

## **IN THE FIRST QUARTER OF 2002 CONSOLIDATED NET SALES INCREASE BY 2.7%, NET INCOME RISES FROM 14.1 MILLION EURO TO 38.7 MILLION EURO**

Milan, 14 May 2002 – Italmobiliare S.p.A.'s Board of Directors today examined and approved the consolidated quarterly report for the first quarter to 31 March 2002.

In the first three months of the year Group **consolidated net sales** were 969.6 million euro (+2.7% compared to the first quarter of 2001); **gross operating profit** (181.7 million euro) and **operating income** (84.5 million euro) decreased by 1.2 % and 0.7% respectively, due to the impact on the Italcementi group's results of the prolonged strike in France at Ciments Calcia and, because of low price levels in Thailand; **net income** rose to 38.7 million euro (14.1 million euro in the first quarter of 2001) and **Group net income** increased to 19.3 million euro (0.8 million euro in the same period of 2001).

As already mentioned in previous reports, first-quarter performance is not generally representative of performance for the year as a whole, both because of the seasonal nature which is a feature of the cement sector, which is the Group's main business, and because of the method of accounting for the dividends of the companies that are not consolidated on a line-by-line basis.

The good results achieved overall were helped by the solid performance of the **Italcementi group** which, as previously announced on 8 May, recorded net sales of 937.7 million euro (+3.3%) and Group net income of 24 million compared to 12.2 million euro in the same period of 2001.

The **Sirap Gema group**, which operates in the food packaging and thermal insulation sector, recorded net sales of 23.7 million euro (28 million euro in the first quarter of 2001) and net income for the period of 1 million euro compared to a loss of 10.1 million euro in 2001; this change came about through the positive impact of the restructuring of the insulation sector carried out last year.

In the public transport sector, the **Sab group** recorded a value of production of 20 million euro (21.6 million euro in the first quarter of 2001) and net income for the period of 2.3 million euro (3.4 million euro in the same period of 2001).

The **financial subsidiaries**, Italmobiliare International Finance and Société de Participation Financière Italmobiliare, performed well overall: in the first quarter net income was of 8.9 million euro (7.3 million euro in the first quarter of 2001). Fincomind, which holds the equity investment of Finter Bank Zurich and Finter Bank France, reported net income of 1.8 million Swiss francs (1.6 million in the first quarter of 2001).

**Outlook** – Overall, and in the absence of unforeseeable events, the results of the Group's main industrial units should be at least equal to those for 2001. Trends on the financial markets are still uncertain, and will have a significant impact on the results of the Parent Company Italmobiliare S.p.A. and its wholly owned financial subsidiaries. Considering that significant capital gains were recorded in 2001, the full-year consolidated result is expected to be lower than that reported for the past year.

**THE ITALMOBILIARE GROUP ON THE INTERNET: <http://www.italmobiliare.it>**

## GROUP BUSINESS AND FINANCIAL HIGHLIGHTS

<i>(in millions of euro)</i>	<b>1st quarter 2002</b>	<b>1st quarter* 2001 pro-forma</b>	<b>Change</b>		<b>Full year 2001</b>
			<b>Value</b>	<b>%</b>	
Net sales	969.6	944.4	25.2	2.7	4,206.7
Gross operating profit	181.7	183.9	(2.2)	-1.2	1,048.7
<i>% of net sales</i>	18.7	19.5			24.9
Amortization and depreciation	97.2	98.8	(1.6)	-1.6	395.7
Operating income	84.5	85.1	(0.6)	-0.7	653.0
<i>% of net sales</i>	8.7	9.0			15.5
Financial income and charges	(17.4)	(33.2)	15.8	-47.6	6.5
Adjustments to the value of assets and non-recurring items	6.4	(4.0)	10.4	<i>n.s.</i>	(57.1)
Income before taxes	73.5	47.9	25.6	53.4	602.4
<i>% of net sales</i>	7.6	5.1			14.3
Income taxes	(34.8)	(33.8)	(1.0)	3.0	(249.0)
Net income	38.7	14.1	24.6	<i>n.s.</i>	353.4
<i>% of net sales</i>	4.0	1.5			8.4
Minority interest	19.4	13.3	6.1	45.9	210.3
Group net income	19.3	0.8	18.5	<i>n.s.</i>	143.1
<i>% of net sales</i>	2.0	0.1			3.4
Employees at period end <i>(heads)</i>	19,275	19,520	(245)	-1.3	19,137

	<b>31 March 2002</b>	<b>31 December 2001</b>	<b>Change 2002/2001</b>	
			<b>Value</b>	<b>%</b>
Net debt	(1,761.5)	(1,701.9)	(59.6)	3.5

\* Changes are calculated considering Zuari Cement Ltd consolidated on a proportional basis