



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 – 3rd Quarter 2002

The Company is satisfied with the improvement in consolidated operating and net results compared to the third quarter of 2001. Particularly, the Components Aggregate realized an excellent performance in terms both of sales and operating margin. On the other hand, results of the Equipment Aggregate were quite disappointing, due to the persistence of the semiconductor industry downturn.

In July 2002, a rationalization regarding the Pure Gas Technologies Business Area was implemented, whereby the Company plans to reduce costs and recover profitability. The program involved the net reduction by approximately one third of the workforce of the Group's subsidiary Saes Pure Gas, Inc. based in San Luis Obispo, California (USA).

Following the previous reorganizations, the Company announced today a further rationalization regarding the international sales and customer service structure of the Equipment Aggregate. The program foresees the net reduction by approximately 20 people, enabling cost savings, estimated at approximately €1.4 million per year. The one-time charge is appraised at around €0.8 million. This will be charged during the last quarter of the current year.

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

Three months ended September 30	2002	2001
Total net sales	35,001	34,657
Cost of sales	19,684	19,236
Gross profit	15,317	15,421
R & D expenses	3,146	3,093
Selling expenses	4,782	5,389
G&A expenses	4,168	5,421
Total operating expenses	12,096	13,903
Operating income	3,221	1,518
Interest and other financial income, net	346	238
Foreign exchange gains (losses), net	801	(385)
Other income (expenses), net	(316)	78
Income before taxes	4,052	1,449
Income taxes	1,615	306
Net income	2,437	1,143

Thousands of euro

Nine months ended September 30	2002	2001
Total net sales	105,731	123,922
Cost of sales	59,558	66,128
Gross profit	46,173	57,794
R & D expenses	9,880	9,098
Selling expenses	14,829	17,021
G&A expenses	13,486	16,393
Total operating expenses	38,195	42,512
Operating income	7,978	15,282
Interest and other financial income, net	993	1,122
Foreign exchange gains (losses), net	486	2,581
Other income (expenses), net	(396)	309
Income before taxes	9,061	19,294
Income taxes	2,824	5,792
Net income	6,237	13,502

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

	2002 3 rd qr.	2001 3 rd qr.
Net Income per Ordinary Share	0.1051	0.0486
Net Income per Savings Share	0.1051	0.0486

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

Thousands of euro

	Sep 30, 2002 (Unaudited)	Dec 31, 2001
Current assets *	153,820	161,685
Property, plant and equipment, net	69,385	67,756
Intangible assets, net	14,753	17,114
Investments and other financial assets	1,161	1,587
Total Assets	239,119	248,142
Current liabilities	55,034	58,389
Long-term liabilities	11,448	12,293
Shareholders' equity	172,637	177,460
Total Liabilities and Shareholders' Equity	239,119	248,142

* Including non-current deferred tax assets

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

Thousands of euro

	Sep 30, 2002 (Unaudited)	Jun 30, 2002 (Limited Audit)	Dec 31, 2001
<i>Financial assets</i>			
Cash and banks	76,069	67,825	70,546
Short term investments	4,787	7,587	10,457
Total current assets	80,856	75,412	81,003
Total long term assets	0	0	0
Total financial assets	80,856	75,412	81,003
<i>Financial liabilities</i>			
Bank overdraft	27,351	25,964	30,617
Current portion of long term debt	1,577	50	914
Total current liabilities	28,928	26,014	31,531
Long term debt, net of current portion	1,330	2,699	2,666
Total long term liabilities	1,330	2,699	2,666
Total financial liabilities	30,258	28,713	34,197
Net financial position	50,598	46,699	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.

On August 2, 2002 the company Saes Getters Ireland limited based in Dublin (Ireland) was set up with a capital stock of €100 thousand fully paid up by Saes Getters International Luxembourg S.A. The main purpose of the company is to manage in the best way the Group’s liquidity.

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

Thousands of euro (except %)

Business Area	2002 3 rd qr.	2001 3 rd qr.	total difference (%)	price qty effect (%)	exchange rate effect (%)
Display Devices	15,106	12,874	17.3%	20.3%	-3.0%
Light Sources	7,281	5,071	43.6%	48.2%	-4.6%
Electronic Devices & Flat Panels	3,273	2,780	17.7%	20.6%	-2.9%
Vacuum Systems & Thermal Insulation	1,457	1,044	39.6%	44.0%	-4.4%
Subtotal Components	27,117	21,769	24.6%	28.1%	-3.5%
Pure Gas Technologies	3,268	5,575	-41.4%	-38.2%	-3.2%
Analytical Technologies	3,032	3,472	-12.7%	-9.5%	-3.2%
Facilities Technologies	1,526	3,793	-59.8%	-57.6%	-2.2%
Subtotal Equipment	7,826	12,840	-39.0%	-36.1%	-2.9%
Other	58	48	20.8%	20.8%	0.0%
Total Net Sales	35,001	34,657	1.0%	4.4%	-3.4%

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 3 rd qr.	2001 3 rd qr.
Italy	433	286
Other EU	4,634	5,568
Other European countries	854	633
North America	6,983	10,169
Japan	5,602	4,351
Asia (excluding Japan)	15,851	13,004
Rest of the World	644	646
Total Net Sales	35,001	34,657

Notes of Comment

Consolidated net sales were €35 million in the third quarter of 2002 compared to €34.7 million in the year-ago period.

Components Aggregate

Consolidated revenues of the Components Aggregate, representing 77.5% of total consolidated sales, increased by 24.6% to €27.1 million in the third quarter of 2002.

In particular, net sales of the Display Devices Business Area grew by 17.3% to €15.1 million compared to €12.9 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 €7.3 million in the third quarter 2002, reflecting an increase of 43.6% 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 €3.3 million, compared to €2.8 million of the same period of 2001, reflecting an increase of 17.7% thanks to greater sales of porous getters for special applications.

Net sales of the Vacuum Systems & Thermal Insulation Business Area increased by 39.6% to €1.5 million, compared to €1 million in the same period of the previous year, mainly thanks to increased sales of getters for thermal insulation.

Gross profit for the Components Aggregate increased to €4.1 million in the third quarter of 2002 from €10.6 million in the same period of 2001.

Operating income for the Components Aggregate grew to €7.6 million in the third quarter of 2002 from €3.9 million in the corresponding quarter of 2001, thanks to increased sales and a more favorable sales mix.

Equipment Aggregate

Consolidated revenues of the Equipment Aggregate, representing 22.4% of total consolidated sales, were €7.8 million in the third quarter of 2002 compared to €2.8 million in the year-ago period, reflecting a decrease of 39%.

Net sales of the Pure Gas Technologies Business Area decreased by 41.4% to €3.3 million in the third quarter of 2002, compared to €5.6 million in the same period of 2001. The persistence of the semiconductor market downturn and the consequent shrinkage in the investment activity, particularly in the construction of new fabs, negatively affected Group's sales.

Revenues of the Analytical Technologies Business Area decreased by 12.7% to €3.5 million in the third quarter of 2002, compared to €3.5 million in the correspondent period of 2001. The decline in sales was due to the semiconductor market downturn.

Net sales of the Facilities Technologies Business Area decreased by 59.8% to €1.5 million from €3.8 million in the year-ago period. The drop was due to the above mentioned downturn of the semiconductor market.

Gross profit for the Equipment Aggregate was €1.2 million in the third quarter of 2002 compared to €4.8 million in the corresponding period of 2001.

Operating loss for the Equipment Aggregate in the third quarter of 2002 was €4.4 million, compared to an operating loss of €2.4 million in the year-ago period. The drop is mainly due to the decrease in sales.

Consolidated gross profit was €5.3 million in the third quarter 2002, basically stable compared to €5.4 million in the same quarter of 2001.

Total operating expenses decreased to €12.1 million from €13.9 million in the third quarter of 2001, also thanks to the previously announced restructuring plans.

Consolidated operating income increased to €3.2 million in the three months ended September 30, 2002 from €1.5 million in the year-ago period. The R.O.S. (Return on Sales) ratio grew to 9.2% in the third period of 2002 from 4.4% in the same quarter of 2001. The rise is mainly due to the greater contribution of the Components Aggregate to the consolidated result.

Income taxes were €1.6 million in the three months ended September 30, 2002, compared to €0.3 million in the three months ended September 30, 2001. As a percentage of income before taxes, income taxes increased to 39.9% in the third quarter of 2002 from 21.1% in the third quarter of 2001, because of higher profits from Group Companies subject to a higher taxation.

Consolidated net income increased to €2.4 million from €1.1 million in the year-ago period. Net income per Ordinary Share and Savings Share was €0.1051 for the third quarter of 2002, compared to €0.0486 in the year-ago period.

The Group's net financial position increased to €0.6 million as of September 30, 2002, from €46.7 million as of June 30, 2002, thanks to increased cash provided by operating activities.

Nine months results

Consolidated net sales for the nine months ended September 30, 2002 were €105.7 million, compared to €123.9 million in the year-ago period.

Consolidated net income was €6.2 million in the first nine months of 2002, with respect to €13.5 million in the same period of the previous year.

Net income per Ordinary Share and Savings Share was €0.2612 and €0.2768 respectively, compared to €0.5682 and €0.5838 for the corresponding period of 2001.

The gross margin was 43.7% of net sales in the first nine months of 2002, compared to 46.6% in the same period of 2001.

The R.O.S. ratio for the nine months ended September 30, 2002 was 7.5% compared to 12.3% in the year-ago period.

Business Performance Outlook for the Current Year

We are confident on the outlook of the Components Aggregate for the near future. Nevertheless the low visibility still compels us to remain cautious regarding the Equipment Aggregate forecasts.

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 continued buying back its own shares.

Lainate, Milan - Italy, October 29, 2002

Saes Getters S.p.A.

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