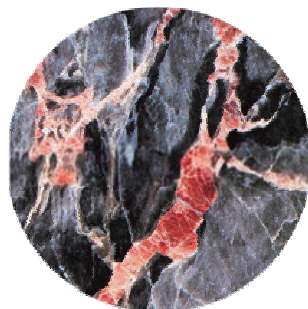
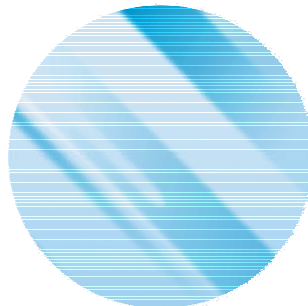




**QUARTERLY REPORT
SEPTEMBER 30TH, 2001**





BIESSE S.p.A.

QUARTERLY REPORT AT SEPTEMBER 30th 2001

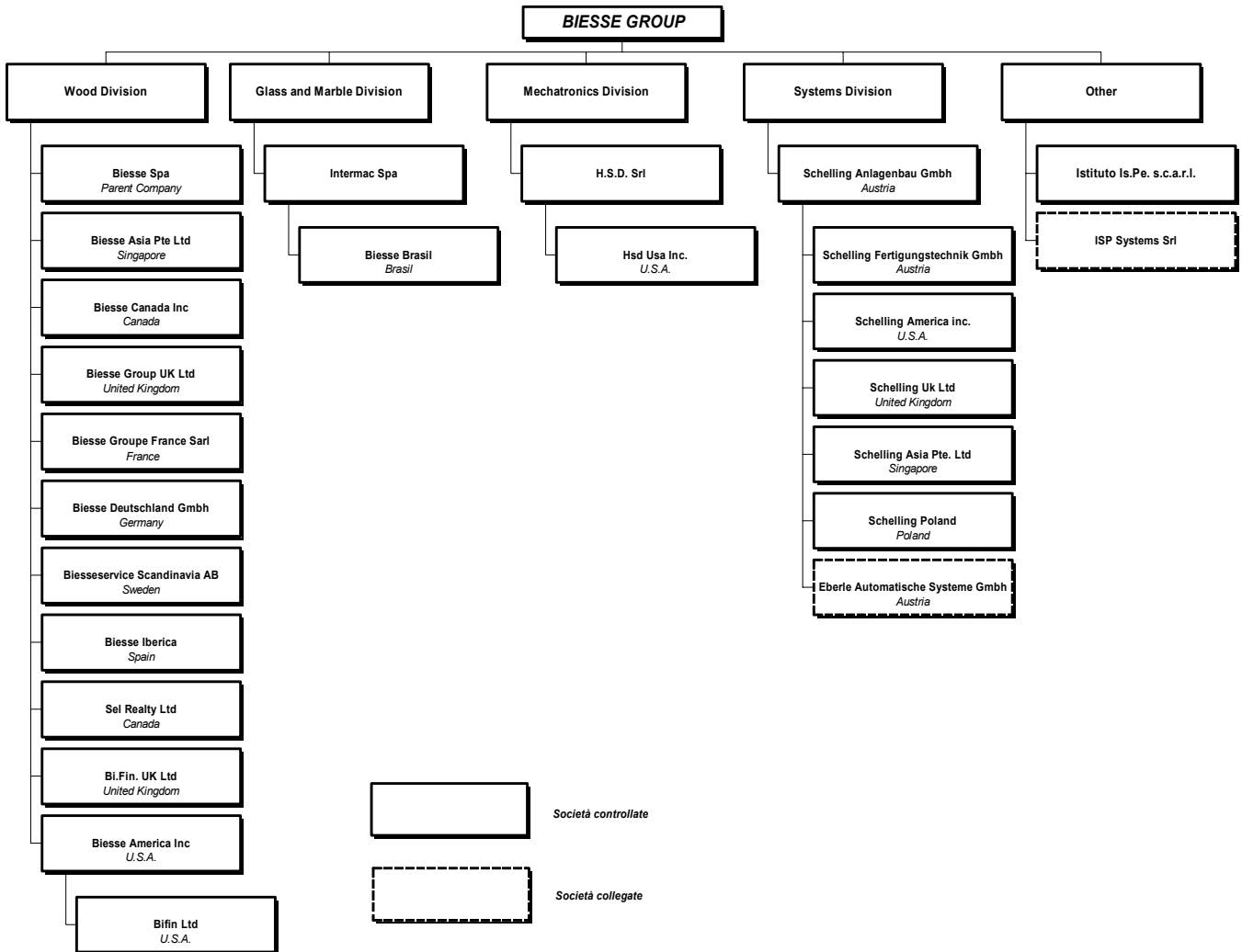
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GROUP STRUCTURE

The following companies are part of the consolidation area and are divided according to the Divisions to which they belong:



No changes have been made with respect to the consolidation area at 30th June 2001.

PARENT COMPANY CORPORATE BODIES

The Board of Directors currently in office is composed as follows:

Giancarlo Selci	Chairman
Anna Gasparucci	Chief Executive Officer
Roberto Selci	Chief Executive Officer
Werner Deuring	Director
Attilio Giampaoli	Director



The Board of Statutory Auditors currently in office is composed as follows:

Giovanni Ciurlo
Adriano Franzoni
Claudio Sanchioni

Chairman
Statutory Auditor
Statutory Auditor



ACCOUNTING STATEMENTS

INCOME STATEMENTS AT 30 SEPTEMBER 2001

	30 September 2001 (Millions of Lira)	%	30 September 2001 (Thousands of Euros)	%
Revenues from sales and services	488.281	90,79	252.176	90,79
Variation of stocks of finished products	44.860	8,34	23.168	8,34
Increase in asset value for internal work	106	0,02	55	0,02
Other revenues and income	4.596	0,85	2.374	0,85
Value of production	537.843	100	277.773	100
Costs for raw materials	(278.496)	51,78	(143.831)	51,78
Costs for services	(93.629)	17,41	(48.355)	17,41
Personnel expenses	(130.575)	24,28	(67.436)	24,28
Use of third party assets	(9.980)	1,86	(5.154)	1,86
Amortizations and depreciations	(15.804)	2,94	(8.162)	2,94
Variation of stocks of materials and parts	21.296	(3,96)	10.999	(3,96)
Provisions for risks	(486)	0,09	(251)	0,09
Other operating expenses	(9.371)	1,74	(4.840)	1,74
Costs of production	(517.045)	96,13	(267.031)	96,13
Operating result	20.798	3,87	10.742	3,87

INCOME STATEMENTS OF 3RD QUARTER 2001

	3 rd Quarter 2001 (Millions of Lira)	%	3 rd Quarter 2001 (thousands of Euros)	%
Revenues from sales and services	148.640	95,72	76.766	95,72
Variation of stocks of finished products	5.600	3,6	2.892	3,61
Increase in asset value for internal work	27	0,02	14	0,02
Other revenues and income	1.012	0,65	523	0,65
Value of production	155.279	100	80.195	100
Costs for raw materials	(80.347)	51,74	(41.496)	51,74



Costs for services	(25.981)	16,73	(13.418)	16,73
Personnel expenses	(41.746)	26,88	(21.560)	26,88
Use of third party assets	(3.670)	2,36	(1.896)	2,36
Amortizations and depreciations	(5.650)	3,64	(2.918)	3,64
Variation of stocks of materials and parts	7.460	4,80	3.853	4,80
Provisions for risks	(27)	0,02	(14)	0,02
Other operating expenses	(2.904)	1,87	(1.500)	1,87
Costs of production	(152.866)	98,45	(78.949)	98,45
Operating result	2.413	1,55	1.246	1,55

NET FINANCIAL POSITION AT 30th SEPTEMBER 2001

<i>Millions of Lira</i>	30 September 2001	30 June 2001	31 December 2000
Liquid assets	26.489	23.394	32.765
Short term financial debts	(318)	(416)	(27.523)
Short term bank debts	(124.116)	(47.589)	(145.187)
Short term net financial position	(97.945)	(24.611)	(139.945)
Medium/long term bank debts	(28.996)	(44.083)	(41.881)
Medium/long term net financial position	(28.996)	(44.083)	(41.881)
Total financial position	(126.941)	(68.694)	(181.826)
<i>Thousands of Euros</i>	30 September 2001	30 June 2001	31 December 2000
Liquid assets	13.681	12.082	16.922
Short term financial debts	(164)	(215)	(14.215)
Short term bank debts	(64.101)	(24.577)	(74.983)
Short term net financial position	(50.584)	(12.710)	(72.276)
Medium/long term bank debts	(14.975)	(22.767)	(21.630)
Medium/long term net financial position	(14.975)	(22.767)	(21.630)
Total financial position	(65.559)	(35.477)	(93.906)



EXPLANATORY NOTES

The quarterly report of the Biesse Group at 30 September 2001 was prepared on the basis of Consob Rule no. 11971 of 14th May 1999 and subsequent amendments and additions.

Accounting principles and valuation criteria comply with those of the financial statement at 31/12/2000, to which reference is made. We briefly state the following:

- the quarterly statement was prepared according to the criterion of separating the periods on the basis of which the reference period is considered as an independent financial period; from this view point the quarterly Income Statement reflects the economic components relating to the period in respect of the pro-tempore basis principle;
- the accounting statements taken as a basis of the consolidation process are the ones prepared by the subsidiary companies with reference to June 30th, 2001, adjusted, where necessary, to adapt them to the Group's accounting principles;
- the Income Statement is presented gross of tax, extraordinary and financial components;
- estimated figures of a significant amount are not present.

As allowed by the Consob rule, comparison with the same period of the previous financial year has been omitted since this is the first financial year of application.

Revenues for sales and services per area:

<i>Millions of Lira</i>	30 September 2001	30 September 2001 %	31 December 2000 %
European Union	307.606	63,0%	55,8%
North America	96.814	19,8%	27,4%
Rest of the World	83.861	17,2%	16,8%
Total	488.281	100%	100%

BOARD OF DIRECTORS' REMARKS

The present international economic situation and the recent terrorist events have heavily influenced the Company's performance in the past few months and the negative effects will probably continue to shape the immediate future.

From the beginning of this year, the overall global economy, and the North American economy in particular, have been characterised by an uncertainty that has translated into a progressive worsening of the principal macroeconomic indicators. The Fed's succeeding and repeated interventions on the interest rate, replicated at different dates by the ECB, were aimed at providing support to an economy whose indicators (production, orders to industry, costs and consumer confidence) fall short of expectations and are in progressive decline, although recovery may be possible as early as year 2002.

Faced with this scenario, company performance was in line with the expectations in terms of growth in volumes, with the first semester increasing by 19.5% compared with the same period in the previous year, where the effects of the economic situation were reflected by a moderate reduction in margins, decreasing by a few tenths of a percent.

The terrorist attacks on September 11 abruptly interrupted the early signs of a tentative recovery, lowering the consumer confidence index yet again. This set off a dual cascade effect of spending freezes in the propensity to invest in durable goods on the one hand, while causing the predicted or scheduled delivery dates to be pushed forward on the other. This has resulted in third quarter results being affected by higher than expected levels of finished product stocks with the consequent effect of shrinking sales and operating margins .



Revenues amount to 488.281 millions of lira; the value of production amounts to 537.844 millions of lira. The added value reaches the amount of 167.664, accounting for 31,2% of the total value of production. The gross operating profit is equal to 37.089 millions of lira, accounting for 6,9% of the total value of production. The operating result amount to 20.799, accounting for 3,9% of the total value of production.

The net indebtedness has increased in comparison with June 30th as a consequence both of the foreseen plan of investments and of the increasing net working capital.

Growth in terms of volume has different specific aspects within the various geographic areas, substantially in line with those of June 30th 2001. In particular we want to underline the good results of Italian market, as long as we can confirm the good results also in the countries belonging to the former Soviet Union. The slowdown coming from the North America is continuing, beeing the turnover lower than last financial year.

At the date of this report, the continuing state of alert on the international scene, with the additional difficulty in predicting the phases and methods for resolving the crisis, lead us to believe that they will have an impact on the expected volumes of incoming orders and sales until the end of the year, while also influencing profit margins. A solution to the international problem and an across the board improvement in the confidence in the economy should enable the reference sector to continue to follow its trend of historic and expected growth. The driving force of this development will continue to be the progressive orientation towards automated processing using more advanced levels of technology, where Biesse has long been positioned and where it is a market leader.

Pesaro, 14 November 2001

*Chairman of the Board of Directors
Giancarlo Selci*



ANNEXE

RECLASSIFIED ACCOUNTING STATEMENTS

RECLASSIFIED INCOME STATEMENTS AT 30 SEPTEMBER 2001

	30 September 2001 (Millions of Lira)	%	30 September 2001 (Thousands of Euros)	%
Revenues from sales and services	488.281	90,79	252.176	90,79
Variation of stocks of finished products	44.860	8,34	23.168	8,34
Other revenues and income	4.702	0,87	2.428	0,87
Value of production	537.843	100	277.773	100
Consumption of raw materials	(257.200)	47,82	(132.833)	47,82
Costs for services	(93.629)	17,41	(48.355)	17,41
Use of third party assets	(9.980)	1,86	(5.154)	1,86
Other operating expenses	(9.371)	1,74	(4.840)	1,74
Added value	167.663	31,17	86.591	31,17
Personnel expenses	(130.575)	24,28	(67.436)	24,28
Gross operating margin	37.088	6,90	19.154	6,90
Amortizations, depreciations and provisions	(13.871)	2,58	(7.164)	2,58
Profit before depreciation of consolidation difference	23.217	4,32	11.991	4,32
Amortization of consolidation difference	(2.419)	0,45	(1.249)	0,45
Operating result	20.798	3,87	10.741	3,87



RECLASSIFIED INCOME STATEMENTS OF III QUARTER 2001

	3 rd Quarter 2001 (Millions of Lira)	%	3 rd Quarter 2001 (Thousands of Euros)	%
Revenues from sales and services	148.640	95,72	76.766	95,72
Variation of stocks of finished products	5.600	3,61	2.892	3,61
Other revenues and income	1.039	0,67	537	0,67
Value of production	155.279	100	80.195	100
Consumption of raw materials	(72.888)	46,94	(37.644)	46,94
Costs for services	(25.981)	16,73	(13.418)	16,73
Use of third party assets	(3.670)	2,36	(1.895)	2,36
Other operating expenses	(2.904)	1,87	(1.500)	1,87
Added value	49.836	32,10	25.738	32,10
Personnel expenses	(41.746)	26,88	(21.560)	26,88
Gross operating margin	8.090	5,21	4.178	5,21
Amortizations, depreciations and provisions	(4.428)	2,85	(2.287)	2,85
Profit before depreciation of consolidation difference	3.662	2,36	1.891	2,36
Amortization of consolidation difference	(1.249)	0,80	(645)	0,80
Operating result	2.413	1,55	1.246	1,55