  Branches
-  Since 1926
-  Last 10 years



OUTLOOK 2004

In accordance with its business plan, STUCKY has identified well markets and products for the future. Today, the goal is to develop this potential through a strengthened approach leading to the creation of a skills group, the organization of its networking and the increasing of all necessary steps to become closer to decision-makers. For 2004, this policy will be a priority axis through the development of activities in Switzerland and abroad. STUCKY will do its best to carry out this objective by settling down suitable partnership agreements with wellknown companies and will increase its efforts to gather all the resources of the Swiss French-speaking engineering companies within the development of water and energy.

In 2004, the general trend is to strengthen, trust and develop shared actions with EOS and its partners as well as with other companies offering an complementary potential and shared strategy. Sometimes, it is necessary to take risks in some countries which undergo significant changes and seek for high-tech technology and technical support. The time is right to prepare the future and especially to keep acquired skills. One of STUCKY's permanent challenges is to know how to anticipate needs and innovate for constructions with the best quality-price ratio while keeping in mind our strict keynote which has been in force for more than seventy-five years. In the fields of water, energy and underground works, STUCKY is proud to work with the respect to the sustainable development. Thanks to the continuous development of high-tech computer software and its high level staff, its skills in numerical modelling applied to complex calculations and optimization are constantly progressing.

Consulting engineering has expanded and STUCKY has been able to adapt and meet the market needs, more particularly to the fruitful association between construction engineering and operation and maintenance. The year 2004 wants to be dynamic and carry ambitions. STUCKY always cares about its clients' needs. Its main priorities remain the development of Swiss know-how while keeping its well-known reputation, both in Switzerland and abroad.



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