



SAES GETTERS S.p.A.

Capital Stock Euro 12,220,000 fully paid-in
Address of Principal Executive Offices:
Viale Italia, 77 – 20020 Lainate (Milan), Italy
Registered with the Milan Court Companies Register no. 00774910152

Report on Operations – 2nd Quarter 2002

Consolidated results remarkably improved after the disappointing performance of the previous quarters. Particularly we are quite satisfied with the Components Aggregate both in terms of sales and profitability, also thanks to the continuous growth of mercury dispensers for fluorescent lamps used in the back-lighting of liquid crystal displays. On the opposite the Equipment Aggregate has been negatively affected by the semiconductor downturn.

During the second quarter, with regard to the reorganization plan in the Analytical Technologies Business Area, the integration of the activities of Trace Analytical, Menlo Park, California (USA), together with its laboratory in West Palm Beach, Florida (USA), with the activities of Molecular Analytics Sparks, Maryland (USA) continued. The transfer of the analytical system activities from Saes Pure Gas, Inc., San Luis Obispo, California (USA), to the same production area in Sparks, Maryland (USA) is ongoing.

With reference to the restructuring plan of the Display Devices Business Area, the plan, which aims at achieving a net reduction of the workforce of the associated company Getters Corporation of America Cleveland, Ohio (USA) and now incorporated in Saes Getters Usa, Inc., has been carrying on as planned.

The getter production made by Getters Corporation of America, in Cleveland, Ohio, USA, has terminated and the activities for moving the remaining machinery to the other Group companies involved in such production line have almost been completed.

CONSOLIDATED FINANCIAL STATEMENTS**Saes Getters S.p.A. and Subsidiaries - Unaudited Consolidated Income Statement**

Thousands of Euro

Three months ended June 30	2002	2001
Total net sales	37,222	43,366
Cost of sales	20,135	22,736
Gross profit	17,087	20,630
R & D expenses	3,349	2,862
Selling expenses	5,535	6,121
G&A expenses	4,652	5,666
Total operating expenses	13,536	14,649
Operating income	3,551	5,981
Interest and other financial income, net	305	462
Foreign exchange gains (losses), net	(386)	1,475
Other income (expenses), net	(86)	144
Income before taxes	3,384	8,062
Income taxes	886	2,329
Net income	2,498	5,733

Thousands of Euro

Six months ended June 30	2002	2001
Total net sales	70,730	89,265
Cost of sales	39,874	46,892
Gross profit	30,856	42,373
R & D expenses	6,734	6,005
Selling expenses	10,047	11,632
G&A expenses	9,318	10,972
Total operating expenses	26,099	28,609
Operating income	4,757	13,764
Interest and other financial income, net	647	884
Foreign exchange gains (losses), net	(315)	2,966
Other income (expenses), net	(80)	231
Income before taxes	5,009	17,845
Income taxes	1,209	5,486
Net income	3,800	12,359

Saes Getters S.p.A. and Subsidiaries - Unaudited Consolidated Income per Share

Euro

	2002 2 nd qr.	2001 2 nd qr.
Net Income per Ordinary Share	0.1007	0.2376
Net Income per Savings Share	0.1163	0.2532

Saes Getters S.p.A. and Subsidiaries - Consolidated Balance Sheets

Thousands of Euro

	Jun 30, 2002 (Unaudited)	Dec 31, 2001
Current assets *	151,031	161,685
Property, plant and equipment, net	66,049	67,756
Intangible assets, net	14,815	17,114
Investments and other financial assets	1,173	1,587
Total Assets	233,068	248,142
Current liabilities	50,563	58,389
Long-term liabilities	12,422	12,293
Shareholders' equity	170,083	177,460
Total Liabilities and Shareholders' Equity	233,068	248,142

* Including non-current deferred tax assets

Saes Getters S.p.A. and Subsidiaries - Consolidated Net Financial Position

Thousands of Euro

	Jun 30, 2002 (Unaudited)	Mar 31, 2002 (Unaudited)	Dec 31, 2001
<i>Financial assets</i>			
Cash and banks	67,825	72,377	70,546
Short term investments	7,587	10,449	10,457
Total current assets	75,412	82,826	81,003
Total long term assets	0	0	0
Total financial assets	75,412	82,826	81,003
<i>Financial liabilities</i>			
Bank overdraft	25,964	29,890	30,617
Current portion of long term debt	50	562	914
Total current liabilities	26,014	30,452	31,531
Long term debt, net of current portion	2,699	2,613	2,666
Total long term liabilities	2,699	2,613	2,666
Total financial liabilities	28,713	33,065	34,197
Net financial position	46,699	49,761	46,806

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Accounting Principles and Methods

The Quarterly Report has been prepared in accordance with Article 82 of the “Regulations for the implementation of the Legislative Decree No. 58 of February 24, 1998 on the activities of issuers of securities” (Consob Resolution No. 11971 of May 14, 1999, as amended).

The Quarterly Report is consistent with the accounting principles that govern the preparation of annual and consolidated financial statements, insofar as they are applicable.

Effective as of April 1, 2002, Molecular Analytics, Inc., located in Sparks, Maryland (USA) merged into Trace Analytical, Inc. The surviving entity changed its name into Molecular Analytics, Inc.

In April 2002 Saes Getters Finance S.A. merged into Saes Getters International Luxembourg S.A., Luxembourg.

On June 30, 2002, the merger through incorporation of Getters Corporation of America into Saes Getters Usa, Inc., Colorado Springs, Colorado (USA) has been executed.

Net Sales by Business Area and by Geographic Location of Customer

Saes Getters S.p.A. and Subsidiaries - Unaudited Consolidated Net Sales per Business Area

Thousands of euro (except %)

Business Area	2002 2 nd qr.	2001 2 nd qr.	total difference (%)	price qty effect (%)	exchange rate effect (%)
Display Devices	14,774	13,787	7.2%	7.4%	-0.2%
Light Sources	7,634	5,121	49.1%	52.5%	-3.4%
Electronic Devices & Flat Panels	3,178	3,322	-4.3%	-3.1%	-1.2%
Vacuum Systems & Thermal Insulation	1,459	1,374	6.2%	8.6%	-2.4%
Subtotal Components	27,045	23,604	14.6%	16.0%	-1.4%
Pure Gas Technologies	4,834	10,711	-54.9%	-54.5%	-0.4%
Analytical Technologies	3,151	3,940	-20.0%	-19.7%	-0.3%
Facilities Technologies	2,148	5,043	-57.4%	-58.2%	0.8%
Subtotal Equipment	10,133	19,694	-48.5%	-48.6%	0.1%
Other	44	68	-35.3%	-31.0%	-4.3%
Total Net Sales	37,222	43,366	-14.2%	-13.2%	-1.0%

Index:

Display Devices	Barium getters for cathode ray tubes
Light Sources	Products used in discharge lamps and fluorescent lamps
Electronic Devices & Flat Panels	Getters and metal dispensers for electron vacuum devices and flat panel displays
Vacuum Systems & Thermal Insulation	Pumps for vacuum systems and getters for thermal insulated devices
Pure Gas Technologies	Gas purifier systems for semiconductor industry and other industries
Analytical Technologies	Trace gas analyzers for semiconductor and other industries
Facilities Technologies	Quality assurance, quality control and material inspection of the gas distribution system in semiconductor industry and other industries

Saes Getters S.p.A. and Subsidiaries - Unaudited Consolidated Net Sales by Geographic Location of Customer

Thousands of Euro

	2002 2 nd qr.	2001 2 nd qr.
Italy	596	432
Other EU	5,010	7,783
Other European countries	820	624
North America	8,436	14,492
Japan	5,450	5,319
Asia (excluding Japan)	16,155	13,967
Rest of the World	755	749
Total Net Sales	37,222	43,366

Notes of Comment

Consolidated net sales were €37.2 million in the second quarter of 2002 compared to €43.4 million in the year-ago period.

Components Business

Consolidated revenues of the Components Business increased by 14.6% to €27 million in the second quarter of 2002 from €23.6 million in the same period one year-ago.

In particular, net sales of the Display Devices Business Area grew by 7.2% to €14.8 million compared to €13.8 million in the same period one year-ago. The increase is due to the growth of the cathode ray tube market.

Revenues of the Light Sources Business Area were €7.6 million in the second quarter 2002, reflecting an increase of 49.1% compared to the same period in 2001. The rise is due to a stronger demand of mercury dispensers for cold cathode lamps used as back-lighting of liquid crystal displays.

Revenues from the Electronic Devices & Flat Panels Business Area were €3.2 million, basically stable compared to the same period of 2001.

Net sales of the Vacuum Systems & Thermal Insulation Business Area increased by 6.2% to €1.5 million, compared to €1.4 million in the same period of the previous year thanks to increased sales of getters for thermal insulation.

Gross profit for the Components Business was €4.9 million in the second quarter of 2002, compared to €2.5 million in the same period of 2001.

Operating income for the Components Business grew to €7.3 million in the second quarter of 2002, from €5.5 million in the corresponding quarter of 2001 thanks to increased sales and a more favorable sales mix.

Equipment Business

Consolidated revenues of the Equipment Business were €10.1 million in the second quarter of 2002 compared to €9.7 million in the year-ago period, reflecting a decrease of 48.5%.

Net sales of the Pure Gas Technologies Business Area decreased by 54.9% to €4.8 million in the second quarter of 2002, compared to €0.7 million in the same period of 2001. The downturn of the semiconductor market, caused by production capacity excess and weakness of the final market demand, had a negative impact on the investment activity of the sector and consequently on the Group's sales.

Revenues of the Analytical Technologies Business Area decreased by 20% to €3.2 million in the second quarter of 2002, compared to €3.9 million in the correspondent period of 2001. The decrease in sales was due to the semiconductor market downturn.

Net sales of the Facilities Technologies Business Area decreased by 57.4% to €2.1 million from €5 million in the year-ago period. The decrease was due to the above mentioned downturn of the semiconductor market.

Gross profit for the Equipment Business was €2.1 million in the second quarter of 2002 compared to €3.1 million in the corresponding period of 2001.

Operating loss for the Equipment Business in the second quarter of 2002 was €3.7 million, compared to an operating income of €0.4 million in the year-ago period. The drop is mainly due to the decrease in sales. To be noticed that one-time costs, amounting to approximately €0.3 million, have been charged in the second quarter 2002. Such costs are related to the restructuring plan regarding the Pure Gas Technologies Business Area, announced on July 11, 2002. The reorganization plan will enable cost savings, estimated at approximately €2 million per year.

Consolidated gross profit was €17.1 million in the second quarter 2002, compared to €20.6 million in the same quarter of 2001.

Total operating expenses were €13.5 million from €14.6 million in the second quarter of 2001.

Consolidated operating income was €3.6 million in the three months ended June 30, 2002 from €6 million in the year-ago period. The R.O.S. ratio decreased from 13.8% in the second quarter of 2001 to 9.5% in the same period of 2002. The decline with respect to the previous year is mainly due to the reduction of the Equipment Aggregate operating result.

Income taxes were €0.9 million in the three months ended June 30, 2002, compared to €2.3 million in the three months ended June 30, 2001. As a percentage of income before taxes, income taxes were 26.2% in the second quarter of 2002, compared to 28.9% in the second quarter of 2001.

Consolidated net income was €2.5 million in the first quarter of 2002, with respect to €5.7 million of the same period of the previous year. The net income per Ordinary share and Savings Share was €0.1007 and €0.1163 respectively for the second quarter of 2002, compared to €0.2376 and €0.2532 in the year-ago period.

The Group's **net financial position** decreased to €46.7 million as of June 30, 2002, from €49.8 million as of March 31, 2002, mainly because of the disbursement for the payment of dividends.

Six months results

Consolidated net sales for the six months ended June 30, 2002 decreased by 20.8% to €70.7 million, compared to €89.3 million in the year-ago period.

Consolidated net income was €3.8 million in the first six months of 2002, with respect to €12.4 million of the same period of the previous year.

Net income per Ordinary Share and Savings Share was €0.1561 and €0.1717 respectively, compared to €0.5195 and €0.5351 for the corresponding period of 2001.

The gross margin was 43.6% of net sales in the first half of 2002, compared to 47.5% in the same period of 2001.

The R.O.S. ratio for the six months ended June 30, 2002 was 6.7% compared to 15.4% in the year-ago period.

Business Performance Outlook for the Current Year

We are confident that the favorable trend of the Components Aggregate will be confirmed also in the near future. Regarding the Equipment Aggregate we remain cautious, but confident on the cost reduction resulting from the restructuring plans.

The economic results for the period will be influenced by the exchange rates of the Euro against the major currencies. The Group entered into foreign exchange contracts to partially hedge its foreign exchange risk.

During the current month the Company has been continuing buying back its own shares.

Lainate, Milan - Italy, July 26, 2002

Saes Getters S.p.A.

Paolo della Porta
Chairman of the Board, President
and Group Chief Executive Officer