



Press release

Ospitaletto, 19 March 2002

Draft financial statements for 2001 approved
SABAF: dividend of 0.34 euro
Consolidated net profit of Euro 9.7 million

The Board of Directors of Sabaf S.p.A., the Brescia company which is one of the world's leading manufacturers of components for gas cooking appliances, today approved its consolidated financial statements and draft statutory financial statements as of 31 December 2001.

In a year when the market became even more fiercely competitive, thanks to the excellence of its products, the Sabaf Group yet again managed to boost its sales and, even more important, its market shares. In detail: sales revenues come to Euro 87.4 million (72.4 million in 2000) with a gross operating profit of 25 million (23.8 million as of 31 December 2000) and net operating profit of 16 million (unchanged versus the previous year). The pre-tax result amounted to Euro 14.7 million (16.1 million in 2000) and net profit totalled Euro 9.7 million (10.3 million in 2000). As of 31 December 2001, consolidated shareholders' equity totals 57.2 million Euro, while net debt amounts to Euro 17.7 million.

As for the parent company, Sabaf S.p.A. income from sales amounts to Euro 79 million (70.8 million in 2000), gross operating income comes to 22.7 million (22.2 million as of 31 December 2000) and net operating income to 14.5 million (15.2 million in the previous year). The pre-tax result amounted to Euro 13.7 million (Euro 24.3 million in 2000) and net profit totalled Euro 9.5 million (14.2 million in 2000).

The Board of Directors, therefore, decided to propose to the shareholders' meeting - which will be held on 30 April at first calling and on 7 May 2002 at second calling - the distribution of a gross dividend of 0.34 euro per share (around 0.31 euro per share in 2000). The shares are expected to go ex-dividend on 20 May with payment on 23 May.

"After a difficult first half, strong growth in the second part of the year, accompanied by a gradual recovery in profitability, confirmed Sabaf's status as market leader", declared Angelo Bettinzoli, Managing Director of Sabaf S.p.A. "We can therefore look forward with optimism to the current year, when we will continue to enhance our key competitive elements: our ability to innovate processes and products, as well as control over technological processes. We can also confirm the demand has been very firm during the first few months of 2002, increasingly geared to products endowed with greater security and with high value-added. Sabaf will also be able to take clear advantage of the economies linked to the centralisation of production at the new facilities in Ospitaletto, now being completed, particularly thanks to our new flexible logistics project."

SABAF was founded in the early '50s and has grown constantly to become the leading manufacturer in Italy and one of the top manufacturers world-wide of components for cookers and domestic gas-cooking appliances.

Production consists of three main product lines: valves, thermostats and burners, all used in gas-cooking appliances. The Company's know-how, production flexibility and its ability to offer a wide range of components, often custom-made for individual manufacturers of cookers, hobs and built-in ovens in line with the individual specifications of the various reference markets, are fundamental points of strength for SABAF. This is a highly specialised sector, where demand is in constant evolution, increasingly geared to products that can guarantee absolute reliability and safety.

The Company has around 440 employees, operating through the Parent Company SABAF S.p.A. and two subsidiaries: Faringosi Hinges, a leading manufacturer of oven and dishwasher hinges, and Sabaf do Brasil, which recently started up production of burners for the South American market. Sabaf is present in China with a representative office in Shanghai.

Sabaf has been quoted on the electronic trading system of the Italian Stock Exchange since March 1998 and in April 2001 it joined the STAR (Segmento Titoli con Alti Requisiti - the segment for securities with high requisites).

This press release is also available on the Company's website: www.sabaf.it

Attachments: Reclassified income statement and balance sheet of Sabaf S.p.A. and of the Group



SABAF GROUP
RECLASSIFIED CONSOLIDATED BALANCE SHEET

<i>Amounts expressed in thousands of Euro</i>		31.12.2001	31.12.2000
A.	FIXED ASSETS		
	Intangible fixed assets	6,614	7,935
	Tangible fixed assets	61,204	46,195
	Financial fixed assets	404	373
	VAT credit	4,445	0
	Total fixed assets	72,667	54,503
B.	NET WORKING CAPITAL		
	Inventories	11,726	9,690
	Trade receivables	26,744	20,817
	Other assets	2,900	906
	Trade payables	(22,505)	(14,741)
	Other liabilities	(5,718)	(4,119)
	Total net working capital	13,147	12,553
C.	CAPITAL EMPLOYED		
	LESS OPERATING LIABILITIES (A+B)	85,814	67,056
	D. RESERVES FOR RISKS AND CONTINGENCIES AND SEVERANCE INDEMNITIES	(10,835)	(9,950)
	<u>E. NET CAPITAL EMPLOYED (C-D)</u>	74,979	57,106
	Financed by:		
F.	GROUP'S SHARE OF SHAREHOLDERS' EQUITY	56,819	49,020
G.	MINORITY INTERESTS IN SHAREHOLDERS' EQUITY	424	262
H.	NET DEBT		
	Medium/long-term debt	12,953	7,382
	Net medium/long-term borrowings (liquidity)	12,953	7,382
	Short-term borrowings	10,755	5,857
	Liquidity and current receivables	(5,972)	(5,415)
	Net medium/long-term borrowings (liquidity)	4,783	442
	Total net debt	17,736	7,824
I.	<u>TOTAL SOURCES OF FINANCE (F+G+H)</u>	74,979	57,106



SABAF GROUP
RECLASSIFIED CONSOLIDATED INCOME STATEMENT

<i>Amounts expressed in thousands of Euro</i>	2001	2000
A. INCOME FROM SALES AND SERVICES	87,363	72,410
Change in inventories of work in progress and semifinished and finished products	1,706	1,488
Increase in fixed assets built internally	418	408
Other revenues	858	166
B. VALUE OF PRODUCTION	90,345	74,472
Costs for raw materials and external services	(50,725)	(38,124)
C. VALUE ADDED	39,620	36,348
Cost of labour and related expenses	(14,624)	(12,586)
D. GROSS OPERATING PROFIT	24,996	23,762
Amortization, depreciation and writedowns	(8,043)	(7,305)
Provisions for risks and contingencies	(555)	(88)
Other operating expenses	(367)	(284)
E. NET OPERATING PROFIT	16,031	16,085
Amortization of goodwill	(680)	(112)
Net financial income (expenses)	(643)	(7)
Writedowns of financial assets	(228)	(22)
F. PROFIT BEFORE TAXATION AND NON-RECURRING ITEMS	14,480	15,944
Non-recurring income (expenses)	175	194
G. PROFIT (LOSS) BEFORE TAXATION	14,655	16,138
Income taxes for the year	(4,971)	(5,845)
H. NET PROFIT FOR THE YEAR	9,684	10,293
I. - Minority interests in net profit (loss) for the year	1	(12)
L. IX – Group’s share of net profit for the year	9,685	10,281



SABAF S.p.A.
RECLASSIFIED BALANCE SHEET

<i>Amounts expressed in thousands of Euro</i>		31.12.2001	31.12.2000
A.	FIXED ASSETS		
	Intangible fixed assets	627	896
	Tangible fixed assets	32,109	29,741
	Financial fixed assets	20,730	9,368
	Total fixed assets	53,466	40,005
B.	NET WORKING CAPITAL		
	Inventories	10,791	8,894
	Trade receivables	28,799	18,733
	Other assets	3,129	5,495
	Trade payables	(20,881)	(12,570)
	Other liabilities	(5,475)	(4,009)
	Total net working capital	16,363	16,543
	C. CAPITAL EMPLOYED		
	LESS OPERATING LIABILITIES (A+B)	69,829	56,548
	D. RESERVES FOR RISKS AND CONTINGENCIES AND SEVERANCE INDEMNITIES	(9,283)	(8,589)
	<u>E. NET CAPITAL EMPLOYED (C-D)</u>	<u>60,546</u>	<u>47,959</u>
	Financed by:		
F.	SHAREHOLDERS' EQUITY	55,674	48,053
G.	NET DEBT		
	Medium/long-term debt	229	477
	Medium/long-term financial receivables	(231)	(262)
	Net medium/long-term borrowings (liquidity)	(2)	215
	Short-term borrowings	9,749	4,858
	Liquidity and current receivables	(4,875)	(5,167)
	Net medium/long-term borrowings (liquidity)	4,874	(309)
	Total net debt	4,872	(94)
	<u>H. TOTAL SOURCES OF FINANCE (F+G)</u>	<u>60,546</u>	<u>47,959</u>



SABAF S.p.A.
RECLASSIFIED INCOME STATEMENT

<i>Amounts expressed in thousands of Euro</i>		2001	2000
	A. INCOME FROM SALES AND SERVICES	79,087	70,818
	Change in inventories of work in progress and semifinished and finished products	1,584	1,506
	Increase in fixed assets built internally	418	408
	Other revenues	943	149
B.	VALUE OF PRODUCTION	82,032	72,881
	Costs for raw materials and external services	(46,110)	(38,242)
	C. VALUE ADDED	35,922	34,639
	Cost of labour and related expenses	(13,200)	(12,371)
	D. GROSS OPERATING PROFIT	22,722	22,268
	Amortization, depreciation and writedowns	(7,364)	(6,672)
	Provisions for risks and contingencies	(555)	(88)
	Other operating expenses	(299)	(268)
	E. NET OPERATING PROFIT	14,504	15,240
	Net financial income (expenses)	(25)	185
	Writedowns of financial assets	(540)	(22)
	F. PROFIT BEFORE TAXATION AND NON-RECURRING ITEMS	13,939	15,403
	Non-recurring income (expenses)	(196)	515
G.	PROFIT (LOSS) BEFORE TAXATION	13,743	15,918
	Income taxes for the year	(4,236)	(5,550)
H.	NET PROFIT FOR THE YEAR	9,507	10,368