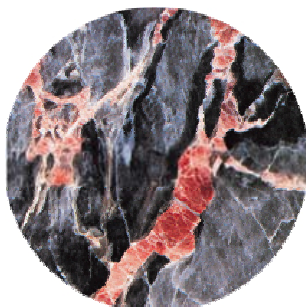
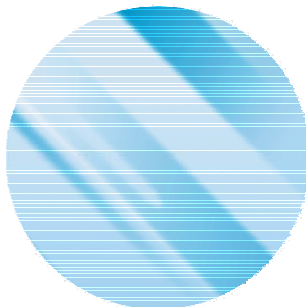




QUARTERLY REPORT
JUNE 30th, 2002





BIESSE S.p.A.

QUARTERLY REPORT AT JUNE 30, 2002

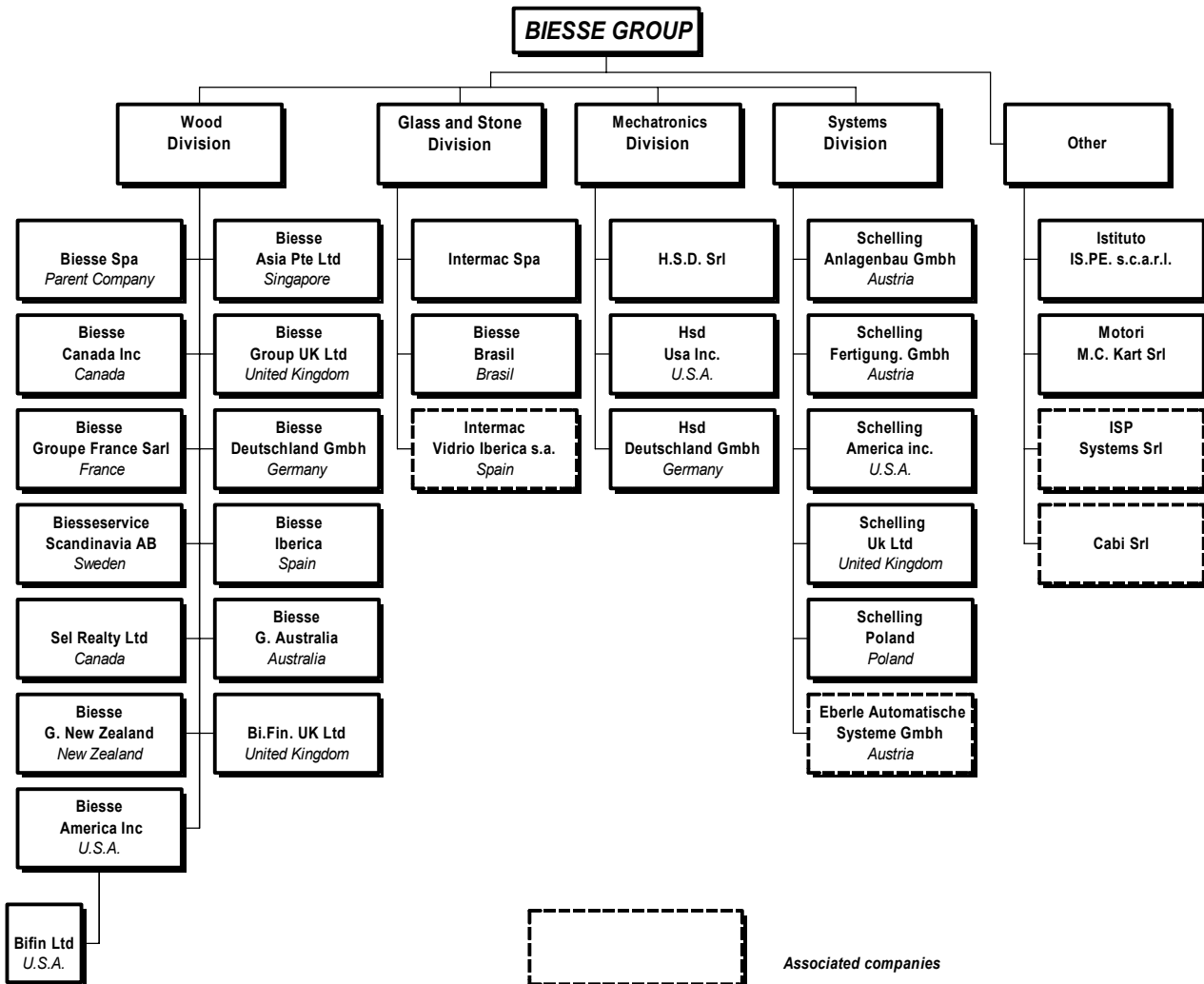
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GROUP STRUCTURE

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



In comparison with the consolidation area as at December 31th, changes are related to the incorporation of Hsd Deutschland Gmbh, commercial subsidiary of the Mechatronics Division for the German market, by Hsd S.p.A., and to the acquisition of majority shareholding of Motori MC Kart Srl, Italian industrial manufacturing company, by parent company Biesse S.p.A..

Shareholdings in affiliated companies Intermac Vidrio Iberica S.a., Cabi S.r.l., ISP Systems S.r.l., Eberle Gmbh have been valued at cost, while also shareholdings into Motori M.C. Kart S.r.l. and Hsd Deutschland Gmbh have been valued at cost and not consolidated using the line-by-line method, given their recent incorporation.



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 *

*(independent Director, as required under the Code of Conduct)

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

Giovanni Ciurlo	Chairman
Adriano Franzoni	Statutory Auditor
Claudio Sanchioni	Statutory Auditor



ACCOUNTING STATEMENTS

2nd QUARTER 2002 INCOME STATEMENTS

<i>Thousands Euros</i>	June 30, 2002	%	June 30, 2001	%
Revenues from sales and services	90,570	97.0%	100,681	95.1%
Variation of stocks of finished products	1,057	1.1%	3,742	3.5%
Increase in asset value for internal work	32	0.0%	19	0.0%
Other revenues and income	1,738	1.9%	1,375	1.3%
Value of production	93,397	100.0%	105,816	100.0%
Costs for raw materials	(42,624)	(45.6%)	(47,706)	(45.1%)
Costs for services	(17,253)	(18.5%)	(19,428)	(18.4%)
Use of third party assets	(2,224)	(2.4%)	(1,887)	(1.8%)
Personnel expenses	(24,546)	(26.3%)	(24,264)	(22.9%)
Amortizations and depreciations	(2,720)	(2.9%)	(2,766)	(2.6%)
Variation of stocks of materials and parts	1,348	1.4%	(128)	(0.1%)
Provisions for risks	(113)	(0.1%)	(44)	(0.0%)
Other operating expenses	(1,249)	(1.3%)	(1,777)	(1.7%)
Costs of production	(89,381)	(95.7%)	(98,001)	(92.6%)
Operating result	4,016	4.3%	7,816	7.4%



INCOME STATEMENTS AT JUNE 30th, 2002

<i>Thousands Euros</i>	June 30, 2002	%	June 30, 2001	%
Revenues from sales and services	161,114	92.1%	175,410	88.8%
Variation of stocks of finished products	10,813	6.2%	20,276	10.3%
Increase in asset value for internal work	47	0.0%	41	0.0%
Other revenues and income	2,953	1.7%	1,851	0.9%
Value of production	174,927	100.0%	197,578	100.0%
Costs for raw materials	(82,053)	(46.9%)	(102,336)	(51.8%)
Costs for services	(33,050)	(18.9%)	(34,894)	(17.7%)
Use of third party assets	(4,330)	(2.5%)	(3,258)	(1.6%)
Personnel expenses	(48,435)	(27.7%)	(45,876)	(23.2%)
Amortizations and depreciations	(5,725)	(3.3%)	(5,287)	(2.7%)
Variation of stocks of materials and parts	161	0.1%	7,146	3.6%
Provisions for risks	(117)	(0.1%)	(237)	(0.1%)
Other operating expenses	(2,818)	(1.6%)	(3,340)	(1.7%)
Costs of production	(176,368)	(100.8%)	(188,083)	(95.2%)
Operating result	(1,441)	(0.8%)	9,496	4.8%



NET FINANCIAL POSITION AT JUNE 30th 2002

<i>Thousands Euros</i>	June 30, 2002	March 31, 2002	December 31, 2001
Liquid assets	27,349	11,945	13,882
Short term financial debts	(1,438)	0	0
Short term bank debts	(93,954)	(96,972)	(84,860)
Short term net financial position	(68,044)	(85,027)	(70,978)
Medium/long term financial debts	(13,933)	0	0
Medium/long term bank debts	(21,865)	(21,711)	(15,060)
Medium/long term net financial position	(35,798)	(21,711)	(15,060)
Total financial position	(103,842)	(106,738)	(86,038)

EXPLANATORY NOTES

The quarterly report of the Biesse Group at June 30th 2002 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 December 31st, 2001, 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 2002, 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.

DIRECTORS' COMMENTS

The 2nd quarter 2002 results are still affected by the uncertainty which is pervading from several months the world economy in general and the wood, glass, and stone working machineries sectors in particular. It has to be underlined that, on the other side, encouraging signs of recovery from incoming orders started to come back, especially from north america. This leads to foresee a probable upswing beginning from the end of current year and from year 2003 onwards.

Cyclical figures relating to the second quarter would confirm that the American economy is still showing contrasting signals, with a path which has been defined by FED as of moderate



but unsteady growth. This is reflected in the economic superindex tendency, which is growing with several ups and downs, leaving hope for improvement of economic conditions in second part of the year.

Good news from the manufacturing sector, which was heavily hit by the economic downturn, even if investments are hardly trying to recover and consumer low confidence still curbs demand growth. Consumer confidence indicators reached their lowest level in June from last September, due primarily to the worsening future outlook with regards to the stock exchange situation.

Circumstances in the Far East are substantially unchanged, where the crisis in Japan shows no sign of letting up and weakness permeates demand as well as supply.

As far as the Euro area is concerned, confidence is still buoyed by the hopes of latching onto the eventual upswing in the North American economy.

As a consequence, Biesse Group performance is still affected by this scenario, even if slowdown in term of turnover is partly offset by efficiency recovery that comes out the Group's reorganization project; results are coming both from the cost of good side and from the fixed costs side.

It is also important to underline that these gains are structural and not incidental, and they will broaden Group's recovery in profitability as soon as market conditions will improve definitely.

Second quarter revenues amount to € 90.6 million, down by 10.0% compared to same period of previous year; in first six months revenues amount to € 161.1 million, down by 8.2%.

Value of production amounts to € 93.4 million in the second quarter, down by 11.7% compared to second quarter year 2001; in first six months value of production amounts to € 174.9 million, down by 11.5%.

Value added of second quarter amounts to € 31.4 million, down by 10.0%; in first six months it is equal to € 52.8 million, down by 13.2%.

Gross operating margin of second quarter amounts to € 6.8 million, down by 35.5%; in first half of year 2002 it is equal to € 4.4 milioni, down by 70.7%.

Operating result amounts to € 4.0 million in the second quarter, down by 48.6% compared to the same period of previous year; in first six months it is negative for the amount of € 1.4 million, while in the first half of previous year it was positive for the amount of € 9.5 million.

Net financial indebtedness has improved compared to end of first quarter, and has also a better splitting between short and mid-long term debt.



Revenues by division:

<i>Thousands Euros</i>	June 30, 2002	June 30, 2001	June 30, 2002 %	March 31, 2002 %	December 31, 2001 %	June 30, 2001 %
Wood Division	110,662	108,073	68.7%	71.8%	64.7%	61.6%
Glass & Stone Division	28,043	29,988	17.4%	16.7%	14.9%	17.1%
Systems Division	15,519	32,796	9.6%	7.9%	18.5%	18.7%
Mechatronics Division	12,325	12,241	7.6%	8.6%	6.2%	7.0%
Interdivisional eliminations	(5,435)	(7,688)	(3.3%)	(5.1%)	(4.3%)	(4.4%)
Total	161,114	175,410	100.0%	100.0%	100.0%	100.0%

As regards performance in terms of sales by division, the Wood Division is still outperforming previous year, while both Mechatronics Division and Glass and Stone Division are in line with previous year results.

On the other hand, Systems Division is still far below first half year 2001 turnover, as it has been affected more than any other Biesse Group Division by the slowdown underway worldwide, even if optimistic signals of recovery also came from that side recently.

Revenues by geographical area:

<i>Thousands Euros</i>	June 30, 2002	June 30, 2001	June 30, 2002 %	March 31, 2002 %	December 31, 2001 %	June 30, 2001 %
European Union	99,705	109,720	61.9%	61.0%	64.4%	62.6%
North America	27,951	35,299	17.3%	15.9%	18.4%	20.1%
Rest of the World	33,459	30,391	20.8%	23.1%	17.2%	17.3%
Total	161,114	175,410	100.0%	100.0%	100.0%	100.0%

Sales by geographic area reflect the different economic situations of Biesse's various markets, posting a first recovery signals from North America, whose weight on total turnover of the Biesse Group comes back to a rise, while the European Union is also slightly down compared to the first half 2002, while the Rest of the World continue to overperform last year results.

Pesaro, August 9th, 2002

*Chairman of the Board of Directors
Giancarlo Selci*



ANNEXE

RECLASSIFIED ACCOUNTING STATEMENTS

2nd QUARTER 2002 INCOME STATEMENTS

<i>Thousands Euros</i>	June 30, 2002	%	June 30, 2001	%
Revenues from sales and services	90,570	97.0%	100,681	95.1%
Variation of stocks of finished products	1,057	1.1%	3,742	3.5%
Other revenues and income	1,770	1.9%	1,394	1.3%
Value of production	93,397	100.0%	105,816	100.0%
Consumption of raw materials	(41,276)	(44.2%)	(47,834)	(45.2%)
Costs for services	(17,253)	(18.5%)	(19,428)	(18.4%)
Use of third party assets	(2,224)	(2.4%)	(1,887)	(1.8%)
Other operating expenses	(1,249)	(1.3%)	(1,777)	(1.7%)
Added value	31,395	33.6%	34,890	33.0%
Personnel expenses	(24,546)	(26.3%)	(24,264)	(22.9%)
Gross operating margin	6,849	7.3%	10,626	10.0%
Amortizations, depreciations and provisions	(2,471)	(2.6%)	(2,393)	(2.2%)
Profit before depreciation of consolidation difference	4,378	4.7%	8,232	7.8%
Amortization of consolidation difference	(362)	(0.4%)	(416)	(0.4%)
Operating result	4,016	4.3%	7,816	7.4%



INCOME STATEMENTS AT JUNE 30th, 2002

<i>Thousands Euros</i>	June 30, 2002	%	June 30, 2001	%
Revenues from sales and services	161,114	92.1%	175,410	88.8%
Variation of stocks of finished products	10,813	6.2%	20,276	10.3%
Other revenues and income	3,000	1.7%	1,892	1.0%
Value of production	174,927	100.0%	197,578	100.0%
Consumption of raw materials	(81,892)	(46.8%)	(95,190)	(48.2%)
Costs for services	(33,050)	(18.9%)	(34,894)	(17.7%)
Use of third party assets	(4,330)	(2.5%)	(3,258)	(1.6%)
Other operating expenses	(2,818)	(1.6%)	(3,340)	(1.7%)
Added value	52,837	30.2%	60,896	30.8%
Personnel expenses	(48,435)	(27.7%)	(45,876)	(23.2%)
Gross operating margin	4,402	2.5%	15,020	7.6%
Amortizations, depreciations and provisions	(5,119)	(2.9%)	(4,691)	(2.4%)
Profit before depreciation of consolidation difference	(717)	(0.4%)	10,329	5.2%
Amortization of consolidation difference	(724)	(0.4%)	(833)	(0.4%)
Operating result	(1,441)	(0.8%)	9,496	4.8%