

FC14337

MICHELE SOLBIATI SASIL S.P.A.
 Registered office: Via per Gallarate, 116, OLEGGIO
 (Province of Novara) Italy
 Company Capital: 5,160,000 Euros = 9,991,153,200 Lire
 Businesses Registry of Novara no. 13756/1997
 Novara C.C.I.A.A. [Chamber of Commerce, industry,
 crafts and agriculture] - R.E.A.
 [Economic and Business Registry] no. 162216
 Tax Code 00752020156

[ACCOUNTS as at 30 JUNE 2001]

PART ONE - BALANCE SHEET

	30.06.2001	30.06.2000
ASSETS:	[Amounts in Lire]	
A) SUBSCRIBED CAPITAL UNPAID	0	0
B) INVESTMENTS/FIXED ASSETS		
I Intangible		
1) Costs of plant and expansion/ development	0	2,116,400
2) Costs of research, development and advertising	0	0
3) Patents and rights to use inventions	1,072,000	0
4) Licences, authorizations, trade marks and similar rights	21,727,798	29,293,224
5) Goodwill	0	0
6) Investments in process of being made and payments on account	0	0
7) Other	149,307,587	26,400,795
Total	L. 172,107,385	L. 57,810,419
	*****	*****
II Tangible		
1) Land and buildings	6,211,891,388	5,965,554,161
2) Plant and machinery	1,674,311,065	1,656,024,554
3) Industrial and trade fixtures	166,534,444	138,962,842
4) Other assets	660,104,125	812,175,540

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5) Tangible assets in course of construction and payments on account	491,335,800	444,082,466
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L. 9,204,196,822	L. 9,016,799,563
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III - Long-term Investments

1) Shareholdings in:

a) subsidiary companies	1,974,121,398	1,890,044,221
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b) associated companies	12,633,250,000	12,604,190,000
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c) parent companies	0	0
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d) other companies	2,370,471,254	3,150,421,254
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2) Loans to [Debts owing from]:

a) subsidiary companies:		
- due within 12 months	157,534,685	141,054,530
- due after 12 months	619,263,724	619,263,724

b) associated companies:		
- due within 12 months	0	0
- due after 12 months	656,058,853	700,239,558

c) parent companies:		
- due within 12 months	0	0
- due after 12 months	0	0

d) others:		
- due within 12 months	0	0
- due after 12 months	556,383,970	560,105,199

3) Other securities	0	0
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4) Own shares (nominal value 516,000 Euros)	3,500,000,000	3,500,000,000
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Total	L. 22,467,083,884	L. 23,165,368,486
	*****	*****

Total investments/fixed assets (B)	L. 31,843,388,091	L. 32,239,978,468
	*****	*****

C) CURRENT ASSETS

I - Stock:

1) Raw materials, subsidiary materials and consumables	16,290,413,947	15,205,609,031
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2) Products in course of manufacture and semi-finished	8,982,204,055	10,574,496,181
3) Work in progress under contract	0	0
4) Finished products and goods	16,605,358,401	14,815,393,027
5) Payments on account	0	1,127,534,322
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Total L.	41,877,976,403	14,723,032,561
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II - Receivables [Debtors]

1) From customers:		
- due within 12 months	13,589,289,064	14,914,743,653
- due after 12 months	11,155,289	0
2) From subsidiary companies		
- due within 12 months	111,655,841	56,402,553
- due after 12 months	0	0
3) From associated companies:		
- due within 12 months	368,095,460	597,062,993
- due after 12 months	203,000,000	203,000,000
4) From parent companies:		
- due within 12 months	0	0
- due after 12 months	0	0
5) From others:		
- due within 12 months	821,737,787	819,724,035
- due after 12 months	10,960,000	10,960,000
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Total L.	15,115,893,441	16,601,893,234
	*****	*****

III - Financial assets not constituting long-term investments:

1) Holdings [participating interests] in subsidiary companies	0	0
2) Holdings in associated companies	0	0
3) Other [share]holdings	165,576,195	165,576,195
4) Own shares (nominal value)	0	0
5) Other holdings [securities]	0	0

Total	165,576,195	165,576,195
	*****	*****

IV - Cash at bank and in hand:

1) Bank and post office deposits	728,896,209	2,141,858,323
2) Cheques	49,093,749	48,619,678
3) Money and cash values	61,343,089	51,011,618

Total	L.	839,333,047	L.	2,241,489,619
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TOTAL CURRENT

ASSETS (C)	L.	57,998,779,086	L.	60,731,991,609
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D) Assets adjustment
account [accounts
receivable and
pre-payments]

194,416,613	L.	346,042,872
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TOTAL ASSETS (A+B+C+D)

90,036,583,790

93,318,012,949

LIABILITIES:

A) CAPITAL AND RESERVES:

I - [Subscribed] Capital	9,991,153,200	10,000,000,000
II - Share premium reserve	0	0
III - Revaluation [writing-up] reserves:		
- under Law 576/75	0	0
- under Law 72/83	0	0
- under Law 413/91	1,586,227,180	1,586,227,180
IV - Legal Reserve	1,326,161,986	1,305,889,186
V - Reserve for own shares in portfolio [held]	3,500,000,000	3,500,000,000
VI - Reserves required by memorandum and articles	0	0

VII - Other Reserves:		
- extraordinary	2,365,480,080	2,365,480,080
- Article 15 para 10		
[Law] 429/82	1,802,353,600	1,802,353,600
- Article 8/9 Law 308	0	0
- Article 55 TUID	24,773,514	24,773,514
[a consolidated law]		
- Article 33 Co. 9 Law		
413/91	0	0
- Reserve for risk of depreciation		
in value of holdings	1,000,000,000	3,000,000,000
- Tax amnesty [da condono]	0	0
- Surplus from merger [?]		
[avanzo di fusione]	0	0
- Members non-interest-bearing account[?]		
[soci c/infruttiferi]	0	0
- Members capital increase account [?]		
[soci c/aumento Capitale]	0	0
- Non-distributable profits under Articles 2423 and 2426 of the Civil Code	0	0
- Profits from partnerships [societa di persone]	0	0
VIII- Profit (loss) brought forward	11,547,631,816	11,870,544,918
IX - Profit (Loss) for the accounting year	232,395,412	228,512,898
TOTAL (A)	33,376,176,788	35,683,781,376
	*****	*****

B) PROVISION FOR LIABILITIES AND CHARGES

1) for retirement pensions and similar obligations	110,306,789	103,172,254
2) for taxation	454,978,000	723,120,000
3) other	458,279,605	308,516,070
4) funds already taxed intended to cover losses on [share]holdings	2,000,000,000	0
TOTAL (B)	3,023,564,394	1,134,808,324
	*****	*****

C)	[NON-CONTENTIOUS]		
	EMPLOYEES' SEVERANCE		
	INDEMNITY	L.	
		5,604,346,315	5,318,213,733

D) DEBTS PAYABLE [CREDITORS]

1) Straight debentures:		
- due within 12 months	0	0
- due after 12 months	2,000,000,000	2,000,000,000
2) Convertible debentures:		
- due within 12 months	0	0
- due after 12 months	0	0
3) Bank overdrafts and loans:		
- due within 12 months	22,193,154,586	25,700,815,768
- due after 12 months	2,416,650,001	3,297,595,715
4) Other loans:		
- due within 12 months	198,444,441	0
- due after 12 months	0	0
5) Payments on account:		
- due within 12 months	0	0
- due after 12 months	0	0
6) Trade creditors:		
- due within 12 months	11,675,730,608	11,225,099,614
- due after 12 months	0	0
7) Loans represented by negotiable instruments:		
- due within 12 months	0	0
- due after 12 months	0	0
8) Debts to subsidiary companies:		
- due within 12 months	5,448,053,429	4,885,242,674
- due after 12 months	0	0
9) Debts to associated companies:		
- due within 12 months	277,653,674	345,699,935
- due after 12 months	20,539,601	19,818,275
10) Debts to parent companies:		
- due within 12 months	0	0
- due after 12 months	0	0
11) Debts to tax authorities:		
- due within 12 months	986,459,845	1,022,143,885
- due after 12 months	0	0
12) Debts to National Insurance and Social Security institutions:		
- due within 12 months	793,001,089	755,173,393
- due after 12 months	0	0

13) Other debts:		
- due within 12 months	1,985,484,881	1,885,465,161
- due after 12 months	5,626,000	5,626,000

TOTAL (D)	L.48,000,798,155	L.51,142,680,426
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E) LIABILITIES ADJUSTMENT
ACCOUNT [ACCRUALS AND
DEFERRED INCOME]

L.	31,698,138	L.	38,529,090
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TOTAL LIABILITIES
(A+B+C+D+E)

L.90,036,583,790

L.93,318,012,949

GUARANTEES GIVEN
AND OTHER
SUSPENSE ACCOUNTS

Guarantees given to
third parties:

a) guarantees in
favour of subsidiary
companies:

- expressed in Lire	800,000,000	977,882,077
- expressed in foreign currencies	170,220,375	153,011,250

b) guarantees in favour of
associated companies:

- expressed in Lire	438,666,674	1,323,546,082
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c) guarantees for third
parties

50,000,000	0
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d) other personal
guarantees/security
in favour of third parties:

- letters of comfort given to third parties:	250,000,000	350,000,000
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in favour of subsidiary
companies:

- letters of comfort in Lire	4,970,000,000	5,020,000,000
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- letters of comfort in [foreign] currency	197,999,826	197,999,826
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- joint obligations under
Article 2362 of the
Civil Code:

787,471,104	478,507,911
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- leasing against
replacements [?]

567,419,469	836,417,049
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[leasing C/subentri]
in favour of associated
companies:

- letters of comfort in Lire	3,850,000,000	3,700,000,000
- leasing against replacements [?] [leasing c/subentri]	971,250,524	1,469,670,524
Other risks, obligations and suspense accounts:		
- risks on SBF [subject to good outcome] credit operations	5,002,125,356	3,829,127,809
- leasing rentals to pay	4,642,864,866	5,041,709,620
- leasing rentals paid	1,153,871,823	1,431,305,689
- factored receivables "with recourse"	1,627,983,508	1,587,484,506
- documents kept pending encashment at banks and not yet due	2,559,256,922	1,826,090,961
- documents already paid into current accounts and not yet due	2,442,868,434	2,003,036,848
TOTAL	L.25,479,873,525	L.26,296,662,343
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PART TWO - PROFIT AND LOSS ACCOUNT

A) VALUE OF PRODUCTION/OUTPUT

1) Income from sales and provision of services [turnover]	86,204,806,031	77,162,263,314
2) Fluctuations in stock of products in course of production, semi-finished and finished	197,673,248	(377,109,677)
3) Variation in work in progress under contract	0	0
4) Own work capitalised	0	0
5) Other income and receipts:		
- other income and receipts	543,496,016	590,747,417
- contributions on account		

of accounting year

0

0

TOTAL	L.86,945,975,295 *****	L.77,375,901,054 *****
B) COSTS OF PRODUCTION		
6) Raw materials, subsidiary [secondary] materials, consumables and goods	28,036,614,528 *****	28,489,849,047 *****
7) External services:		
- on purchases	534,738,008	479,204,902
- trade [commercial]	5,571,695,610	5,075,766,800
- industrial	24,619,545,693	19,566,892,858
- general	661,161,756	789,036,323
Total external services	31,387,141,067	25,910,900,883
8) Enjoyment of third party assets [rents]	1,889,211,865	1,496,869,802
9) Staff:		
a. salaries and wages	11,167,355,824	10,435,942,551
b. social [security etc] charges	3,822,127,151	3,680,279,029
c. severance indemnity	835,184,065	805,000,492
d. pensions and similar obligations	0	0
e. other costs	690,889,791	336,075,304
10) Amortisation and depreciation:		
a. amortisation of intangible assets	40,663,985	35,811,061
b. amortisation of tangible assets	1,303,847,278	1,283,446,001
c. other depreciation of fixed assets	0	0
d. depreciation of receivables included in current capital [assets] and of cash	45,071,633	43,572,955
11) Fluctuations in stock of raw materials, subsidiary [secondary] materials and consumables and goods	(1,084,804,916)	(3,008,861,040)

12) Provision for risks	458,279,605	308,516,070
13) Other reserves	7,134,535	4,336,235
14) Sundry operating charges	1,620,178,237	1,672,658,416
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TOTAL	L. 80,218,894,648	L. 71,494,396,806
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DIFFERENCE BETWEEN
PRODUCTION VALUE AND

COST OF PRODUCTION (A-B)	L. 6,727,080,647	L. 5,881,504,248
	*****	*****

C) INCOME AND FINANCIAL
CHARGES

15) Income from [share]holdings:		
- in subsidiary companies	0	241,106,229
- in associated companies	389,888,000	0
- in other companies	2,527,522	1,870,600
16) Other income from financial assets:		
a. from debtors shown under fixed assets:		
- from subsidiary companies	16,250,843	27,560,578
- from associated companies	0	0
- from parent companies	0	0
- from other persons etc.	17,664,183	16,263,762
b. from securities shown under fixed assets not constituting [share]holdings	0	0
c. from securities shown under current assets not constituting [share]holdings	0	0
d) various income from the above:		
- from subsidiary companies	0	0
- from associated companies	6,000,000	6,750,000
- from parent companies	0	0
- from other persons etc.	621,977,085	743,396,915
17) Interest and other borrowing charges:		
- from subsidiary companies	0	0
- from associated companies	0	0
- from parent companies	0	0

- from other persons	5,001,463,400	3,534,401,453
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TOTAL C (15+16-17)	L. (3,947,155,767)	L. (2,497,453,369)
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D) ADJUSTMENTS IN
VALUE OF
FINANCIAL ASSETS

18) Revaluations [writing up]:		
a. of [share]holdings	0	0
b. of financial fixed assets not constituting [share]holdings	0	0
c. of securities shown under current assets not constituting [share]holdings	0	0

19) Depreciation:		
a. of [share]holdings	780,000,000	2,752,443,320
b. of financial fixed assets not constituting [share]holdings	0	0
c. of securities shown under current assets not constituting [share]holdings	0	0

TOTAL ADJUSTMENTS (D) (18-19)	L. (780,000,000)	(2,752,443,320)
	*****	*****

E) EXTRAORDINARY
INCOME AND CHARGES

20) Income:		
- capital gains on alienations [sales of assets]		3,000,000
- other extraordinary income	422,374,574	1,386,973,700

21) Charges:		
- capital losses on alienations [sales of assets]	0	0
- taxes relating to previous accounting years	0	0
- other extraordinary charges	108,720,042	47,639,361

TOTAL EXTRAORDINARY ITEMS (20-21)	L. 313,654,532	L. 1,342,334,339)
	*****	*****

PRE-TAX PROFITS

(A- B +/-C +/-D +/-E)	L.	2,313,579,412	L.	1,973,941,898
		*****		*****
22) TAX ON PROFITS FOR				
THE ACCOUNTING YEAR	L.	2,081,184,000	L.	1,745,429,000
		*****		*****
23) Profit (loss) for the				
accounting year	L.	232,395,412	L.	228,512,898
		*****		*****

These Accounts are in accordance with the accounting records.

THE BOARD OF DIRECTORS

[No signatures on this copy:]

(Dott. Vittorio SOLBIATI)

(Avv. Francesco MOLINARI)

(Carlo LAVAZZA)

(Dott. Andrea SOLBIATI)

(Maria Leopolda SOLBIATI)

(Eraldo BIANCHI [Accountant])

(Emanuele CASTELLINI)
