

EI.En. GROUP

CONSOLIDATED ANNUAL REPORT IN EURO FOR THE FINANCIAL YEAR ENDING DECEMBER 31st 2000

BALANCE SHEET - ASSETS		31-Dec-00	31-Dec-99
A)	subscribed unpaid capital		
	- Called party		
	- Uncalled party		
	Total subscribed unpaid capital		
B)	FIXED ASSETS:		
I	Intangible fixed assets:		
	1) costs for formation and expansion	1.480.627	3.749
	2) costs for research, development and advertising		2.259
	3) patents and rights to use patents of others		
	4) concessions, licenses, trademarks and similar rights	2.695	3.834
	5) goodwill		
	6) intangible assets in progress and payments on accounts		
	7) other	14.408	21.583
	8) difference from consolidation		
	Total	1.497.730	31.425
II	Tangible fixed assets:		
	1) land and buildings	2.623.974	2.690.777
	2) equipment and machinery	297.179	161.634
	3) industrial and commercial equipment	293.926	264.523
	4) other	477.763	296.153
	5) intangible assets in progress and payments on accounts	11.631	
	Total	3.704.473	3.413.087
III	Investments:		
	1) <i>Equity investments in:</i>		
a)	subsidiary companies		
b)	associated companies	959.949	906.276
c)	parent companies		
d)	other companies	42.574	31.361
	2) <i>Credits:</i>	<i>due and payable by the next fiscal year</i>	
		31-Dec-00	31-Dec-99
	a) non-consolidated subsidiary companies of the group		
	b) non-consolidated associated companies of the group		
	c) parent companies		
d)	other companies		
	3) other investments	87.326	87.326
	4) own shares		
	Total	1.089.849	1.024.963
	Total fixed assets	6.292.052	4.469.475

CONSOLIDATED BALANCE SHEET -ASSETS (follows)			31-Dec-00	31-Dec-99		
C)	CURRENT ASSETS					
I	Stocks:					
1)	raw material, consumables and goods for sale		3.128.457	1.907.820		
2)	work in progress and components		1.878.757	812.657		
3)	contracts in progress					
4)	finished products and goods for resale		1.582.059	1.259.215		
5)	payments on accounts		155.734	47.079		
Total			6.745.007	4.026.771		
II	debtors:	due and payable by the next fiscal year				
		31-Dec-00	31-Dec-99			
1)	trade debtors			7.086.282	4.837.283	
2)	amounts owed by non-consolidated subsidiary companies					
3)	amounts owed by non consolidated associated companies			69.447	86.507	
4)	amounts owed by parent companies					
5)	other debtors	420.947	311.429	1.888.344	2.570.720	
Total			420.947	311.429	9.044.073	7.494.510
III	Investments which are not permanent					
1)	subsidiary companies					
2)	associated companies					
3)	parent companies					
4)	other companies					
5)	own shares					
6)	other investments			1.148.055	1.106.573	
Total				1.148.055	1.106.573	
IV	cash at bank and in hand:					
1)	bank and postal current accounts			34.696.096	3.654.450	
2)	bank cheques					
3)	cash on hand			11.666	9.197	
Total				34.707.762	3.663.647	
Total current assets				51.644.897	16.291.501	
D)	PREPAYMENTS AND ACCRUED INCOMES:					
	prepayments and accrued income assets			22.524	47.718	
	premium on loans					
Total prepayments and accrued income				22.524	47.718	
TOTAL ASSETS				57.959.473	20.808.694	

LIABILITIES		31-Dec-00	31-Dec-99
A)	CAPITAL AND RESERVES: of the Group		
I	Subscribed capital	2.375.702	1.239.497
II	Share premium account	34.227.009	
III	Revaluation reserve		
IV	Legal reserve	156.393	53.971
V	Reserve for own shares		
VI	Reserves provided for by the articles of association		
VII	<i>Other reserves:</i>		
-	Extraordinary reserve	1.233.680	146.848
-	Reserve for contributions on capital account	426.657	797.961
-	Reserve for deposits on loss covering account		
-	Reserve for anticipated exceeding depreciations		
-	Reserve for contribution on capital account		
-	Reserve for evaluation of investments in shareholders' equity		
-	Reserve for difference of currency conversion		
-	Undivided profits of parent companies and other reserves	999.585	
-	Reserve of consolidation	1.300.846	1.456.635
i)	Other reserves		
VIII	Profits (loss) brought forward		
IX	Profit (loss) for the financial year	3.004.305	2.879.003
	<i>Net total capital and reserves of the Group</i>	43.724.177	6.573.915
	Of third parties:		
X	Capital and reserves of third parties	787.195	446.237
XI	Profit (loss) of third parties	525.372	609.387
	<i>Net total balance sheet of third parties</i>	1.312.567	1.055.624
	<i>Net total balance sheet</i>	45.036.744	7.629.539
B)	PROVISIONS FOR RISKS AND CHARGES:		
1)	provisions for pensions and similar obligations	229.931	197.150
2)	provisions for taxation	219.405	212.977
3)	others	835.860	419.842
4)	consolid. provision for risks and future charges		
	<i>Total provisions for risks and charges</i>	1.285.196	829.969
C)	EMPLOYEE SEVERANCE INDEMNITY	565.954	462.128
D)	CREDITORS	<i>due and payable after the next fiscal year</i>	
		31-Dec-00	31-Dec-99
1)	debenture loans	619.748	619.748
2)	convertible debenture loans		
3)	amounts owed to banks	1.042.063	1.257.242
4)	amounts owed to other financiers	738.955	921.027
5)	advances		
6)	amounts owed to suppliers		
7)	debts represented by bills of exchange		
8)	amounts owed to non-consolidated subsidiary companies		
9)	amounts owed to non consolidated associated companies	604.255	604.255
10)	amounts to parent companies		
11)	amounts owed to tax administration		
12)	amounts owed to Social Security institutions		
13)	other creditors		
	<i>Total creditors</i>	3.005.021	3.402.272
E)	ACCRUALS AND DEFERRED INCOME		
	accruals and deferred incomes - liabilities	172.231	28.344
	discount on loans		
	<i>Total accruals and deferred incomes</i>	172.231	28.344
	TOTAL LIABILITIES	57.959.473	20.808.694

MEMORANDUM ACCOUNTS		31-Dec-00	31-Dec-99
A)	Guarantees lent:		
1)	<i>to third parties:</i>		
d)	real guarantees	3.392.650	3.382.033
	<i>Total</i>	3.392.650	3.382.033
B)	OTHER MEMORANDUM ACCOUNTS		
	- Inventory at third parties	1.219.134	626.622
	- Sources of income at third parties	447.714	352.150
	<i>Total</i>	1.666.848	978.772
	Total memorandum accounts	5.059.498	4.360.805

PROFIT AND LOSS ACCOUNT		31-Dec-00	31-Dec-99
A)	(+) VALUE OF PRODUCTION:		
1)	net turnover from sales and services	25.955.183	23.873.069
2)	variation in stocks of finished goods and in work in progress	1.388.945	1.053.135
3)	variations on contracts in progress		
4)	work performed for own purposes and capitalised	40.152	110.910
5)	<i>other revenues and incomes</i>		
a)	Other revenues and incomes	161.191	254.421
b)	Grants received pertaining to the current year	37.874	37.874
	<i>Total</i>	27.583.345	25.329.409
B)	Costs of production:		
6)	for raw materials, consumables and goods for sale	-11.348.804	-9.261.246
7)	for services	-6.009.395	-5.503.724
8)	for use of assets owned by others	-96.086	-89.048
9)	<i>for staff costs:</i>		
a)	wages and salaries	-2.387.327	-2.231.512
b)	social security costs	-772.894	-737.655
c)	provisions for severance indemnity	-141.423	-118.812
d)	pension costs and similar		
e)	other costs relating to staff	-52	
10)	<i>value adjustment:</i>		
a)	amortisation of intangible assets	-391.430	-89.247
b)	depreciation of tangible assets	-480.269	-346.024
c)	other depreciations of assets		
d)	Allowance for doubtful debtors included in current assets and other accounts included in cash at bank	-92.835	-50.141
11)	variations in stock of raw materials, consumables and goods for sale	1.220.637	629.851
12)	amounts provided for risk provisions	-416.018	-53.339
13)	other accruals		
14)	other operating charges	-443.268	-638.235
	<i>Total</i>	-21.359.164	-18.489.132
(A - B)	Difference between value and costs of production	6.224.181	6.840.277

C)	FINANCIAL INCOMES AND CHARGES:		
15)	<i>(+) incomes from equity investments:</i>		
16)	<i>(+) other financial income</i>		
a)	from loans forming part of fixed assets:		
b)	from other permanent investments other than equity investments	3.371	2.727
c)	from other investments which are not permanent	63.059	63.429
d)	<i>from other investments than the previous ones:</i>		
-	to third parties	344.853	78.390
17)	<i>financial incomes and charges</i>		
a)	to third parties	-207.393	-198.510
b)	to non-consolidated subsidiary companies	-26.339	-28.541
c)	to parent companies		
	<i>Total</i>	177.551	-82.505

CONSOLIDATED PROFIT AND LOSS ACCOUNT (cont'd.)		31-Dec-00	31-Dec-99
D)	VALUE ADJUSTMENTS OF FINANCIAL ACTIVITIES		
18)	(+) <i>revaluations:</i>		
a)	of equity investments	47.471	
c)	of non-permanent investments which are not equity investments	5.542	
19)	(-) <i>devaluations:</i>		
a)	of equity investments		-83.369
c)	of non-permanent investments which are not equity investments		-96.782
	<i>Total</i>	53.013	-180.151
E)	EXTRAORDINARY INCOME AND CHARGES		
20)	(+) <i>extraordinary income:</i>		
a)	income	31.789	12.120
b)	capital gains from disposal of assets		101
21)	(-) <i>extraordinary charges:</i>		
a)	charges	-12.223	-1.354
b)	capital losses from disposal of assets		-43
c)	taxes pertaining to prior years		-154.575
	<i>Total</i>	19.566	-143.751
	Profit and loss before income taxes	6.474.311	6.433.870
22)	-) <i>income taxes on the income of the period:</i>		
a)	current	-3.028.859	-3.072.380
b)	deferred	84.225	126.900
23)	Net total profit and loss	3.529.677	3.488.390
	(profit) loss of the fiscal year of third parties	-525.372	-609.387
	Profit (loss) of the fiscal year of the Group	3.004.305	2.879.003

for the Board of Directors

President

Ing. Gabriele Clementi