



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 – 4th Quarter 2002

Quarterly results basically confirmed the trend of the previous quarters of 2002, showing a continuous growth for the Components Aggregate and, unfortunately, still quite disappointing results for the Equipment Aggregate. Particularly, sales of the lighting sector were excellent. Despite the non recurring costs related to a valuation allowance against net deferred tax assets and to the rationalization of the international sales and customer service structure related to the Equipment Aggregate, announced on October 29, 2001, in the quarter we had a net profit.

Today the Board of Directors updated the Company's Code of Conduct in light of the revisions made by Borsa Italiana S.p.A. to the Code of Conduct for Italian listed companies in July 2002. The main changes refer to the annual Board assessment on directors' independence, a definition of internal control more in line with international standards and the provision according to which the majority of the Audit Committee shall be independent. In addition the Code of Conduct sets some general criteria for the identification and approval of the so called significant transactions, including related parties ones.

The Board of Directors approved also some minor amendments, mainly formal, to the Internal Dealing Code, previously approved on December 19, 2002. Among other changes, it is worth pointing out the introduction of notification duties on stock options or options rights exercise, if and when adopted by the Company.

The Board of Directors, on the basis of the information provided by the concerned individuals, confirmed that the three independent directors qualified as such up to date, are still independent pursuant to the Code of Conduct.

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

Thousands of Euro

Three months ended December 31	2002 (Unaudited)	2001 (Unaudited)
Total net sales	35,477	36,247
Cost of sales	20,194	19,466
Gross profit	15,283	16,781
R & D expenses	3,732	3,204
Selling expenses	5,761	6,067
G&A expenses	3,739	5,834
Total operating expenses	13,232	15,105
Operating income	2,051	1,676
Interest and other financial income, net	432	531
Foreign exchange gains (losses), net	(194)	102
Other income (expenses), net	(255)	(5,239)
Income before taxes	2,034	(2,930)
Income taxes	1,807	(3,514)
Net income	227	584

Thousands of Euro

Twelve months ended December 31	2002 (Unaudited)	2001
Total net sales	141,208	160,169
Cost of sales	79,752	85,594
Gross profit	61,456	74,575
R & D expenses	13,612	12,302
Selling expenses	20,590	23,088
G&A expenses	17,225	22,227
Total operating expenses	51,427	57,617
Operating income	10,029	16,958
Interest and other financial income, net	1,425	1,653
Foreign exchange gains (losses), net	292	2,683
Other income (expenses), net	(651)	(4,930)
Income before taxes	11,095	16,364
Income taxes	4,631	2,278
Net income	6,464	14,086

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

Euro

	2002 4 th qr.	2001 4 th qr.
Net Income per Ordinary Share	0.0098	0.0249
Net Income per Savings Share	0.0098	0.0249

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

Thousands of Euro

	Dec 31, 2002 (Unaudited)	Dec 31, 2001
Current assets *	153,718	161,685
Property, plant and equipment, net	67,141	67,756
Intangible assets, net	13,325	17,114
Investments and other financial assets	1,104	1,587
Total Assets	235,288	248,142
Current liabilities	53,461	58,389
Long-term liabilities	11,365	12,293
Shareholders' equity	170,462	177,460
Total Liabilities and Shareholders' Equity	235,288	248,142

* Including non-current deferred tax assets

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

Thousands of Euro

	Dec 31, 2002 (Unaudited)	Sep 30, 2002 (Unaudited)	Dec 31, 2001
<i>Financial assets</i>			
Cash and banks	78,759	76,069	70,546
Short term investments	5,261	4,787	10,457
Total current assets	84,020	80,856	81,003
Total long term assets	0	0	0
Total financial assets	84,020	80,856	81,003
<i>Financial liabilities</i>			
Bank overdraft	26,176	27,351	30,617
Current portion of long term debt	1,218	1,577	914
Total current liabilities	27,394	28,928	31,531
Long term debt, net of current portion	1,336	1,330	2,666
Total long term liabilities	1,336	1,330	2,666
Total financial liabilities	28,730	30,258	34,197
Net financial position	55,290	50,598	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.

In the fourth quarter 2002 the liquidation procedure of the indirect subsidiary Japan Getters Inc. was completed. No changes in the consolidation area occurred in the fourth quarter of 2002.

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 4 th qr.	2001 4 th qr.	total difference (%)	price qty effect (%)	exchange rate effect (%)
Display Devices	14,386	13,765	4.5%	8.8%	-4.3%
Light Sources	7,275	5,243	38.8%	44.3%	-5.5%
Electronic Devices & Flat Panels	2,768	2,828	-2.1%	1.8%	-3.9%
Vacuum Systems & Thermal Insulation	1,115	1,343	-17.0%	-11.5%	-5.5%
Subtotal Components	25,544	23,179	10.2%	14.9%	-4.7%
Pure Gas Technologies	4,216	6,043	-30.2%	-24.4%	-5.8%
Analytical Technologies	1,962	4,169	-52.9%	-47.6%	-5.3%
Facilities Technologies	3,693	2,781	32.8%	38.0%	-5.2%
Subtotal Equipment	9,871	12,993	-24.0%	-18.5%	-5.5%
Other	62	75	-17.3%	-17.3%	0.0%
Total Net Sales	35,477	36,247	-2.1%	2.8%	-4.9%

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 4 th qr.	2001 4 th qr.
Italy	284	1,183
Other EU	5,013	5,918
Other European countries	847	665
North America	8,531	7,810
Japan	7,082	4,915
Asia (excluding Japan)	13,169	15,246
Rest of the World	551	510
Total Net Sales	35,477	36,247

Consolidated net sales were Euro 35,477 thousand in the fourth quarter of 2002 compared to Euro 36,247 thousand in the year-ago period.

Components Aggregate

Consolidated revenues of the Components Aggregate increased by 10.2% to €25.5 million in the fourth quarter of 2002.

In particular, net sales of the Display Devices Business Area grew by 4.5% to €14.4 million compared to €13.8 million in the same period one year-ago. The increase, net of exchange rate effect, was 8.8% thanks to the growth of the cathode ray tube market. The negative exchange rate effect (-4.3%) was mainly due to the depreciation of the US dollar against euro.

Revenues of the Light Sources Business Area were €7.3 million in the fourth quarter 2002, reflecting an increase of 38.8% compared to the same period in 2001. The rise was mainly 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 €2.8 million, basically stable if compared with the same period of 2001.

Net sales of the Vacuum Systems & Thermal Insulation Business Area decreased by 17% to €1.1 million, compared to €1.3 million in the same period of the previous year. It is worth mentioning that sales of the last quarter of 2001 included a one-time order of getter pumps for an applied research project.

Gross profit for the Components Aggregate increased to €4.5 million in the fourth quarter of 2002 from €2.3 million in the same period of 2001.

Operating income for the Components Aggregate grew to €7.5 million in the fourth quarter of 2002 from €5.7 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 were €9.9 million in the fourth quarter of 2002 compared to €13 million in the year-ago period, reflecting a decrease of 24%.

Net sales of the Pure Gas Technologies Business Area were €4.2 million in the fourth quarter of 2002, reflecting a decrease by 30.2% compared to €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 52.9% to €2 million in the fourth quarter of 2002 compared to €4.2 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 increased by 32.8% to €3.7 million from €2.8 million in the year-ago period. The increase was due to a portion of sales in new industries, not included in the correspondent period of 2001.

Gross profit for the Equipment Aggregate was €0.7 million in the fourth quarter of 2002 compared to €4.5 million in the corresponding period of 2001.

Operating loss for the Equipment Aggregate in the fourth quarter of 2002 was €5.4 million, compared to an operating loss of €4.1 million in the year-ago period. The drop was mainly due to the decrease in sales. It is worth mentioning that one-time costs, amounting to approximately €0.7 million, have been charged in the period. Such costs were related to the rationalization of the international sales and customer service structure, announced on October 29, 2002.

Consolidated gross profit was €5.3 million in the fourth quarter 2002, compared to €6.8 million in the same quarter of 2001.

Total operating expenses, including one-time costs previously mentioned, were €3.2 million compared to €5.1 million in the fourth quarter of 2001. Such reduction was also due to the previously announced restructuring plans.

Consolidated operating income increased to €2.1 million in the three months ended December 31, 2002 from €1.7 million in the year-ago period. The R.O.S. (Return on Sales) ratio grew to 5.8% in the fourth period of 2002 from 4.6% in the same quarter of 2001.

Other net expenses were €0.3 million compared to €5.2 million in the year-ago period. The amount recorded in the fourth quarter 2001 included one-time charges in connection with the consolidation plans of the Display Devices and Analytical Technologies Business Areas as well as an impairment charge recorded to write-down a portion of Molecular Analytics, Inc.'s goodwill.

Income taxes were €1.8 million in the three months ended December 31, 2002, compared to income tax benefit equal to €3.5 million in the three months ended December 31, 2001. It is worth pointing out that a valuation allowance against net deferred tax assets has been recorded in the fourth quarter 2002, as it cannot be considered more likely than not that the deferred tax assets will be realized. The income tax benefit recorded in the fourth quarter 2001 was mainly attributable to the deferred tax assets related to non recurring restructuring costs.

Consolidated net income was €0.2 million compared to €0.6 million in the year-ago period. Net income per Ordinary Share and Savings Share was €0.0098 for the fourth quarter of 2002, compared to €0.0249 in the year-ago period.

The Group's **net financial position** increased to €55.3 million as of December 31, 2002, from €50.6 million as of September 30, 2002, thanks to increased cash provided by operating activities.

2002 results

Consolidated net sales in 2002 were €41.2 million, compared to €60.2 million in 2001.

Consolidated net income was €6.5 million in 2002, as compared to €4.1 million in the previous year.

Net income per Ordinary Share and Savings Share was €0.2708 and €0.2864 respectively, compared to €0.593 and €0.6086 for the corresponding period of 2001.

The gross margin was 43.5% of net sales in 2002, compared to 46.6% in 2001.

The R.O.S. ratio in 2002 was 7.1% compared to 10.6% in the year-ago period.

In January 2003 the Group entered into foreign exchange contracts to partially hedge its foreign exchange risk against US dollar and Japanese yen.

Business Performance Outlook

Semiconductor industry recovery represents a necessary condition to exploit the previously announced restructurings. Further actions are ongoing to better control costs and recover profitability. Until geopolitical instability and uncertainties continue to hinder a more sustained economic recovery, we are forced to maintain a cautious stance regarding future forecasts.

The Group economic results for the period will be influenced by the exchange rates of the Euro against the major currencies. However, in January 2003 the Group entered into foreign exchange contracts to partially hedge its foreign exchange risk against US dollar and Japanese Yen.

Lainate, Milan - Italy, February 14, 2003

Saes Getters S.p.A.

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