

REPORT ON GROUP OPERATIONS
IN THE FIRST HALF OF 2002



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CONTENTS

ADMINISTRATIVE BODIES	page	3
REPORT OF THE BOARD OF DIRECTORS ON OPERATIONS	page	4
GROUP		
- Accounting schedules	page	15
- Explanatory notes to the financial statements	page	19
- List of equity investments as at June 30, 2002	page	31
PARENT COMPANY		
- Accounting schedules	page	36
- Explanatory notes to the financial statements	page	42
BOARD OF STATUTORY AUDITORS ' REPORT	page	57
REPORT OF THE INDEPENDENT AUDITORS	page	58

BOARD OF DIRECTORS

Chairman CARLO DE BENEDETTI (1)

Managing Director
and General Manager EMANUELE BOSIO (2)

Directors RODOLFO DE BENEDETTI
OLIVIERO MARIA BREGA (3)
PIERLUIGI FERRERO (3)
GIOVANNI GERMANO
FRANCO GIRARD
ALBERTO PIASER
RENATO RICCI
ANTONIO TESONE

Secretary of the Board MARIAGRAZIA ROCCHIETTA

BOARD OF STATUTORY AUDITORS

President ANGELO GIRELLI

In office FRANCO CARAMANTI
RICCARDO ZINGALES

Substitute PIERO GENNARI
MAURO GIRELLI
LUIGI MACCHIORLATTI VIGNAT

INDEPENDENT AUDITORS

PRICEWATERHOUSECOOPERS S.p.A.

Details on the exercise of powers (Consob Resolution No. 97001574 of February 20, 1997):

- (1) All ordinary and extraordinary powers with single signature, except for those delegated to the Board of Directors by law or the Articles of Association
- (2) All ordinary powers with single signature.
- (3) All ordinary and extraordinary powers with joint signatures, except for those delegated to the Board of Directors by law or the Articles of Association.

REPORT OF THE BOARD OF DIRECTORS ON GROUP OPERATIONS IN THE FIRST HALF OF 2002

This report has been prepared in accordance with Consob resolution 11971 of May 14, 1999 and subsequent amendments, and includes the financial statements, accounting schedules, explanatory notes of the Group and of the Parent Company.

REPORT ON OPERATIONS

The first half of the current year confirmed the ongoing recession in the international automotive market demand; however, during this period, the Group managed to increase its sales and results as anticipated after the consolidation of the FILTRAUTO group.

With respect to the first six months of the previous year, sales revenues increased by 30.4%, EBITDA by 22.7%, net operating income by 25.9% and net income by 30.1%.

While being in a crisis market, it was possible for the SOGEFI Group to achieve these results thanks to the significant presence of its products on vehicles manufactured by companies able to increase their sales volumes (PEUGEOT, FORD, TOYOTA, BMW), a reduction in fixed costs and the benefits of reorganization of the FILTRAUTO Group which is ahead of schedule.

The European auto market saw an overall decline in sales of 4.5% compared with the first half of 2001, with volumes falling fairly drastically in Italy (-13.4%), Spain (-9.2%), Germany (-3.9%) and France (-3.8%).

In the first six months of 2002, the Brazilian market dropped by 9.7% in the number of vehicles produced compared with the same period in 2001, while Argentina's automotive industry more or less came to a standstill.

The industrial vehicle market was also in a phase of contraction and the European independent aftermarket for spare parts confirmed the downward trend in sales volumes.

In this depressed scenario, the SOGEFI Group managed to generate sales revenues of 476 million euro, compared with 364.9 million in the first half of 2001, also because of the consolidation of the FILTRAUTO Group.

Based on the same scope of consolidation, sales would have been 341.1 million (-6.5%). Devaluation of the Brazilian real and of the Argentine peso versus the euro

adversely affected consolidated sales, which at the same exchange rates as in the first half of 2001, would have been better by 13 million euro.

With the consolidation of the FILTRAUTO Group, the filtration division has become the prevalent business once again, as confirmed by the table below:

(in millions of euro)	<i>First half of 2002</i>		<i>First half of 2001</i>		% change <i>1st half 02/1st half 01</i>	<i>Year 2001</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>		<i>Amount</i>
Filters	260.9	54.8	137.3	37.6	90.1	263.0
Suspension components	208.4	43.8	221.5	60.7	(5.9)	404.3
Other	6.7	1.4	6.1	1.7	7.7	11.4
TOTAL	476.0	100.0	364.9	100.0	30.4	678.7

The analysis by market segment sees a decline in sales of original equipment but growth in the independent aftermarket:

(in millions of euro)	<i>First half of 2002</i>		<i>First half of 2001</i>		% change <i>1st half 02/1st half 01</i>	<i>Year 2001</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>		<i>Amount</i>
Original equipment	267.4	56.2	243.6	66.8	9.8	442.4
Independent aftermarket	141.4	29.7	96.1	26.3	47.1	183.9
Original equipment spares	67.2	14.1	25.2	6.9	166.7	52.4
TOTAL	476.0	100.0	364.9	100.0	30.4	678.7

The proportion of domestic sales fell as a result of the new acquisition in the filters sector, while sales in France and other European markets increased, though they declined in other markets:

(in millions of euro)	<i>First half of 2002</i>		<i>First half of 2001</i>		% change <i>1st half 02/1st half 01</i>	<i>Year 2001</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>		<i>Amount</i>
Italy	77.6	16.3	63.0	17.3	23.2	117.1
France	140.1	29.4	76.1	20.9	84.1	139.8
Other European countries	201.9	42.4	163.4	44.7	23.6	308.2
Rest of world	56.4	11.9	62.4	17.1	(9.6)	113.6
TOTAL	476.0	100.0	364.9	100.0	30.4	678.7

The statement of income for the first half of 2002, with comparative figures for the first half of 2001 and for the full year 2001, is shown in the following table.

CONSOLIDATED RECLASSIFIED STATEMENT OF INCOME

(in millions of euro)	<i>1st half 2002</i>		<i>1st half 2001</i>		<i>Year 2001</i>	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
Sales revenues	476.0	100.0	364.9	100.0	678.7	100.0
Cost of goods sold	345.5	72.6	270.2	74.0	504.1	74.3
GROSS MARGIN	130.5	27.4	94.7	26.0	174.6	25.7
Selling, general and administrative expenses	88.6	18.6	61.5	16.9	116.9	17.2
OPERATING INCOME	41.9	8.8	33.2	9.1	57.7	8.5
Financial expenses, net	(7.8)	(1.6)	(7.9)	(2.2)	(15.9)	(2.3)
Net miscellaneous income (expenses)	(0.8)	(0.2)	0.6	0.2	(0.3)	(0.1)
Extraordinary income (expenses), net	0.1	-,-	(0.6)	(0.2)	(9.3)	(1.4)
INCOME BEFORE TAXATION AND MINORITY INTERESTS	33.4	7.0	25.3	6.9	32.2	4.7
Income taxes for the period	16.8	3.5	12.6	3.4	14.7	2.1
NET INCOME INCLUDING MINORITY INTERESTS	16.6	3.5	12.7	3.5	17.5	2.6
Loss (income) attributable to minority interests	(1.0)	(0.2)	(0.7)	(0.2)	(1.4)	(0.2)
GROUP NET INCOME FOR THE PERIOD	15.6	3.3	12.0	3.3	16.1	2.4

The Group's gross margin in the first half of 2002 amounted to 130.5 million euro (27.4% of sales) which compares with 94.7 million euro (26% of sales) in first-half 2001.

The main cost factors as a percentage of net sales: labor cost, raw materials and power did not change significantly.

Consolidated EBITDA during the first half of 2002 came to 68.9 million euro (14.5% of sales), compared with 56.2 million (15.4% of sales) in the same period of 2001.

Net operating income (EBIT) totals 41.9 million euro, whereas in the first six months of the previous year it came to 33.2 million. This was 8.8% of sales compared with 9.1% in the first half of 2001. Higher amortization of goodwill (0.4 million) affected this result.

Income before taxation and minority interests amounted to 33.4 million euro (7% on sales) compared with 25.3 million in the first six months of 2001. The period benefited from a gain of 2.3 million euro, due to the disposal of a building in Italy that is no longer used.

During the half-year the Company continued its policy of hedging exchange risks on South American currencies, the costs of which are included in financial expenses for a total of 0.8 million, down on the 1.3 million incurred in the same period of 2001.

The reorganization carried out during the half year, the cost of which was not provided for in the 2001 financial statements, involved additional expenses for 0.9 million euro (0.8 million in 2001).

Consolidated net income for the first half came to 15.6 million euro, which is 3.3% of net sales. In the first six months of the previous year it amounted to 12 million, with the same percentage of net sales.

Group shareholders' equity (including minority interests) as of June 30, 2002 was 197.9 million euro, versus 224.2 million at June 30, 2001. This decline is principally due to devaluation of the Argentine peso and the Brazilian real.

Changes in the balance sheet are summarized in the next table:

(in millions of euro)	June 30, 2002		December 31, 2001		June 30, 2001	
	Amount	%	Amount	%	Amount	%
Current operating assets	398.2		372.3		309.6	
Current operating liabilities	(235.1)		(217.7)		(167.8)	
Operating capital, net	163.1	34.0	154.6	31.3	141.8	32.4
Equity investments (including treasury stock)	13.8	2.9	16.4	3.3	12.9	2.9
Intangible and tangible fixed assets	388.4	81.0	415.4	84.1	329.0	75.1
INVESTED CAPITAL	565.3	117.9	586.4	118.7	483.7	110.4
Other medium and long-term liabilities	(85.9)	(17.9)	(92.3)	(18.7)	(45.7)	(10.4)
INVESTED CAPITAL, NET	479.4	100.0	494.1	100.0	438.0	100.0
Net financial indebtedness	281.5	58.8	274.5	55.6	213.8	48.8
Minority interests in shareholders' equity	11.7	2.4	10.3	2.1	10.2	2.3
Group share of consolidated shareholders' equity	186.2	38.8	209.3	42.3	214.0	48.9
TOTAL	479.4	100.0	494.1	100.0	438.0	100.0

As mentioned previously, the SOGEFI Group's net financial indebtedness increased with respect to June 30, 2001 because of the need to finance the acquisition of the FILTRAUTO Group; consolidation of its debt also contributed to the increase. At June 30, 2002 indebtedness amounted to 281.5 million euro compared with 213.8 million at June 30, 2001 and 274.5 million at December 31, 2001.

The following table summarizes the consolidated statements of cash flow.

(in millions of euro)	<i>First half 2002</i>	<i>Year 2001</i>	<i>First half 2001</i>
Self financing	41.2	67.4	36.1
Changes in net working capital	(7.4)	9.1	(17.7)
Cash flow from operations	33.8	76.5	18.4
Parent Company share capital increases	-	2.3	2.3
Dividends paid	(14.0)	(13.8)	(13.2)
Additions to intangible fixed assets	(3.7)	(5.5)	(2.7)
Additions to tangible fixed assets	(15.8)	(44.6)	(17.6)
Acquisitions of equity investments	(0.1)	(33.7)	(2.4)
Net financial position of newly-acquired companies	(4.6)	(68.0)	(10.6)
Other changes, net	(2.6)	2.5	2.2
Change in net financial position	(7.0)	(84.3)	(23.6)
Net financial position, beginning of period	(274.5)	(190.2)	(190.2)
Net financial position, end of period	(281.5)	(274.5)	(213.8)

The net financial position as at June 30, 2002 shows a growth in medium/long term debt compared with June 30, 2001:

(in millions of euro)	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
Cash, banks, financial receivables and marketable securities	51.0	71.2	36.6
Medium/long term investments	--	0.2	0.3
Short term borrowings (*)	(76.0)	(87.0)	(69.9)
Medium/long term debt	(256.5)	(258.9)	(180.8)
NET FINANCIAL INDEBTEDNESS	(281.5)	(274.5)	(213.8)

(*) including current portion of medium and long-term financial debt

At June 30, 2002 the Group had 7,250 employees, an increase on the figure of 5,237 at June 30, 2001 due to consolidation of the FILTRAUTO Group, but down on the figure of 7,283 at the end of 2001.

PERFORMANCE OF THE PARENT COMPANY SOGEFI S.p.A.

Sogefi S.p.A., the Parent Company, had a first-half net income of 14.9 million euro, compared with net income in first-half 2001 of 15.4 million.

A summarized version of the reclassified statement of income for the period, with comparative figures for the first half of 2001 and for the full year 2001, is shown in the following table:

(in millions of euro)	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
Financial income and expenses	15.5	16.9	18.6
Adjustments to the value of financial assets	(0.3)	-	(2.7)
Other operating income	4.8	2.6	5.1
Operating costs	(4.5)	(4.1)	(7.4)
INCOME BEFORE EXTRAORDINARY ITEMS	15.5	15.4	13.6
Extraordinary expenses	(0.6)	-	(3.7)
INCOME BEFORE TAXATION	14.9	15.4	9.9
Income taxes for the period	-	-	-
NET INCOME	14.9	15.4	9.9

Comparison between first half 2002 and first half 2001 shows a decrease in dividends from subsidiaries (16.6 million euro in 2002 versus 17.3 million in 2001) and the related tax credit, as well as a slight increase in fixed costs. A gain of 2.3 million was booked in the first half of 2002 following the sale of a building in Castelbelforte (Mantua) in January 2002.

The shareholders' equity of the Company as of June 30, 2002 amounted to 155.7 million euro versus 159.6 million at the end of June 2001. The following table shows the reclassified balance sheet of Sogefi S.p.A. as of June 30, 2002:

(in millions of euro)	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
Current assets	6.4	5.6	6.0
Current liabilities	(3.4)	(3.3)	(3.0)
Net working capital	3.0	2.3	3.0
Equity investments (including treasury stock)	221.0	221.3	192.7
Other fixed assets	10.6	11.2	11.1
INVESTED CAPITAL	234.6	234.8	206.8
Other medium and long-term liabilities	(2.8)	(5.9)	(2.3)
INVESTED CAPITAL, NET	231.8	228.9	204.5
Net financial indebtedness	(76.1)	(74.8)	(44.9)
SHAREHOLDERS' EQUITY	155.7	154.1	159.6

The net financial position of SOGEFI S.p.A. as of June 30, 2002 shows an indebtedness of 76.1 million euro compared with 44.9 million at the end of June last year, due to the outlays for the acquisition of FILTRAUTO, as analyzed in the table below:

(in millions of euro)	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
Cash, banks and short-term financial receivables from others	-	15.7	6.9
Short/medium-term financial receivables from subsidiaries	84.3	69.5	28.2
Short term borrowings	(0.4)	-	-
Medium/long term debt	(160.0)	(160.0)	(80.0)
Net financial position	(76.1)	(74.8)	(44.9)

At the end of the period the Parent Company employed 24 people.

PERFORMANCE OF THE FILTRATION DIVISION

The filtration division brings together the activities of the following three business units: SOGEFI FILTRATION EUROPE, SOGEFI FILTRATION SOUTH AMERICA and FILTRAUTO.

Total sales came to 260.9 million euro, though without FILTRAUTO' s contribution they would have come to 127.6 million. Compared with sales in the first half 2001, which amounted to 137.3 million, there has been growth of 90.1% (but a decline of 7% based on the same scope of consolidation). Devaluation of the South American currencies significantly affected consolidated sales, which based on the same exchange rates as in the first half of 2001, would have amounted to 270.1 million.

The newly acquired FILTRAUTO achieved sales of 133.4 million, while SOGEFI FILTRATION EUROPE made 97.8 million, a decline compared with 100.1 million in the same period of the previous year, and SOGEFI FILTRATION SOUTH AMERICA had a consolidated turnover of 30.4 million euro (37.6 million in the first half of 2001) with a contraction in sales of 13.1% in Argentina due to the economic and financial crisis. The division's results were positive, with an EBITDA of 37.2 million euro (14.3% of sales) which compares with 22.7 million (16.5% of sales) in the first six months of 2001, when FILTRAUTO was not consolidated. EBIT totaled 25.5 million (9.8% of sales) compared with 15.3 million (11.2% of sales) in the first half of 2001.

FILTRAUTO improved its operating profitability, achieving net income of 10.8 million euro (8.1% of sales). In the whole of 2001, a pro-forma net operating income of 11 million (4.1% of sales) was achieved.

The SOGEFI FILTRATION EUROPE Group achieved an operating income of 10.9 million (11.2% of sales) compared with 11.7 million in the first half of 2001 (11.7% of sales).

SOGEFI FILTRATION SOUTH AMERICA, while penalized by the Argentine crisis and devaluation of the local currencies, produced a net operating income of 3.7

million euro, versus 3.6 million in the same period of 2001. As a percentage of sales, it has gone from 9.6% in 2001 to 12.2% in the period under review.

In April the FILTRAUTO Group's three businesses operating in Argentina were closed. The expenses for this reorganization had already been provided for in the 2001 financial statements.

As at June 30, 2002 the filtration division had 4,454 employees compared with 2,382 at June 30, 2001 and 4,467 at December 31, 2001.

PERFORMANCE OF THE SUSPENSION COMPONENTS DIVISION

This division brings together the activities of the subsidiaries ALLEVARD REJNA AUTOSUSPENSIONS (autos) and SIDERGARDA MOLLIFICIO BRESCIANO, LPDN, NAM (industrial vehicles).

The division was inevitably affected by the negative market trend and produced sales for 208.4 million euro, down 5.9% compared with 221.5 million in the first half of 2001.

The ALLEVARD REJNA AUTOSUSPENSIONS GROUP suffered a decline in sales of 4.6% to 161.7 million (169.5 million in the first half of 2001) and companies operating in the industrial vehicle sector saw a deterioration of 9.8%, resulting in consolidated sales of 47.4 million (52.5 million in the first half of 2001).

The EBITDA of the suspension components division has not changed with respect to the first half of last year at 32.5 million euro (15.6% of sales) versus 34.2 million in first half 2001 (15.4% of sales).

The division's net operating income (EBIT) amounted to 19.9 million euro, 9.5% of sales. It was 20.7 million in the first half of the previous year (9.4% of sales).

ALLEVARD REJNA AUTOSUSPENSIONS substantially confirmed the net operating income of the first half 2001, with 17.4 million euro (17.8 million in the first half 2001), but improved its percentage of sales which passed from 10.5% to 10.8%.

The companies in the industrial vehicles sector saw their operating profitability decline, coming in at 2 million euro (4.2% of sales) compared with 3 million (5.6% of sales) due to the reduction in turnover.

In June the new Brazilian factory at Moji Mirim (San Paolo) was inaugurated. Production of shock absorber springs has now commenced, in addition to the existing stabilizer bar business.

The NAM factory in Belgium was closed during the first half as it was unable to achieve adequate production volumes to ensure breakeven following the cutbacks in the industrial vehicle market. The UNITED SPRINGS Ltd production facilities at Dudley in Great Britain which made precision springs were also closed down during the period.

These two operations form part of the Group's reorganization plan, the costs of which had already been provided in the 2001 financial statements.

The suspension components division employed 2,717 people at June 30, 2002 compared with 2,738 as of December 31, 2001 and 2,771 at June 30, 2001.

PERFORMANCE OF THE ACOUSTIC WARNING DEVICES DIVISION

FIAMM-SOGEFI BUZINAS, 50% held and operating in the Brazilian market, saw a reduction in sales during the first half (1.1 million euro) compared with the first half 2001 (1.3 million), resulting in lower operating income of 2,000 euro, versus 47,000 euro in the first half of the previous year.

PERFORMANCE OF THE SILENCERS DIVISION

ANSA AUTOMOTIVE PARTS DISTRIBUTORS increased sales (4.6 million euro) in the first half year as well as its operating income (0.5 million) compared with the first half 2001, when sales amounted to 4.2 million and operating income 0.3 million.

PERFORMANCE OF THE RACING PRODUCTS DIVISION

KINGDRAGON.IT did not achieve breakeven during the period, while increasing sales to 1.1 million euro, compared with 0.9 million in the first half of 2001. Its operating result was a loss of 130,000 euro, compared with a loss of 50,000 euro in the first half of 2001.

INVESTMENTS AND RESEARCH AND DEVELOPMENT

During the course of half-year the Group carried out new investments for 19.5 million euro versus 20.3 million in the corresponding period of 2001. In addition to the new Brazilian factory, the more important investments included a new production line for torsion bars at Coustines (France) and a dust-free department at Vire (France).

R&D expenses for the development of new products and processes came to 9.3 million euro, a significant rise versus 5 million in the first half of the previous year, when FILTRAUTO was not consolidated.

RELATED PARTY TRANSACTIONS

The following information on related-party transactions as defined in IAS 24 complies with Consob Recommendations Nos. 97001574 of February 20, 1997 and 98015375 of February 27, 1998.

No atypical or unusual transactions of the types mentioned in the relevant Consob Communications arose during the period.

Transactions with related parties are carried out at arm's-length conditions, taking into account the quality and specific nature of the services rendered.

The most important transactions that took place between Group companies in the period are analyzed in the explanatory notes.

Sogefi S.p.A. uses the services of its parent company, CIR S.p.A., in the fields of strategic development, disposals and acquisitions, administration, finance, tax and corporate matters.

Sogefi S.p.A. is interested in having these services as CIR S.p.A. is able to provide them more efficiently than others thanks to its knowledge and experience of the Company's set-up, its business and reference market.

The cost of these services is in proportion to their actual value for Sogefi, in terms of the time dedicated and the specific economic advantages deriving from them. This relationship is regulated by contract at arm's-length conditions.

TREASURY STOCK

In the first half of 2002, the Company did not carry out any further transactions in treasury stock. Therefore, at June 30, 2002, the Company held 1,625,000 of its own shares (1.49% of its share capital), at an average price of 2.237 euro per share.

SUBSEQUENT EVENTS AND OUTLOOK FOR THE REST OF THE YEAR

No significant events took place after June 30, 2002.

There is unlikely to be any improvement in demand on European markets during the second half of 2002, while the Brazilian market is likely to see a slowdown, due to uncertainties as to how the political situation will evolve. It may therefore be difficult for the principal subsidiaries to maintain the same levels of profitability reached in the first half, except for the FILTRAUTO Group which could reap further benefits from the reorganization and cost cutting measures during the rest of the year.

Milan, July 25, 2002

THE BOARD OF DIRECTORS

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

(in thousands of euro)

ASSETS	<i>June 30, 2002</i>		<i>December 31, 2001</i>		<i>June 30, 2001</i>	
A) DUE FROM SHAREHOLDERS FOR CAPITAL NOT PAID IN	-		-		-	
B) FIXED ASSETS	(*)		(*)		(*)	
I. Intangible fixed assets	122,694		128,605		100,929	
II. Tangible fixed assets	257,729		275,787		224,717	
III. Financial fixed assets	(***)	785 16,889	245	19,406	211	15,152
TOTAL FIXED ASSETS	397,312		423,798		340,798	
C) CURRENT ASSETS	(**)		(**)		(**)	
I. Inventories	119,167		118,566		98,685	
II. Receivables	5,613	279,501	8,428	259,017	1,609	209,285
III. Financial assets not representing fixed assets	10,178		19,433		13,829	
IV. Cash at bank and on hand	40,079		51,613		22,677	
TOTAL CURRENT ASSETS	448,925		448,629		344,476	
D) ACCRUED INCOME AND PREPAID EXPENSES	5,147		3,160		3,195	
TOTAL ASSETS	851,384		875,587		688,469	

(*) amounts due within one year

(**) amounts due beyond one year

(***) including 1,625,000 treasury stock with a total par value of 845 thousand euro

LIABILITIES AND SHAREHOLDERS' EQUITY	<i>June 30, 2002</i>		<i>December 31, 2001</i>		<i>June 30, 2001</i>	
A) SHAREHOLDERS' EQUITY						
I. Share capital		56,574		56,574		56,527
II. Share premium reserve		24,213		19,963		19,824
III. Revaluation reserves		1,547		1,547		1,547
IV. Legal reserve		11,315		11,247		11,247
V. Reserve for treasury stock		3,635		3,635		3,385
VI. Statutory reserves		-		-		-
VII. Other reserves		73,321		100,296		109,488
VIII. Retained earnings		-		-		-
IX. Group income for the period		15,615		16,076		12,003
GROUP SHARE OF CONSOLIDATED SHAREHOLDERS' EQUITY		186,220		209,338		214,021
MINORITY INTERESTS		11,696		10,274		10,200
TOTAL GROUP AND MINORITY SHAREHOLDERS' EQUITY		197,916		219,612		224,221
B) ALLOWANCES FOR RISKS AND CHARGES						
1) Pension and similar commitments		13,263		12,606		6,596
2) Taxation		2,741		1,199		6,829
3) Other		47,378		54,600		15,429
TOTAL ALLOWANCES FOR RISKS AND CHARGES		63,382		68,405		28,854
C) ALLOWANCE FOR EMPLOYMENT TERMINATION INDEMNITIES		21,656		22,496		16,864
D) PAYABLES		(*)		(*)		(*)
1) Bonds	150,000	150,000	150,000	150,000	150,000	150,000
2) Convertible bonds		-		-		-
3) Banks	97,715	172,893	99,428	185,622	24,090	92,623
4) Other providers of finance	8,751	9,327	9,548	10,360	6,780	8,142
5) Advances		728		1,090		264
6) Suppliers	46	159,569	204	149,659		105,295
7) Notes payable		8,262		8,763		4,789
8) Subsidiaries		230		87		71
9) Associated companies		490		509		-
10) Parent companies		780		-		749
11) Tax authorities	722	15,736	1,229	14,065		15,970
12) Social security institutions		13,311		12,850		8,184
13) Other	95	31,765		27,925		27,756
TOTAL PAYABLES		563,091		560,930		413,843
E) ACCRUED EXPENSES AND DEFERRED INCOME		5,339		4,144		4,687
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		851,384		875,587		688,469

MEMORANDUM ACCOUNTS	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
- Unsecured guarantees given	14,490	22,171	22,245
- Secured guarantees given	15,508	16,215	17,290
- Commitments	44,760	72,521	15,462
- Contingencies	5,712	7,517	5,771
TOTAL MEMORANDUM ACCOUNTS	80,470	118,424	60,768

(*) amounts due beyond one year

CONSOLIDATED STATEMENT OF INCOME

(in thousands of euro)

	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
A) VALUE OF PRODUCTION			
1) Revenues from the sale of goods and services	476,010	364,945	678,706
2) Change in inventories of work in progress, semi-finished goods and finished products	766	3,030	48
3) Change in contract work in progress	538	428	735
4) Additions to fixed assets by internal production	3,421	2,349	4,876
5) Other revenues and income	4,833	3,421	7,671
TOTAL VALUE OF PRODUCTION	485,568	374,173	692,036
B) PRODUCTION COSTS			
6) Raw, ancillary and consumable materials and goods for resale	209,848	159,501	288,154
7) Services received	75,752	59,598	113,916
8) Leases and rentals	4,990	3,036	6,109
9) Personnel	123,199	91,987	172,609
10) Depreciation, amortization and writedowns	30,323	23,584	43,463
11) Change in inventories of raw, ancillary and consumable materials and goods for resale	(4,751)	(842)	1,358
12) Provisions for risks and charges	678	158	1,075
13) Other provisions	884	57	762
14) Other operating costs	3,552	3,202	7,124
TOTAL PRODUCTION COSTS	444,475	340,281	634,570
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A-B)	41,093	33,892	57,466
C) FINANCIAL INCOME AND EXPENSES			
15) Income from equity investments	389	114	199
16) Other financial income	2,103	2,143	4,483
17) Interest and other financial charges	10,272	10,278	20,837
TOTAL FINANCIAL INCOME AND EXPENSES	(7,780)	(8,021)	(16,155)
D) ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS			
18) Revaluations	23	61	283
19) Writedowns	-	13	60
TOTAL ADJUSTMENTS	23	48	223
E) EXTRAORDINARY INCOME AND EXPENSES			
20) Income	1,371	156	1,085
21) Expenses	1,274	820	10,403
TOTAL EXTRAORDINARY ITEMS	97	(664)	(9,318)
INCOME BEFORE GROUP'S SHARE OF TAXES	33,433	25,255	32,216
22) Income taxes for the period	16,865	12,513	14,742
INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	16,568	12,742	17,474
Loss (income) attributable to minority interests	(953)	(739)	(1,398)
GROUP NET INCOME FOR THE PERIOD	15,615	12,003	16,076

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FORM AND CONTENT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Sogefi Group have been prepared using the balance sheet and statement of income formats laid down by Decree 127 of April 9, 1991. They are presented in summarized form, as permitted by Art. 81.4 of CONSOB Resolution no. 11971 dated May 14, 1999, and subsequent amendments.

The consolidated financial statements (prepared on a line-by-line basis) include the financial statements of the parent company, Sogefi S.p.A., and all the Italian and foreign companies in which, directly or indirectly, it holds the majority of voting rights.

Fiamm-Sogefi Buzinas Ltda., a jointly-owned subsidiary, has been consolidated using the proportional method.

The companies included in the consolidation as of June 30, 2002 are listed in an attachment.

CONSOLIDATION PRINCIPLES AND ACCOUNTING POLICIES

The consolidation principles and accounting policies used to prepare the interim financial statements as of June 30, 2002 comply with Legislative Decree 127/91 and with Art. 2426 of the Civil Code. They are consistent with those adopted as of December 31, 2001.

Please note that:

- Assets and liabilities originally denominated in foreign currencies have been translated using year-end exchange rates, taking account of any transactions that hedged exchange risk.
- Commitments involving the forward exchange of currencies (or the settlement of differentials) are reported in the memorandum accounts.

The following exchange rates were applied:

	<i>1st half 2002</i>		<i>1st half 2001</i>	
	<i>Average</i>	<i>30.6</i>	<i>Average</i>	<i>30.6</i>
US dollar	1.1148	1.0025	1.1146	1.1792
Pound sterling	1.6090	1.5389	1.6039	1.6581
Swedish krona	0.1092	0.1099	0.1103	0.1085
Brazilian real	0.4585	0.3511	0.5195	0.5134
Argentine peso	0.4706	0.2645	1.1146	1.1792
Chinese Renminbi	0.1345	0.1211	-	-
Slovenian taller	0.0045	0.0044	-	-

COMMENTS ON THE MAIN ASSET CAPTIONS

B) FIXED ASSETS

Intangible fixed assets

As of June 30, 2002 intangible assets totaled 122,694 thousand euro, compared with 128,605 thousand at the end of the previous period. They are analyzed as follows:

(in thousands of euro)	Gross values			
	Balance as of 12/31/01 <i>(a)</i>	Purchases <i>(b)</i>	Other changes (Note 1) <i>(c)</i>	Balance as of 06/30/02 <i>(d=a+b+c)</i>
Incorporation and expansion costs	5,817	542	(12)	6,347
Research, development and advertising expenses	13,156	2,587	(2,553)	13,190
Industrial patents and intellectual property rights	9,473	151	(810)	8,814
Concessions, licenses, trademarks and similar rights	3,497	78	692	4,267
Goodwill	12,224	--	(1,420)	10,804
Intangibles under construction and payments on account	3,428	189	(1,015)	2,602
Other	5,578	143	761	6,482
Differences arising on consolidation	120,915	51	(1,991)	118,975
TOTAL	174,088	3,741	(6,348)	171,481

(in thousands of euro)	Accumulated amortization				Net values
	Balance as of 12/31/01 <i>(e)</i>	Amortization for the period <i>(f)</i>	Other changes (Note 1) <i>(g)</i>	Balance as of 06/30/02 <i>(h=e+f+g)</i>	Balance as of 06/30/02 <i>(I=d-h)</i>
Incorporation and expansion costs	4,529	379	217	5,125	1,222
Research, development and advertising expenses	6,885	1,488	(1,839)	6,534	6,656
Industrial patents and intellectual property rights	4,423	950	(343)	5,030	3,784
Concessions, licenses, trademarks and similar rights	3,015	214	(13)	3,216	1,051
Goodwill	5,955	297	(592)	5,660	5,144
Intangibles under construction and payments on account	--	--	--	--	2,602
Other	3,548	481	174	4,203	2,279
Differences arising on consolidation	17,128	2,884	(993)	19,019	99,956
TOTAL	45,483	6,693	(3,389)	48,787	122,694

Note (1): includes reductions for intangible fixed assets that are fully amortized, changes in the scope of consolidation, translation differences arising on financial statements denominated in foreign currencies, reclassifications and writedowns.

During the period writedowns of 1,898 thousand euro were made.

The principal additions are due to costs incurred for:

- "Incorporation and expansion costs" which refer primarily to the increase in production capacity of the suspension components division thanks to the new Brazilian factory at Moji Mirim;
- "Research, development and advertising expenses" for the development of new products;

The column "Other changes" includes the values related to the change in the consolidation method of Shanghai Alleward Springs Co. Ltd, now fully consolidated, for a total of 1,297 thousand euro.

Tangible fixed assets

As of June 30, 2002 intangible assets totaled 257,729 thousand euro, compared with 275,787 thousand at the end of the previous period. They are analyzed as follows:

(in thousands of euro)	Gross values				
	Balance as of 12/31/01	Purchases	Disposals	Other changes (Note 1)	Balance as of 06/30/02
	(a)	(b)	(c)	(d)	(e=a+b+c+d)
Land and buildings	142,767	269	(515)	(7,859)	134,662
Plant and machinery	386,707	3,371	(464)	(6,884)	382,730
Industrial and commercial equipment	98,450	3,815	(220)	(1,322)	100,723
Other assets	29,575	579	(43)	(3,374)	26,737
Tangibles under construction and payments on account	25,897	7,744	--	(7,547)	26,094
TOTAL	683,396	15,778	(1,242)	(26,986)	670,946

(in thousands of euro)	Accumulated depreciation					Net values
	Balance as of 12/31/01	Depreciation for the period	Utilizations in the period	Other changes (Note 1)	Balance as of 06/30/02	Balance as of 06/30/02
	(f)	(g)	(h)	(i)	(j=f+g+h+i)	(l=e-j)
Land and buildings	51,520	2,305	(238)	(1,497)	52,090	82,572
Plant and machinery	254,345	13,975	(474)	(8,642)	259,204	123,526
Industrial and commercial equipment	78,858	3,063	(163)	(1,696)	80,062	20,661
Other assets	22,886	1,056	(39)	(2,042)	21,861	4,876
Tangibles under construction and payments on account	--	--	--	--	--	26,094
TOTAL	407,609	20,399	(914)	(13,877)	413,217	257,729

Note (1): including changes in the scope of consolidation, translation differences on financial statements denominated in foreign currencies, reclassifications and writedowns.

The column "Other changes" includes the values related to the change in the scope of consolidation (Shanghai Alleward Springs) for a total amount of 5,279 thousand euro.

Purchases of the period total 15,778 thousand euro. The most important investments include the new line for torsion bars at Coustines (France) and the dust-free department in Vire (France), in addition to completion of the factory at Moji Mirim (San Paolo, Brazil).

During the first half of 2001 capital investment totaled 17,574 thousand euro.

The gross value of tangible fixed assets as of June 30, 2002 includes revaluations carried out in accordance with specific laws. Such revaluations detailed below:

(in thousands of euro)	
Land and buildings	3,203
Plant and machinery	68
Industrial and commercial equipment	--
Other assets	--
TOTAL	3,271

Tangible fixed assets as of June 30, 2002 were encumbered by mortgages and liens totaling 15,016 thousand euro to guarantee loans from financial institutions.

During the period writedowns of 410 thousand euro were made for permanent losses in the value of tangible assets.

Financial fixed assets

As of June 30, 2002 these totaled 16,889 thousand euro, compared with 19,406 thousand euro as of December 31, 2001. They are analyzed as follows:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
Equity investments	10,145	12,806	9,527
Due from subsidiaries	218	--	--
Due from associated companies	445	133	133
Due from others	2,441	2,601	1,831
Other securities	5	231	276
Treasury stock	3,635	3,635	3,385
TOTAL	16,889	19,406	15,152

Equity investments in non-consolidated subsidiary companies are recorded using the equity method, considering that no significant effect would have come from their consolidation.

Equity investments in associated and other companies were valued at equity, purchase or subscription cost and written down for any permanent losses; the original value is written back in future years, if the reasons of the writedown no longer apply; using the equity method would not have resulted in a significantly different valuation.

The increase with respect to the same period of the prior year is mainly due to the change in the scope of consolidation (Filtrauto Group), net of the effect of the change in the consolidation method applied to Shanghai Allevard Springs, which is now fully consolidated (2,385 thousand euro).

C) CURRENT ASSETS

Inventories

Inventories are analyzed below:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
Raw materials, ancillary materials and consumables	35,709	35,085	30,595
Work in progress and semi-finished products	14,329	14,295	14,408
Contract work in progress	1,350	1,312	1,117
Finished goods and goods for resale	66,503	66,193	52,257
Advances	1,276	1,681	308
TOTAL	119,167	118,566	98,685

Inventories increased between June 2001 and June 2002 as a result of including Shanghai Allevard Springs and the Filtrauto Group in the scope of consolidation.

Receivables

Current receivables are analyzed as follows:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
Trade receivables	254,369	229,554	191,536
Due from subsidiaries	5,006	4,648	258
Due from associated companies	-	355	-
Due from parent companies	-	-	-
Due from others	20,126	24,460	17,491
TOTAL	279,501	259,017	209,285

The increase in trade receivables compared with June 2001 and June 2002 reflects the change in the scope of consolidation.

Amounts "due from others" consist mainly of credits due from tax authorities.

Financial assets not held as fixed assets

These are analyzed below:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
Other securities	9,990	6,434	7,632
Due from financial institutions and others	188	12,999	6,197
TOTAL	10,178	19,433	13,829

The increase in "other securities" with respect to the same period and to the end of last year derives mainly from the purchase of mutual fund units (in ISSA) to optimize short term liquidity. The amounts due from financial institutions and others relate primarily to repurchase agreements. The decrease with respect to the same

period and the end of last year is explained by a different utilization of liquid funds by the parent company.

Cash at bank and on hand

This caption is analyzed as follows:

(in thousands of euro)	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
Bank and post office deposits	39,046	50,818	22,150
Checks	913	539	261
Cash and valuables on hand	120	256	266
TOTAL	40,079	51,613	22,677

The increase in liquidity with respect to June 30, 2001 is mainly due to the change in the scope of consolidation (Shanghai Allevard Springs and Filtrauto Group). Bank deposits included 9,099 thousand euro in term deposits to benefit from improved market conditions.

COMMENTS ON THE MAIN LIABILITY CAPTIONS

A) GROUP SHARE OF CONSOLIDATED EQUITY

As of June 30, 2002 this amounted to 186,220 thousand euro, a decrease of 23,118 thousand euro since December 31, 2001.

The principal changes during the period included the payment of dividends by the parent company, 13,289 thousand euro, the results for the period and the effect of translating foreign currency financial statements into Euro (the negative effect deriving above all from the devaluation of the Argentine peso and the Brazilian real).

Movements are detailed below:

(in thousands of euro)	Share capital	Share premium reserve	Revaluation reserves	Legal reserve	Reserve for treasury stock	Other reserves	Group income for the period	Total
Balance as of December 31, 2001	56,574	19,963	1,547	11,247	3,635	100,296	16,076	209,338
Allocation of 2001 net income								
Dividends	-	-	-	-	-	-	(13,289)	(13,289)
Retained earnings	-	-	-	68	-	2,719	(2,787)	-
Transfer of reserves as per Ordinary Shareholders' Meeting resolution of April 18, 2002	-	4,250	-	-	-	(4,250)	-	-
Effect of translating foreign currency financial statements	-	-	-	-	-	(25,444)	-	(25,444)
Income for the period	-	-	-	-	-	-	15,615	15,615
Balance as of June 30, 2002	56,574	24,213	1,547	11,315	3,635	73,321	15,615	186,220

B) ALLOWANCES FOR RISKS AND CHARGES

As of June 30, 2002 "Other" allowances amounted to 47,348 thousand euro (54,600 thousand euro as of December 31, 2001). The decrease is mainly due to the utilization of reserves, mainly those set aside for the reorganization.

Please read the note in the financial statements of the Parent Company as regards the dispute that arose in 1993 relating to the fiscal treatment of a beneficial interest deal in 1990 with a non-resident company.

D) PAYABLES

As of June 30, 2002 payables amounted to 563,091 thousand euro, all of which were due within five years, exception where indicated in relation to amounts due to banks and other providers of finance.

Bonds

The total of 150 million euro represents a bond arranged by The Chase Manhattan Bank and issued by Sogefi International B.V. in December 1998 for 70 million euro. It is repayable in December 2003 and bears interest at a rate linked to quarterly Euribor plus around 60 basis points. The above total also includes a bond arranged by Caboto Holding SIM and Deutsche Bank and issued by Sogefi S.p.A. in December 2000 (repayable in December 2005) for 80 million euro which bears interest at a rate linked to quarterly Euribor-indexed rate uplifted by about 90 basis points. Considering the issue and re-offer price of 99.566, the yield to investors is of Euribor + 100 basis points.

Banks

These are analyzed as follows:

(in thousands of Euro)	June 30, 2002	December 31, 2001	June 30, 2001
Current account overdrafts	40,449	52,931	38,372
Secured loans:			
due within 12 months	925	1,022	1,176
due between one and five years	3,041	3,224	3,432
due beyond five years	2,632	2,930	3,221
Other loans:			
due within 12 months	33,804	32,241	28,985
due between one and five years	92,042	93,274	17,437
due beyond five years	--	--	--
TOTAL	172,893	185,622	92,623

Interest is mainly at floating rates.

Other providers of finance

These are analyzed as follows:

(in thousands of Euro)	June 30, 2002	December 31, 2001	June 30, 2001
due within 12 months	576	812	1,362
due between one and five years	5,829	6,354	3,346
due beyond five years	2,922	3,194	3,434
TOTAL	9,327	10,360	8,142

Suppliers

These amounted to 159,569 thousand euro compared with 105,295 thousand as of June 30, 2001; this slight increase over the same period of last year is also due to the change in the scope of consolidation (Shanghai Allevard Springs and Filtrauto Group).

COMMENTS ON THE MEMORANDUM ACCOUNTS

The memorandum accounts are detailed in the following table:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
PERSONAL GUARANTEES GIVEN			
a) Sureties in favor of:			
- subsidiaries	250	7,318	7,083
- associated companies	2,828	3,213	3,169
- third parties	1,697	1,925	2,278
c) Other personal guarantees in favor of third parties	9,715	9,715	9,715
TOTAL PERSONAL GUARANTEES GIVEN	14,490	22,171	22,245
SECURED GUARANTEES GIVEN			
b) Against liabilities shown in the balance sheet	15,508	16,215	17,290
TOTAL SECURED GUARANTEES GIVEN	15,508	16,215	17,290
COMMITMENTS			
- for the purchase of goods	1,446	920	3,773
- for the purchase of equity investments	--	--	--
- for the purchase of currency	726	475	--
- for the sale of goods	37,575	52,428	392
- for the sale of securities under repurchase agreements	--	13,025	6,209
- for the sale of currency	5,013	5,673	5,088
TOTAL COMMITMENTS	44,760	72,521	15,462
CONTINGENCIES	5,712	7,517	5,771
TOTAL MEMORANDUM ACCOUNTS	80,470	118,424	60,768

These accounts indicate risks, commitments and guarantees provided by Group companies to third parties and to Group companies not consolidated on a line-by-line basis.

"Other personal guarantees in favor of third parties" essentially reflect the commitment of LPDN GmbH to the employee pension funds of the two acquired business segments. This commitment is covered by the contractual obligations of the seller.

INFORMATION ON THE STATEMENT OF INCOME

The statement of income have been affected by the change in the scope of consolidation.

A) VALUE OF PRODUCTION

Revenues from the sale of goods and services

Revenues from the sale of goods and services are analyzed as follows:

By business sector:

(in thousands of euro)	<i>1st half 2002</i>		<i>1st half 2001</i>		<i>Year 2001</i>	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
Filters	260,932	54.8	137,289	37.6	262,973	38.7
Suspension components	208,436	43.8	221,491	60.7	404,319	59.6
Other	6,642	1.4	6,165	1.7	11,414	1.7
TOTAL	476,010	100.0	364,945	100.0	678,706	100.0

By geographical area:

(in thousands of euro)	<i>1st half 2002</i>		<i>1st half 2001</i>		<i>Year 2001</i>	
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>
Italy	77,605	16.3	63,015	17.3	117,134	17.3
France	140,153	29.4	76,145	20.9	139,831	20.6
Other European countries	201,886	42.4	163,331	44.7	308,146	45.4
Rest of world	56,366	11.9	62,454	17.1	113,595	16.7
TOTAL	476,010	100.0	364,945	100.0	678,706	100.0

Based on the same scope of consolidation (i.e. excluding Shanghai Allevar Springs and Filtrauto Group) and exchange rates, Group revenues would have amounted to 354,125 thousand euro.

B) PRODUCTION COSTS

Personnel

Personnel costs are analyzed as follows:

(in thousands of euro)	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
Wages and salaries	91,830	67,801	127,229
Social security payments	25,682	18,851	34,947
Termination indemnities	1,720	1,327	2,455
Retirement benefits and similar	2,369	1,882	4,114
Other	1,598	2,126	3,864
TOTAL	123,199	91,987	172,609

Based on the same scope of consolidation, personnel costs would have amounted to 88,542 thousand euro.

Average employment is shown below by grade:

(Number of employees)	1st half 2002	1st half 2001	Year 2001
Managers	112	83	84
Clerical staff	1,745	1,133	1,130
Blue collar workers	5,405	3,978	3,968
TOTAL	7,262	5,194	5,182

C) FINANCIAL INCOME AND EXPENSES

Other financial income

These are analyzed as follows:

(in thousands of euro)	1st half 2002	1st half 2001	Year 2001
Income from receivables held as fixed assets	8	9	24
Income from securities held as fixed assets not representing equity investments	8	146	15
Income from securities held as current assets not representing equity investments	153	80	441
Income other than the above:			
Interest and commissions from subsidiaries and associated companies	1	8	11
Financial income from repurchase agreements	40	67	160
Bank interest	261	266	921
Income from interest-rate hedging contracts	48	--	18
Exchange gains and income from exchange-rate hedging contracts	1,411	976	1,719
Other interest and commissions	173	591	1,174
TOTAL	2,103	2,143	4,483

"Other financial income" amounted to 2,103 thousand euro compared with 2,143 thousand in the first half of 2001. "Exchange gains and income from exchange-rate hedging contracts" consists mainly of income from exchange-rate hedging contracts regarding the Brazilian real. They increase in comparison with the first half of 2001. Losses from such arrangements are recorded as "exchange losses and cost of hedging exchange risks".

Interest and other financial charges

These are analyzed as follows:

(in thousands of euro)	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
Interest on non-convertible bonds	3,146	4,237	7,949
Interest on bank overdrafts	1,132	1,487	2,958
Interest on bank loans	3,190	1,775	3,885
Interest on loans from third parties	21	28	36
Costs of interest-rate hedging contracts	415	--	172
Exchange losses and cost of hedging exchange risks	1,298	1,861	4,038
Other interest and commissions	1,070	890	1,799
TOTAL	10,272	10,278	20,837

"Interest and other financial charges" amount to 10,272 thousand euro compared with 10,278 thousand in the first half of 2001. "Exchange losses and cost of hedging exchange risks" mainly relate to the cost of hedging fluctuations in the Brazilian real and to the devaluation of that currency. As indicated in the note above, they decrease with respect to the first half of 2001.

E) EXTRAORDINARY INCOME AND EXPENSES

This caption reflects a positive balance of 97 thousand euro for the first half of 2002, as a result of expenses and the utilization of reserves to restructure various Group companies.

In the same period last year, this caption showed a negative balance of 664 thousand euro as a result of extraordinary expenses to restructure various Group companies.

LIST OF EQUITY INVESTMENTS AS AT JUNE 30, 2002

SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS

Direct subsidiaries						
	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
SOGEFI INTERNATIONAL B.V. Amsterdam (Netherlands)	Euro	28,606,950	63,571	100.00	450	28,606,950
SOGEFI FILTRATION S.p.A. Mantua (Italy)	Euro	9,000,000	9,000,000	100.00	1	9,000,000
FILTRAUTO S.A. Montigny-le-Bretonneux (France)	Euro	44,870,000	2,243,494	99.99	20	44,869,880
ALLEVARD REJNA AUTOSUSPENSIONS S.A. Saint Cloud (France)	Euro	18,517,734	1,028,582	99.98	18	18,514,476
REJNA S.p.A. Settimo Torinese (Turin - Italy)	Euro	5,200,000	7,981,826	99.77	0.65	5,188,186.90
SIDERGARDA MOLLIFICIO BRESCIANO S.r.l. San Felice del Benaco (Brescia - Italy)	Euro	17,700,000		100.00		17,700,000
LUHN & PULVERMACHER - DITTMANN & NEUHAUS GmbH Hagen (Germany)	Euro	50,000		100.00		50,000
LES NOUVEAUX ATELIERS MECANIQUES S.A. Morlanwelz (Belgium) Held by Sogefi S.p.A. 74.9% Held by Sidergarda Mollificio Bresciano S.r.l.: 25.1%	Euro	2,880,000	120,000	100.00	24	2,880,000
ANSA AUTOMOTIVE PARTS DISTRIBUTORS Inc. Dover (U.S.A.)	USD	1,000,025	100	100.00		1,000,025
KINGDRAGON.IT S.p.A. Settimo Torinese (Turin - Italy)	Euro	517,000	413,600	80.00	1	413,600
SENECA S.c.a.r.l. Milan (Italy) Held by Sogefi S.p.A. : 91.75% Held by Rejna S.p.A. : 0.25%	Euro	10,000		92.00		9,200
Indirect subsidiaries						
	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
SOGEFI FILTRATION GROUP SOGEFI FILTRATION Ltd Llantrisant (Great Britain) Held by Sogefi Filtration S.p.A.	GBP	5,126,737	5,126,737	100.00	1	5,126,737
SOGEFI FILTRATION B.V. Weesp (Netherlands) Held by Sogefi Filtration S.p.A.	Euro	1,125,000	2,500	100.00	450	1,125,000
SOGEFI FILTRATION A.B. Stockholm (Sweden) Held by Sogefi Filtration S.p.A.	SEK	100,000	1,000	100.00	100	100,000
SOGEFI FILTRATION S.A. Rubi (Spain) Held by Sogefi Filtration S.p.A. : 71.49% Held by Immobiliaria Condove S.A. : 28.51%	Euro	14,098,408.25	2,345,825	100.00	6.01	14,098,408.25
SOGEFI FILTRATION S.A. Saint-Per�-en-Retz (France) Held by Sogefi Filtration S.p.A.	Euro	612,000	3,994	99.85	153	611,082

Indirect subsidiaries	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
FILTRAUTO GROUP FILTRAUTO ITALIA S.r.l. Sant'Antonino di Susa (Turin - Italy) Held by Filtrauto S.A.	Euro	21,951,000		100.00		21,951,000
FILTRAUTO GmbH Ludwigsburg (Germany) Held by Filtrauto S.A.	Euro	51,130		100.00		51,130
FILTRAUTO IBERICA S.A. Oyarzun-Guipuzcoa (Spain) Held by Filtrauto S.A.	Euro	1,803,000	300,000	100.00	6.01	1,803,000
FILTRAUTO SLOVENIJA d.o.o. Medvode (Slovenja) Held by Filtrauto S.A.	SIT	1,280,000,000		100.00		1,280,000,000
EFFICIENCE S.A. Montigny-le-Bretonneux (France) Held by Filtrauto S.A.	Euro	539,000	6,994	99.91	77	538,538
FILTRAUTO UK Ltd Nottingham (Great Britain) Held by Filtrauto S.A.	GBP	6,810,000	6,810,000	100.00	1	6,810,000
FILTRAUTO B.V. s'Hertogenbosch (Netherlands) Held by Filtrauto UK Ltd	Euro	113,446	113,446	100.00	1	113,446
ALLEVARD REJNA AUTOSUSPENSIONS GROUP ALLEVARD SPRINGS Co. Ltd Mid Glamorgan (Great Britain) Held by Allevard Rejna Autosuspensions S.A.	GBP	10,500,002	10,500,002	100.00	1	10,500,002
ALLEVARD FEDERN GmbH Volklingen (Germany) Held by Allevard Rejna Autosuspensions S.A.	Euro	12,782,300		100.00		12,782,300
LIGGETT ARGENTINA S.A. Buenos Aires (Argentina) Held by Allevard Rejna Autosuspensions S.A.	ARP	600,000	599,827	99.97	1	599,827
EGUZKIA S.A. Alsasua (Spain) Held by Allevard Rejna Autosuspensions S.A.	Euro	2,591,644	5,578 1,085 310,202	50.00	4 602 2	1,295,886
IBERICA DE SUSPENSIONES S.A. (ISSA) Nules (Spain) Held by Allevard Rejna Autosuspensions S.A.	Euro	7,982,520	6,630	50.00	602	3,991,260
ALLEVARD MOLAS DO BRAZIL Ltda São Paulo (Brazil) Held by Allevard Rejna Autosuspensions S.A. : 99.997% Held by Allevard Springs Co. Ltd : 0.003%	BRL	40,000,000	40,000,000	100.00	1	40,000,000
ALLEVARD REJNA TECNOLOGIE FROID S.A. Choisy Le Roi (France) Held by Allevard Rejna Autosuspensions S.A.	Euro	3,340,050	222,664	99.99	15	3,339,960
UNITED SPRINGS Ltd Rochdale (Great Britain) Held by Allevard Rejna Autosuspensions S.A.	GBP	6,500,000	6,500,000	100.00	1	6,500,000
UNITED SPRINGS B.V. Hengelo (Netherlands) Held by Allevard Rejna Autosuspensions S.A.	Euro	254,979	254,979	100.00	1	254,979
SHANGHAI ALLEVARD SPRINGS Co. Ltd Shanghai (China) Held by Allevard Rejna Autosuspensions S.A.	CNY	50,796,597		63.42		32,215,202

Indirect subsidiaries						
	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
SOGEFI INTERNATIONAL B.V. GROUP SOGEFI FILTRATION DO BRAZIL Ltda São Bernardo Do Campo (Brazil) Held by Sogefi International B.V.	BRL	29,857,374	29,857,373	99.99	1	29,857,373
INMOBILIARIA CONDOVE S.A. Rubi (Spain) Held by Sogefi International B.V.	Euro	4,838,050	805,000	100.00	6.01	4,838,050
SOGEFI FILTRATION ARGENTINA S.A. Buenos Aires (Argentina) Held by Sogefi Filtration do Brazil Ltda	ARP	9,610,000	9,609,998	99.99	1	9,609,998

EQUITY INVESTMENTS IN SUBSIDIARIES CARRIED AT EQUITY

Indirect subsidiaries						
	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
FILTRAUTO Inc. Wilmington (U.S.A.) Held by Filtrauto S.A.	USD	1,000	1,000	100.00		1,000
DONIT ZAGREB d.o.o. Zagreb (Croatia) Held by Filtrauto Slovenija d.o.o.	HRK	116,500		100.00		116,500
FILTRAUTO ARGENTINA S.A.C.I.F. Buenos Aires (Argentina) Held by Filtrauto S.A. : 99.99996% Held by Filtrauto Italia S.r.l. : 0.00004%	ARP	2,367,873	2,367,873	100.00	1	2,367,873
CARMEN DE ARECO S.A. Buenos Aires (Argentina) Held by Filtrauto S.A.	ARP	3,350,000	3,350,000	100.00	1	3,350,000
INTEGRAL S.A. San Luis (Argentina) Held by Filtrauto S.A. : 93.50% Held by Filtrauto Argentina S.A.C.I.F. : 6.50%	ARP	2,515,600	2,515,600	100.00	1	2,515,600
FILTRAUTO DO BRASIL Ltda São Paulo (Brazil) Held by Filtrauto S.A. : 99.44% Held by Efficiency S.A. : 0.56%	BRL	354,600	354,600	100.00	1	354,600
CROSLAND FILTERS Ltd Nottingham (Great Britain) Held by Filtrauto UK Ltd	GBP	1,332	1,332	100.00	1	1,332
FILTRAUTO IRELAND Ltd Shankill (Ireland) Held by Filtrauto UK Ltd	IEP	2	2	100.00	1	2

SUBSIDIARIES CONSOLIDATED USING THE PROPORTIONAL METHOD

Indirect subsidiaries						
	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
FIAMM-SOGEFI BUZINAS Ltda São Bernardo Do Campo (Brazil) Held by Sogefi International B.V.	BRL	8,901,070	4,450,535	50.00	1	4,450,535

EQUITY INVESTMENTS IN ASSOCIATED COMPANIES CARRIED AT EQUITY

	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
ALLEVARD RESSORTS COMPOSITES S.A.S. Serrieres (France) Held by Allevard Rejna Autosuspensions S.A.	Euro	300,000	60,000	50.00	2.50	150,000
KS AUTOMOTIVE SUSPENSIONS ASIA PRIVATE Ltd Singapore Held by Allevard Rejna Autosuspensions S.A.	DEM	16,200,000	8,100,000	50.00	1	8,100,000

EQUITY INVESTMENTS IN ASSOCIATED COMPANIES CARRIED AT COST

	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
JAMNA-NHK-ALLEVARD SUSPENSION COMPONENTS Ltd New Delhi (India) Held by Allevard Rejna Autosuspensions S.A.	INR	35,000,000	840,000	24.00	10	8,400,000
IMMOBILIARE REGIS S.r.l. Mantua (Italy) Held by Sogefi S.p.A.	Euro	6,783,000		20.00		1,356,600
INTERZAPCHAST A/O (*) (International Auto Parts Ltd) Moscow (Russia) Held by Sogefi S.p.A: 16% Held by Sogefi International B.V. :17.33%	RUR	514,800,000	1,200	33.33	143,000	171,600,000
MAKKAWI CARS & LORRIES Co. Khartoum (Sudan) Held by Sidergarda Mollificio Bresciano S.r.l.	SDP	900,000	225	25.00	1,000	225,000
MSC MOTORSPORT SAFETY COUNCIL Genoa (Italy) Held by Kingdragon.It S.p.A.	Euro	5,000		20.00		1,000

(*) in liquidation

EQUITY INVESTMENTS IN OTHER COMPANIES CARRIED AT COST (**)

	Currency	Share capital	Number of shares	% ownership	Par value per share	Par value of interest held
AFICO FILTERS S.A.E. Cairo (Egypt) Held by Sogefi Filtration S.p.A.	EGP	10,000,000	19,000	19.00	100	1,900,000

(**) as by Consob notification no.11971 Art. 126

FINANCIAL STATEMENTS OF THE PARENT COMPANY SOGEFI S.p.A.

BALANCE SHEET
STATEMENT OF INCOME
RECLASSIFIED STATEMENT OF INCOME

BALANCE SHEET

(in thousands of euro)

	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
ASSETS			
A) DUE FROM SHAREHOLDERS FOR CAPITAL NOT PAID IN	-	-	-
B) FIXED ASSETS			
I. Intangible fixed assets	800	921	786
II. Tangible fixed assets	9,798	10,247	10,380
III. Financial fixed assets	(**) 220,992	221,288	192,719
TOTAL FIXED ASSETS	231,590	232,456	203,885
C) CURRENT ASSETS	(*)	(*)	(*)
I. Inventories	-	-	-
II. Receivables	6,058	4 5,263	5,623
III. Financial assets not representing fixed assets	84,267	82,512	28,157 34,354
IV. Cash at bank and on hand	56	2,715	732
TOTAL CURRENT ASSETS	90,381	90,490	40,709
D) ACCRUED INCOME AND PREPAID EXPENSES	321	292	374
TOTAL ASSETS	322,292	323,238	244,968

(*) amounts due beyond one year

(**) including 1,625,000 treasury stock with a total par value of 845 thousand euro

LIABILITIES AND SHAREHOLDERS' EQUITY		<i>June 30, 2002</i>		<i>December 31, 2001</i>		<i>June 30, 2001</i>	
A)	SHAREHOLDERS' EQUITY						
I.	Share capital	56,574		56,574		56,527	
II.	Share premium reserve	24,213		19,963		19,823	
III.	Revaluation reserves	1,547		1,547		1,547	
IV.	Legal reserve	11,315		11,247		11,247	
V.	Reserve for treasury stock	3,635		3,635		3,385	
VI.	Statutory reserves	-		-		-	
VII.	Other reserves	42,557		46,807		47,243	
VIII.	Retained earnings	941		4,420		4,420	
IX.	Net income for the period	14,877		9,878		15,425	
TOTAL SHAREHOLDERS' EQUITY		155,659		154,071		159,617	
B)	ALLOWANCES FOR RISKS AND CHARGES						
1)	Pension and similar commitments	-		-		-	
2)	Taxation	-		-		-	
3)	Other	865		3,745		-	
TOTAL ALLOWANCES FOR RISKS AND CHARGES		865		3,745		-	
C)	ALLOWANCE FOR EMPLOYMENT TERMINATION INDEMNITIES	750		708		659	
D)	PAYABLES	(*)	(*)	(*)	(*)	(*)	(*)
1)	Bonds	80,000	80,000	80,000	80,000	80,000	80,000
2)	Convertible bonds	-	-	-	-	-	-
3)	Banks	80,000	80,441	80,000	80,000	-	-
4)	Other providers of finance	-	-	-	-	-	-
5)	Advances	-	-	516	-	-	-
6)	Suppliers	764	-	1,079	-	565	-
7)	Notes payable	-	-	-	-	-	-
8)	Subsidiaries	2	-	-	-	-	-
9)	Associated companies	450	-	450	-	-	-
10)	Parent companies	780	-	-	-	749	-
11)	Tax authorities	120	-	135	-	88	-
12)	Social security institutions	80	-	98	-	107	-
13)	Other	565	-	383	-	931	-
TOTAL PAYABLES		163,202		162,661		82,440	
E)	ACCRUED EXPENSES AND DEFERRED INCOME	1,816		2,053		2,252	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		322,292		323,238		244,968	

MEMORANDUM ACCOUNTS	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
- Unsecured guarantees given	266,160	273,383	109,864
- Secured guarantees given	-	-	-
- Commitments	-	13,025	6,209
TOTAL MEMORANDUM ACCOUNTS	266,160	286,408	116,073

(*) amounts due beyond one year

STATEMENT OF INCOME
(in thousands of euro)

	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
A) VALUE OF PRODUCTION			
1) Revenues from the sale of goods and services	2,233	2,296	4,435
2) Change in inventories of work in progress, semi-finished goods and finished products	-	-	-
3) Change in contract work in progress	-	-	-
4) Additions to fixed assets by internal production	-	-	-
5) Other revenues and income	2,601	326	703
TOTAL VALUE OF PRODUCTION	4,834	2,622	5,138
B) PRODUCTION COSTS			
6) Raw, ancillary and consumable materials and goods for resale	-	-	-
7) Services received	1,520	1,497	2,848
8) Leases and rentals	69	53	150
9) Personnel	1,949	1,757	2,846
10) Depreciation, amortization and writedowns	392	384	775
11) Change in inventories of raw, ancillary and consumable materials and goods for resale	-	-	-
12) Provisions for risks and charges	-	-	-
13) Other provisions	250	-	-
14) Other operating costs	343	375	786
TOTAL PRODUCTION COSTS	4,523	4,066	7,405
DIFFERENCE BETWEEN VALUE AND COST OF PRODUCTION (A-B)	311	(1,444)	(2,267)
C) FINANCIAL INCOME AND EXPENSES			
15) Income from equity investments	16,896	18,312	21,334
16) Other financial income	2,046	954	2,279
17) Interest and other financial charges	3,421	2,397	4,969
TOTAL FINANCIAL INCOME AND EXPENSES	15,521	16,869	18,644
D) ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS			
18) Revaluations	-	-	-
19) Writedowns	340	-	2,754
TOTAL ADJUSTMENTS	(340)	-	(2,754)
E) EXTRAORDINARY INCOME AND EXPENSES			
20) Income	-	-	-
21) Expenses	615	-	3,745
TOTAL EXTRAORDINARY ITEMS	(615)	-	(3,745)
INCOME BEFORE TAXATION	14,877	15,425	9,878
22) Income taxes for the period	-	-	-
NET INCOME	14,877	15,425	9,878

RECLASSIFIED STATEMENT OF INCOME
(in thousands of euro)

	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
FINANCIAL INCOME AND EXPENSES			
1) Income from equity investments	16,896	18,312	21,334
2) Other financial income	2,046	954	2,279
3) Interest and other financial charges	3,421	2,397	4,969
TOTAL FINANCIAL INCOME AND EXPENSES	15,521	16,869	18,644
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS			
4) Revaluations	-	-	-
5) Writedowns	340	-	2,754
TOTAL ADJUSTMENTS TO FINANCIAL ASSETS	(340)	-	(2,754)
6) OTHER OPERATING INCOME	4,834	2,622	5,138
OTHER OPERATING COSTS			
7) Non financial services	1,520	1,497	2,848
8) Leases and rentals	69	53	150
9) Personnel	1,949	1,757	2,846
10) Depreciation, amortization and writedowns	392	384	775
11) Provisions for risks and charges	-	-	-
12) Other provisions	250	-	-
13) Other operating costs	343	375	786
TOTAL OTHER OPERATING COSTS	4,523	4,066	7,405
INCOME BEFORE EXTRAORDINARY ITEMS	15,492	15,425	13,623
EXTRAORDINARY INCOME AND EXPENSES			
14) Income	-	-	-
15) Expenses	615	-	3,745
TOTAL EXTRAORDINARY ITEMS	(615)	-	(3,745)
INCOME BEFORE TAXATION	14,877	15,425	9,878
16) Income taxes for the period	-	-	-
NET INCOME	14,877	15,425	9,878

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS OF SOGEFI S.p.A.

The financial statements have been prepared using the balance sheet and statement of income formats laid down by Decree 127 of April 9, 1991. They are presented in summarized form, as permitted by Art. 81.4 of CONSOB Resolution no. 11971 dated May 14, 1999 and subsequent amendments.

Pursuant to Art. 81.5 of CONSOB Resolution no. 11971, the company has also prepared a reclassified statement of income in accordance with the instructions contained in CONSOB Communication no. SOC/RM 94001437 of February 23, 1994.

The financial statements are presented together with comparative figures as of June 30 and December 31, 2001.

ACCOUNTING POLICIES

The accounting policies used to prepare the balance sheet and statement of income as of June 30, 2002 are the same as those adopted as of December 31, 2001.

The Company has chosen to present its results for the period net of income taxes.

INFORMATION ON THE BALANCE SHEET

COMMENTS ON THE MAIN ASSET CAPTIONS

B) FIXED ASSETS

Intangible fixed assets

As of June 30, 2002 intangible assets totaled 800 thousand euro, compared with 921 thousand at the end of last year. The caption increased by 7 thousand euro during the half-year and has decreased because of the amortization charge for the period.

Tangible fixed assets

Changes in tangible assets during the first half of the year are shown in the following table:

(in thousands of euro)	Gross values				
	<i>Balance as of 12/31/01</i>	<i>Purchases</i>	<i>Disposals</i>	<i>Other changes</i>	<i>Balance as of 06/30/02</i>
	<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e=a+b+c+d)</i>
Land and buildings	19,057	92	(517)	-	18,632
Other assets	515	1	-	-	516
TOTAL	19,572	93	(517)	-	19,148

(in thousands of euro)	Accumulated depreciation				Net values	
	<i>Balance as of 12/31/01</i>	<i>Depreciation for the period</i>	<i>Utilizations in the period</i>	<i>Other changes</i>	<i>Balance as of 06/30/02</i>	<i>Balance as of 06/30/02</i>
	<i>(f)</i>	<i>(g)</i>	<i>(h)</i>	<i>(i)</i>	<i>(j=f+g+h+i)</i>	<i>(l=e-j)</i>
Land and buildings	8,861	254	(238)	-	8,877	9,755
Other assets	464	9	-	-	473	43
TOTAL	9,325	263	(238)	-	9,350	9,798

Financial fixed assets

The memorandum accounts are detailed in the following table:

<i>(in thousands of euro)</i>	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
Equity investments in:			
- subsidiaries	215,897	216,187	187,865
- associated companies	1,441	1,441	1,441
- other companies	3	3	3
Receivables:			
- due from third parties	16	22	25
Treasury stock	3,635	3,635	3,385
TOTAL	220,992	221,288	192,719

Changes in equity investments classified as financial assets during the first half of 2002 are shown in the following table:

STATEMENT OF CHANGES IN EQUITY INVESTMENTS
FOR THE YEAR ENDED JUNE 30, 2002

(in thousands of euro)

	Opening balance			
	12.31.2001			
	No. shares	Historical cost	Revaluations (Writedowns)	Balance
Subsidiaries				
REJNA S.p.A.	7,981,826	23,661	-	23,661
SOGEFI FILTRATION S.p.A.	9,000,000	76,729	-	76,729
SOGEFI INTERNATIONAL B.V.	63,571	36,630	-	36,630
FILTRAUTO S.A.	2,243,500	31,065	-	31,065
ANSA AUTOMOTIVE PARTS DISTRIBUTORS Inc.	100	2,259	-	2,259
SIDERGARDA MOLLIFICIO BRESCIANO S.r.l.	-	21,268	1,043	22,311
ALLEVARD REJNA AUTOSUSPENSIONS S.A.	1,028,582	17,098	-	17,098
LES NOUVEAUX ATELIERS MECANIKES S.A.	89,880	3,993	(3,993)	-
LUHN & PULVERMACHER-DITTMANN & NEUHAUS GmbH	-	418	5,580	5,998
KINGDRAGON.IT S.p.A.	413,600	426	-	426
SENECA S.c.a.r.l.	-	10	-	10
Total subsidiaries		213,557	2,630	216,187
Associated companies				
INTERZAPCHAST A/O (*)	576	160	(160)	-
IMMOBILIARE REGIS S.r.l.	-	1,441	-	1,441
Total associated companies		1,601	(160)	1,441
Other companies				
BANCA AGRICOLA MANTOVANA	500	3	-	3
Total other companies		3	-	3
Total equity investments		215,161	2,470	217,631

(*) in liquidation

	1st half 2002					Closing balance		
	Additions		Disposals		Writedowns	06/30/2002		
	No. shares	Amount	No. shares	Amount	Amount	No. shares	Amount	% ownership
Subsidiaries								
REJNA S.p.A.	-	-	-	-	-	7,981,826	23,661	99.77
SOGEFI FILTRATION S.p.A.	-	-	-	-	-	9,000,000	76,729	100.00
SOGEFI INTERNATIONAL B.V.	-	-	-	-	-	63,571	36,630	100.00
FILTRAUTO S.A.	-	51	6	-	-	2,243,494	31,116	99.99
ANSA AUTOMOTIVE PARTS DISTRIBUTORS Inc.	-	-	-	-	-	100	2,259	100.00
SIDERGARDA MOLLIFICIO BRESCIANO S.r.l.	-	-	-	-	-	-	22,311	100.00
ALLEVARD REJNA AUTOSUSPENSIONS S.A.	-	-	-	-	-	1,028,582	17,098	99.98
LES NOUVEAUX ATELIERS MECANIQUES S.A.	-	3,745	-	-	3,745	89,880	-	(**) 74.9
LUHN & PULVERMACHER- DITTMANN & NEUHAUS GmbH	-	-	-	-	-	-	5,998	100.00
KINGDRAGON.IT S.p.A.	-	-	-	-	340	413,600	86	80.00
SENECA S.c.a.r.l.	-	-	-	1	-	-	9	91.75
Total subsidiaries		3,796		1	4,085		215,897	
Associated companies								
INTERZAPCHAST A/O (*)	-	-	-	-	-	576	-	(***) 16.00
IMMOBILIARE REGIS S.r.l.	-	-	-	-	-	-	1,441	20.00
Total associated companies		-		-	-		1,441	
Other companies								
BANCA AGRICOLA MANTOVANA	-	-	-	-	-	500	3	-
Total other companies		-		-	-		3	
Total equity investments		3,796		1	4,085		217,341	

(*) in liquidation

(**) the total ownership interest comes to 100%, through the subsidiary Sidergarda Mollificio Bresciano S.r.l.

(***) the total ownership interest comes 33.33%, through the subsidiary Sogefi International B.V.

The main changes in equity investments during the first half of the year are:

Les Nouveaux Ateliers Mecaniques S.A.

In the first half of 2002, Sogefi S.p.A. paid a total of 3,745 thousand euro to Les Nouveaux Ateliers Mecaniques S.A. to cover losses due to the costs involved in closing down the business.

Sogefi S.p.A. had already provided for this amount in the 2001 financial statements under "Allowances for risks and charges".

Kingdragon.IT S.p.A.

The investment in this company was partly written down for 340 thousand euro because of the losses that it had incurred.

"Treasury stock" reflects the carrying value of the 1,625,000 Sogefi ordinary shares (total par value 845 thousand euro) that the company acquired on the open market in previous years. The purchases were authorized at the ordinary shareholders' meeting in accordance with Civil Code Art. 2357.

Treasury stock held as of June 30, 2002 represent 1.49% of the total share capital.

The following table compares carrying values and market prices as of June 30, 2002, in relation to treasury stock and investments in companies with listed shares:

	Number of shares	Carrying value		Market value	
		Unit value (in euro)	Total value (in thousands of euro)	Unit Value (in euro)	Total value (in thousands of euro)
Equity investments					
Banca Agricola Mantovana					
- ordinary shares	500	5.91	3	9.831	5
Treasury stock					
- ordinary shares	1,625,000	2.237	3,635	2.136	3,471

Receivables

These are detailed in the following table:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
Due from subsidiaries	1,331	586	3,599
Due from associated companies	6	10	-
Due from others	4,721	4,667	2,024
TOTAL	6,058	5,263	5,623

"Due from others" relate mainly to due to tax authorities.

Financial assets not held as fixed assets

These are analyzed as follows:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
Due from subsidiaries	84,267	69,513	28,157
Due from financial institutions	-	12,999	6,197
TOTAL	84,267	82,512	34,354

The amount due from subsidiaries as at June 30, 2002 consists of the residual amount of loans granted to them on an arm's-length basis:

(in thousands of euro)	June 30, 2002	December 31, 2001	June 30, 2001
Filtrauto S.A.	46,357	41,357	-
Allevard Rejna Autosuspensions S.A.	15,245	15,245	15,245
Sogefi Filtration S.p.A.	12,000	7,747	7,747
Rejna S.p.A.	8,165	5,164	5,165
Sidergarda Mollificio Bresciano S.r.l.	2,000	-	-
Les Nouveaux Ateliers Mecaniques S.A.	500	-	-
TOTAL	84,267	69,513	28,157

D) ACCRUED INCOME AND PREPAID EXPENSES

This caption is analyzed as follows:

(in thousands of euro)	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
Discount on bond issue	242	276	311
Other accrued income and prepaid expenses:			
Accrued financial income	-	5	8
Other prepaid expenses	79	11	55
TOTAL	321	292	374

COMMENTS ON THE MAIN LIABILITY CAPTIONS

A) SHAREHOLDERS' EQUITY

Share premium reserve

In first-half 2002, the share premium reserve increased by 4,250 thousand euro as a result of the reduction of the "Reserve for the purchase of treasury stock" as approved by the ordinary shareholders' meeting held on April 18, 2002.

Legal reserve

This caption has increased by 68 thousand euro, corresponding to the portion of 2001, as authorized at the ordinary shareholders' meeting held on April 18, 2002.

Other reserves

The "reserve for the acquisition of treasury stock" decreased by 4,250 thousand euro, the equivalent of the increase in the share premium reserve mentioned previously.

Retained earnings

This caption was reduced during the period by 3,479 thousand euro, used to distribute dividends as resolved by the ordinary shareholders' meeting of April 18, 2002.

B) ALLOWANCES FOR RISKS AND CHARGES

The provision for expenses of 3,745 thousand euro booked in the 2001 financial statements was used during the period against the writedown of Les Nouveaux Ateliers Mecaniques S.A. for the costs involved in closing down the business.

During the period, the Company made additional provisions for 865 thousand euro, of which 615 costs that may arise from the action taken by Bertolotti against the final decision of the Svama arbitration.

There have been no developments regarding outstanding tax disputes with respect to the information already provided in the explanatory notes to the financial statements as of December 31, 2001.

D) PAYABLES

Bonds

This represents a non convertible bond issued by the Company in December 2000 (repayable in December 2005) for 80,000 thousand euro which bears interest at a rate linked to quarterly Euribor-indexed rate uplifted by about 90 basis points. Considering the issue and re-offer price of 99.566, the yield to investors is of Euribor + 100 basis points. The bond loan is quoted at the Luxembourg Stock Exchange.

Banks

These represent financing of 80,000 thousand euro in the form of a syndicated loan obtained from a pool of leading Italian banks in December 2001, repayable in a lump sum in December 2006. The loan will bear interest at a floating rate 70 basis points above Euribor.

Advances

"Advances", which amounted to 516 thousand euro as of December 31, 2001, represented the deposit received in 2001 on signing a preliminary sale contract for the industrial building in Castelbelforte (Mantua). This caption has now been reduced to zero following the sale of the building in January 2002.

The company has no payables with a residual duration of more than five years. Amounts due beyond one year are specified in the balance sheet.

E) ACCRUED EXPENSES AND DEFERRED INCOME

This item includes 1,653 thousand euro of the residual amount as of June 30, 2002 received from Honeywell International in relation to the agreement signed in 2000, after deferring income of 236 thousand, booked to "Other revenues and income". The agreement concerns the development and expansion activities in those markets where the Sogefi Filtration Group has the sole agency for FRAM products.

Medium-term payables (beyond 12 months) amount to 1,181 thousand euro.

COMMENTS ON THE MEMORANDUM ACCOUNTS

These are detailed in the following table:

(in thousands of euro)	<i>June 30, 2002</i>	<i>December 31, 2001</i>	<i>June 30, 2001</i>
Personal guarantees given			
Sureties in favour of:			
- subsidiaries	265,851	273,074	109,555
- other	309	309	309
TOTAL	266,160	273,383	109,864
Commitments			
- for the sale of securities under repurchase agreements	-	13,025	6,209
TOTAL	-	13,025	6,209
TOTAL MEMORANDUM ACCOUNTS	266,160	286,408	116,073

As of June 30, 2002, sureties given in favor of subsidiaries amounted to 265,851 thousand euro and covered liabilities with a residual value of 114,805 thousand.

INFORMATION ON THE STATEMENT OF INCOME

A) VALUE OF PRODUCTION

Revenues from the sale of goods and services

These are analyzed as follows:

(in thousands of euro)	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
Royalties, business consulting and assistance to filtration division companies	786	813	1,583
Business consulting and assistance:			
- to suspension components division companies	402	403	740
- Ansa Automotive Parts Distributors Inc.	80	93	178
Leased premises :			
- Sogefi Filtration S.p.A.	288	319	603
- Sidergarda Mollificio Bresciano S.r.l.	677	665	1,331
Miscellaneous:			
- Sogefi Filtration S.p.A.	-	3	-
TOTAL	2,233	2,296	4,435

Other revenues and income

These include the recovery of expenses incurred for subsidiaries for 31 thousand euro.

The most important change compared with first half 2001 and December 31, 2001 is due to the gain of 2,304 thousand euro realized as a result of the above mentioned sale of a building in January 2002.

B) PRODUCTION COSTS

During the first half of 2002, services received included 780 thousand euro for administrative, financial, tax-related and corporate services provided by the parent company.

C) FINANCIAL INCOME AND EXPENSES

Income from equity investments

This caption is analyzed as follows:

(in thousands of euro)	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
Dividends from subsidiaries:			
- Sogefi Filtration S.p.A.	11,430	14,446	14,446
- Rejna S.p.A.	2,395	1,030	1,030
- Luhn & Pulvermacher-Dittmann & Neuhaus GmbH	1,500	1,278	1,278
- Sidergarda Mollificio Bresciano S.r.l.	500	-	-
- Allevard Rejna Autosuspensions S.A.	514	-	-
- Ansa Automotive Parts Distributors Inc.	301	559	559
- Tax credit on dividends of Allevard Rejna Autosuspensions S.A.	129	-	-
Surplus of tax credits on dividends offset against income taxes for the period	127	999	4,021
TOTAL	16,896	18,312	21,334

The statements of income reflects all dividends declared and collected during the first half of 2002 and the first half of 2001, together with the related tax credits. The tax credit relating to dividends from Italian companies is then deducted from tax liabilities up to their full amount and any surplus is booked to "Income from equity investments in subsidiaries".

Other financial income

These are detailed in the following table:

(in thousands of euro)	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
Income from securities held as current assets not representing equity investments	-	-	7
Income from repurchase agreements	40	67	160
Bank interest	32	50	74
Interest from subsidiaries	1,973	817	2,015
Miscellaneous financial income	1	1	3
Exchange gains	-	19	20
TOTAL	2,046	954	2,279

Interest and other financial charges

As follows:

(in thousands of euro)	<i>1st half 2002</i>	<i>1st half 2001</i>	<i>Year 2001</i>
Interest expense on the Sogefi bond loan of 80,000,000 euro	1,716	2,298	4,317
Interest expense on syndicated loan	1,601	-	85
Interest expense on Banca Nazionale del Lavoro loan	-	-	82
Issue discount on Sogefi bond loan of 80,000,000 euro	34	34	70
Interest on bank overdrafts	1	-	347
Charges for foreign exchange transactions	-	1	1
Bank commissions and fees	67	62	58
Expenses for financial services	2	2	6
Financial charges on repurchase agreements	-	-	3
TOTAL	3,421	2,397	4,969

D) ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS

Writedowns

At June 30, 2002 these are analyzed as follows:

(in thousands of euro)	
Writedown of Kingdragon.It S.p.A.	340
Writedown of Les Nouveaux Ateliers Mecaniques S.A.	3,745
Utilization of the provision for expenses set aside in 2001	(3,745)
TOTAL	340

E) EXTRAORDINARY INCOME AND EXPENSES

Expenses

They represent the provision for the period as commented upon under “Allowances for risks and charges”.

INCOME TAXES FOR THE PERIOD

As of June 30, 2002, this caption includes taxation for the period (7,931 thousand euro), net of the tax credit on dividends received during the period (8,058 thousand). The excess tax credit of 127 thousand euro is booked to “Income from equity investments in subsidiaries”.

OTHER INFORMATION

Sogefi S.p.A. had an average of 23 employees during the first half of 2002.

NOTE OF THE BOARD OF STATUTORY AUDITORS
ON THE REPORT FOR THE FIRST SIX MONTH PERIOD OF 2002

In accordance with CONSOB Resolution no. 11971 of May 14, 1999 and subsequent amendments, the Board of Statutory Auditors, having read the interim report dated July 25, 2002 prepared by the Board of Directors, hereby

CERTIFIES

- that the report contains the balance sheet, the statement of income and comments on the operations of the parent company and the Group;
- that the Independent Auditors have expressed a positive opinion on the first half report concerned;
- that it concurs with Directors' report on operations;
- that it has no specific observations to make.

Mantua, July 29, 2002

The Board of Auditors

Angelo Girelli

Franco Caramanti

Riccardo Zingales

REPORT OF THE INDEPENDENT AUDITORS

To the Shareholders of Sogefi S.p.A.

1. We have performed a limited audit of the interim report as of June 30, 2002, which consists of the balance sheet, the statement of income and reports on the operations of SOGEFI S.p.A. and the group. We have also checked the sections that comment on operating performance for the sole purpose of verifying their consistency with the rest of the interim report.
2. Our work was performed in accordance with the standards for limited audits established by CONSOB in Resolution no. 10867 of July 31, 1997. The limited audit consisted mainly of gathering information on the captions in the balance sheet and statement of income. It did not include such auditing procedures as compliance tests and the verification or validation of assets and liabilities, and involved the performance of significantly less work than for a full audit carried out in accordance with established auditing standards. Therefore, unlike for the year-end statutory and consolidated financial statements, we do not express our professional opinion on the interim report.
3. With regard to the comparative figures relating to the 2001 statutory and consolidated financial statements and the 2001 interim report, reference should be made to our reports dated March 7, 2002 and September 5, 2001.
4. Our work revealed no significant changes or additions to the balance sheet, the statement of income and the reports identified in paragraph 1 above, that would have been required in order to comply with art. 81 of the CONSOB regulations concerning interim reports pursuant to Resolution no. 11971 of May 14, 1999 and subsequent amendments.
5. As mentioned in the explanatory notes to the financial statements as of December 31, 2001 and interim report 2002 of the parent company, in the previous years the parent company received tax assessments contesting the fiscal effects. The company appealed against these assessments within the deadline set by law.
The directors, in agreement with their legal advisors and by positive judgement of Provincial and Regional Tax Commission, have confirmed that the operation was carried out in full compliance with tax laws and have not made any provisions for the above-mentioned tax assessments

Verona, July 26, 2002

PricewaterhouseCoopers S.p.A.

Alberto Carcano
(Independent Auditor)