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La presente pubblicazione costituisce una sintesi degli elementi più significativi contenuti nel bilancio 2001.

La versione completa ed ufficiale dello stesso, redatta in lingua italiana, è disponibile presso la sede sociale.

Le richieste possono essere inoltrate anche via e-mail a: info@buzziunicem.it

This annual report is a summary of the most significant contents included in the financial statements for the year ended December 31, 2001.

The complete and binding version, written in Italian, is available from the company's registered office.

Requests can be addressed also by e-mail to: info@buzziunicem.it

CARICHE SOCIALI

DIRECTORS AND STATUTORY AUDITORS

Consiglio di Amministrazione *Board of Directors*

Carlo Camerana	Presidente <i>Chairman</i>
Enrico Buzzi	Vice Presidente <i>Deputy Chairman</i>
Franco Buzzi	Vice Presidente <i>Deputy Chairman</i>
Alessandro Buzzi	Amministratore Delegato <i>Chief Executive Officer</i>
Gianfranco Barzaghini	Consigliere e Direttore Generale <i>Director and General Manager</i>
Pietro Buzzi	Consigliere <i>Director</i>
Onorato Castellino	Consigliere <i>Director</i>
Maurizio Sella	Consigliere <i>Director</i>
Marco Weigmann	Consigliere <i>Director</i>

Collegio Sindacale *Statutory Auditors Committee*

Mario Pia	Presidente <i>Chairman</i>
Paolo Burlando	Sindaco Effettivo <i>Member</i>
Giorgio Giorgi	Sindaco Effettivo <i>Member</i>
Franco Barolo	Sindaco Supplente <i>Alternate</i>
Pierluigi Bernasconi	Sindaco Supplente <i>Alternate</i>

PROFILO DEL GRUPPO

GROUP PROFILE

Chi siamo

Our vision

- Gruppo “multi-regionale” internazionale, focalizzato su cemento, calcestruzzo e aggregati naturali
- Visione a lungo termine dell’impresa, management dedicato
- Strutture produttive di alta qualità, ecologicamente compatibili
- Creazione di valore grazie a profondo e sperimentato “know-how”, efficienza operativa
- International multi-regional, “heavy-side” group, focused on cement, ready-mix and aggregates
- Long-term view of the business and dedicated management
- High quality and environmentally friendly assets
- Value creation through lasting, experienced know-how and operating efficiency

Principali società operative

Main operating companies

Situazione al 31/3/2002 - As of March 31, 2002

BUZZI UNICEM S.p.A.

CEMENTO E ARGILLA ESPANSA Cement and Expanded Clay

BUZZI UNICEM

UNIMED
77,7%

CEMENTI RIVA
90%

CEMENTI MOCCIA
30%

LATERLITE
30%

CALCESTRUZZO E AGGREGATI Ready-mix Concrete and Aggregates

UNICAL
100%

BETONVAL
70%

SIEFIC
CALCESTRUZZI
50%

TECHNOBETON
45%

ATTIVITÀ CORRELATE Related Activities

ADDIMENT
ITALIA
50%

PREMIX
40%

ATTIVITÀ ESTERE Affiliates Abroad

RC CEMENT
100%

ALAMO CEMENT
100%

CORPORACION
MOCTEZUMA
50%⁽¹⁾

DYCKERHOFF
34%⁽²⁾

 Prossima fusione / Announced merger

 Azienda quotata / Listed company

(1) Percentuale riferita alla quota di controllo / Percent ownership of majority interest

(2) Controllo congiunto con la famiglia Dyckerhoff sul 68% del capitale ordinario / Joint control with the Dyckerhoff family on 68% of ordinary shares

Principali dati economico finanziari

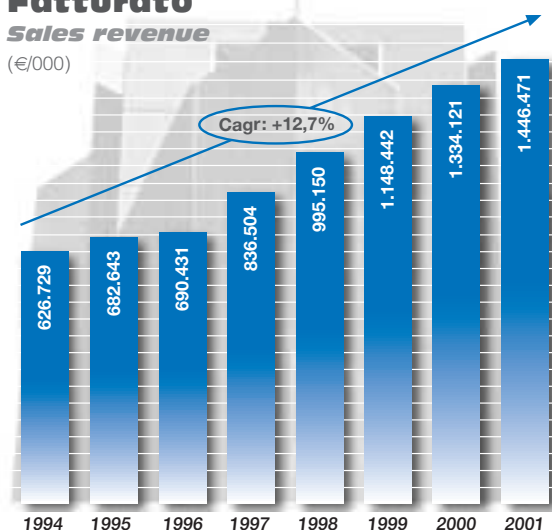
Key figures

		1994 ⁽¹⁾	1995 ⁽¹⁾	1996 ⁽¹⁾	1997 ⁽¹⁾	1998 ⁽¹⁾	1999	2000	2001
Vendite di cemento <i>Cement sales</i>	t/000	10.118	10.216	10.461	11.285	11.725	12.036	12.607	13.134
Vendite di argilla espansa <i>Expanded clay sales</i>	mc/000	383	352	347	306	462	442	338	298
Vendite di calcestruzzo <i>Concrete sales</i>	mc/000	3.110	3.368	3.474	3.788	7.052	7.743	8.186	8.582
Vendite di aggregati <i>Aggregate sales</i>	t/000	4.084	3.891	3.794	4.000	5.099	5.811	6.560	5.909
Fatturato <i>Sales revenue</i>	€/000	626.729	682.643	690.431	836.504	995.150	1.148.442	1.334.121	1.446.471
Investimenti industriali <i>Capital expenditures</i>	€/000	120.065	127.687	85.110	151.671	58.037	131.986	160.028	124.922
Addetti a fine esercizio <i>Payroll at year end</i>	nr	3.892	3.882	3.844	4.163	4.092	3.927	3.842	3.870

Fatturato

Sales revenue

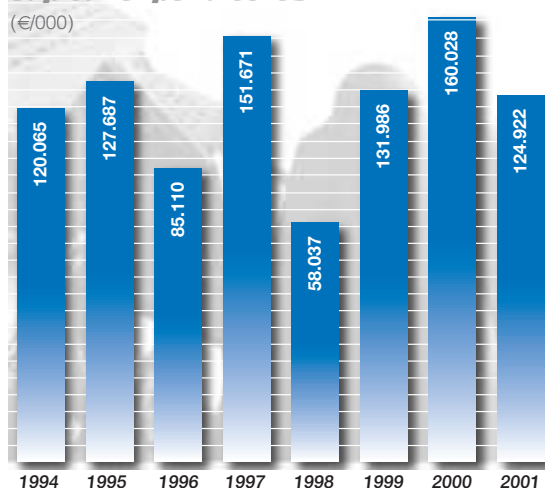
(€/000)



Investimenti industriali

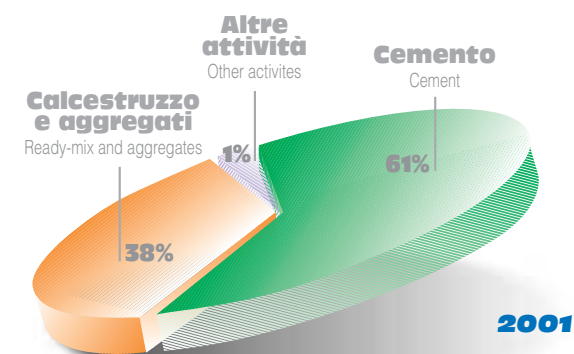
Capital expenditures

(€/000)



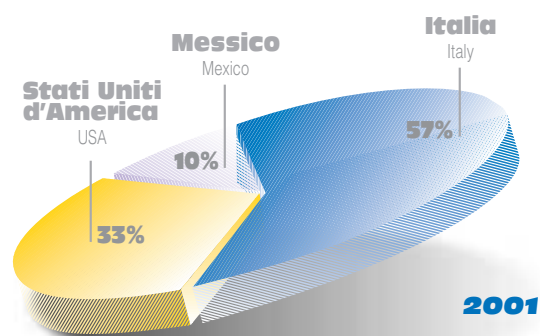
Fatturato per settore di attività⁽²⁾

Sales revenue by line of business



Fatturato per area geografica

Sales revenue by region



(1) Dati aggregati pro forma / Combined pro forma figures

(2) Prima delle elisioni tra settori di attività / Before eliminations among lines of business

CEMENTO E ARGILLA ESPANSA

Cement and Expanded Clay



Capacità produttiva 9.500.000 ton. di cemento, 13 stabilimenti, 3 impianti di produzione argilla espansa⁽¹⁾, 6 depositi e 3 terminali.

		2001	2000	01/00 (in %)
Vendite di cemento <i>Cement sales</i>	t/000	7.775	7.637	+ 1,8
Vendite di argilla espansa <i>Expanded clay sales</i>	mc/000	298	338	- 11,8
Fatturato ⁽²⁾ <i>Sales revenue</i>	€/000	478.497	445.088	+ 7,5
Investimenti industriali <i>Capital expenditures</i>	€/000	37.047	34.255	+ 8,2
Addetti a fine esercizio <i>Payroll at year end</i>	nr	1.607	1.628	- 1,3

CALCESTRUZZO E AGGREGATI

Ready-mix Concrete and Aggregates



190 impianti di produzione calcestruzzo, 30 cave di estrazione aggregati naturali.

		2001	2000	01/00 (in %)
Vendite di calcestruzzo <i>Concrete sales</i>	mc/000	6.872	6.500	+ 5,7
Vendite di aggregati <i>Aggregate sales</i>	t/000	3.946	4.688	- 15,8
Fatturato ⁽²⁾ <i>Sales revenue</i>	€/000	432.223	388.016	+ 11,4
Investimenti industriali <i>Capital expenditures</i>	€/000	15.607	15.961	- 2,2
Addetti a fine esercizio <i>Payroll at year end</i>	nr	734	701	+ 4,7

ATTIVITÀ CORRELATE

Related Activities



Addiment Italia (partecipazione al 50% con Heidelberger Zement AG)
Chimica dell'Edilizia - *Concrete and Cement Admixtures*

		2001	2000	01/00 (in %)
Vendite di additivi <i>Admixtures sales</i>	t/000	24	21	+ 12,8
Fatturato ⁽²⁾ <i>Sales revenue</i>	€/000	10.177	8.638	+ 17,8
Investimenti industriali <i>Capital expenditures</i>	€/000	340	401	- 15,1
Addetti a fine esercizio <i>Payroll at year end</i>	nr	21	21	0,0

Premix

Malte e Intonaci Premiscelati - *Premixed Mortars and Plasters*

		2001	2000	01/00 (in %)
Fatturato <i>Sales revenue</i>	€/000	3.299	3.329	- 0,9

(1) Conferiti a Laterlite S.p.A. al 31/12/2001 / Merged into Laterlite S.p.A. on December 31, 2001

(2) Prima delle elisioni tra settori di attività / Before eliminations among lines of business

ATTIVITÀ ESTERE

Affiliates Abroad



RC Cement Holding Company - Bethlehem, Pennsylvania - USA

Capacità produttiva 3.400.000 ton. di cemento, 4 stabilimenti, 10 terminali di distribuzione.

		2001	2000	01/00 (in %)
Vendite di cemento <i>Cement sales</i>	t/000	3.463	3.328	+ 4,1
Fatturato <i>Sales revenue</i>	\$/000	260.918	259.068	+ 0,7
Investimenti industriali <i>Capital expenditures</i>	\$/000	38.208	78.743	- 51,5
Addetti a fine esercizio <i>Payroll at year end</i>	nr	639	643	- 0,6



Alamo Cement Company - San Antonio, Texas - USA

Capacità produttiva 1.100.000 ton. di cemento, 51 impianti di produzione calcestruzzo, 3 cave di estrazione di aggregati naturali.

		2001	2000	01/00 (in %)
Vendite di cemento <i>Cement sales</i>	t/000	1.019	974	+ 4,6
Vendite di calcestruzzo <i>Concrete sales</i>	mc/000	1.390	1.407	- 1,2
Vendite di aggregati <i>Aggregate sales</i>	t/000	1.963	1.872	+ 4,8
Vendite materiali da costruzione <i>Building materials sales</i>	t/000	149	135	+ 10,2
Fatturato <i>Sales revenue</i>	\$/000	169.499	165.072	+ 2,7
Investimenti industriali <i>Capital expenditures</i>	\$/000	12.585	13.206	- 4,7
Addetti a fine esercizio <i>Payroll at year end</i>	nr	622	617	+ 0,8



Corporación Moctezuma, S.A. de C.V. - Cuernavaca, Morelos - Messico

Partecipazione al 50% nella quota di controllo con Cementos Molins S.A., capacità produttiva 2.800.000 ton. di cemento, 2 stabilimenti, 22 impianti di produzione calcestruzzo, 1 cava di estrazione aggregati naturali.

		2001	2000	01/00 (in %)
Vendite di cemento <i>Cement sales</i>	t/000	2.023	1.823	+ 11,0
Vendite di calcestruzzo <i>Concrete sales</i>	mc/000	641	559	+ 14,6
Fatturato <i>Sales revenue</i>	\$/000	262.663	218.546	+ 20,2
Investimenti industriali <i>Capital expenditures</i>	\$/000	25.494	20.090	+ 26,9
Addetti a fine esercizio <i>Payroll at year end</i>	nr	514	485	+ 6,0



RELAZIONE SULLA GESTIONE REVIEW OF OPERATIONS

Signori Azionisti,

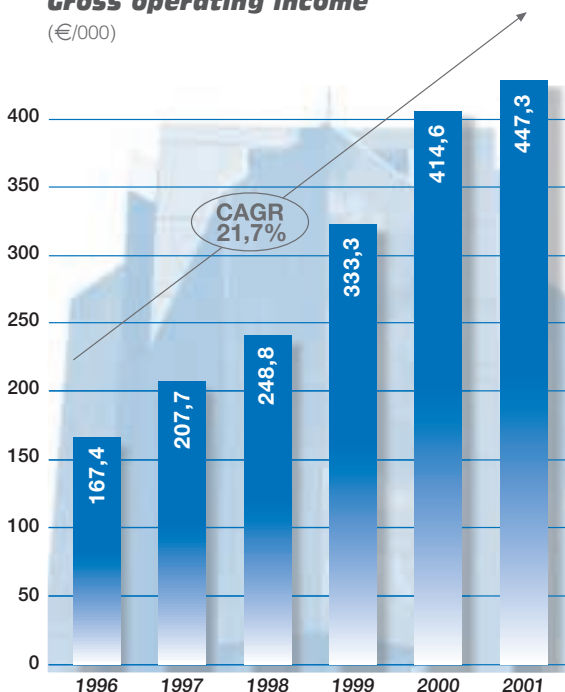
l'anno 2001 resterà tragicamente segnato dal gravissimo attacco terroristico scatenato nel mese di settembre contro le torri gemelle WTC a New York ed il ministero della difesa a Washington. Il riaffermarsi del terrorismo, e le azioni di guerra che ne hanno costituito l'epilogo, hanno avuto pesanti ripercussioni sulla situazione economica internazionale, accentuando il rallentamento che, particolarmente nell'ambito dell'economia statunitense, si era già manifestato nella prima parte dell'anno. La situazione economica dei principali paesi appartenenti alla Unione Europea è anch'essa peggiorata sensibilmente nel finale dello scorso anno. La crescita media in Europa si è attestata al 1,5%, quasi due punti in meno rispetto al 2000; spicca in tale contesto il forte rallentamento della Germania, che ha avuto riflessi molto negativi sulla dinamica del settore costruzioni.

Shareholders,

The year 2001 will be remembered mainly for the horrific terrorist attacks on September 11 against the World Trade Center towers in New York and the Pentagon in Washington. Further acts of terrorism and the retaliatory war that resulted, have had serious repercussions on the global economy, heightening the deceleration that began to be felt in the early part of the year, especially in the United States. The economic situation of the most important countries in the EC also worsened in the latter part of last year. Average growth in Europe settled at 1.5%, nearly two points less versus 2000; the major downswing in Germany has had very severe effects on all sectors of the construction industry.

Margine operativo lordo Gross operating income

(€/000)



Nonostante lo scenario economico riflessivo, brevemente delineato in apertura di relazione, l'esercizio 2001 della vostra società si chiude con risultati pienamente soddisfacenti e margini operativi in ulteriore miglioramento rispetto a quelli già molto positivi consumtivati l'anno scorso. L'andamento favorevole del mercato delle costruzioni in Italia e la crescita interna realizzata dalle attività industriali operanti in Messico hanno permesso di controbilanciare la situazione economica meno brillante del mercato USA. Nel bilancio in rassegna si manifestano significativi benefici derivanti dalla variazione dei tassi di cambio; l'apprezzamento rispetto all'euro del dollaro (+3% circa) e del peso messicano (+10% circa) contribuisce a mitigare il calo della redditività in Stati Uniti ed a rafforzare l'andamento della gestione industriale in Messico. Il conto economico consolidato evidenzia un fatturato di 1.446,5 milioni di euro, in aumento del 8,4% rispetto al precedente esercizio ed un margine operativo lordo pari a 447,3 milioni di euro (414,6 milioni nel 2000). In leggera crescita risulta l'utile netto di competenza del gruppo, che si attesta a 161,1 milioni di euro (160,4 milioni di euro nel 2000). A seguito degli importanti investimenti finanziari realizzati nell'esercizio, l'indebitamento finanziario netto a fine 2001 raggiunge i 544,1 milioni di euro, in crescita di 359,7 milioni rispetto ai 184,4 milioni del 31 dicembre 2000.

However, despite this uncertain economic picture, briefly described in the preceding paragraph, the company closed the year with totally satisfactory results and operating profits that were even better than the very positive ones achieved last year. The favorable trends in the Italian construction market and the internal growth achieved by our industrial concerns operating in Mexico have allowed Buzzi Unicem to offset the less than brilliant economic situation in the US market. The financial statements show substantial benefits from movements in exchange rates; revaluation of the dollar (+3%) and the Mexican peso (+10%) against the euro has taken the edge off the drop in profitability in the United States and strengthened industrial operations in Mexico. The consolidated income statement shows sales of euro 1,446.5 million, an increase of 8.4% on last year, and EBITDA stands at euro 447.3 million (euro 414.6 million in 2000). Consolidated net income also rose slightly, closing the year at euro 161.1 million (euro 160.4 million in 2000). Following the significant financial investments made during the year, net debt stands at euro 544.1 million at year end 2001, rising with respect to the December 31, 2000 balance of euro 184.4 million by 359.7 million.



L'anno 2001 segna una svolta epocale nella strategia di crescita e diversificazione internazionale del gruppo. Nel mese di giugno è stato sottoscritto con la famiglia Dyckerhoff, azionista di riferimento dell'omonima società cementiera tedesca, un accordo di partnership avente l'obiettivo di creare le condizioni per una accresciuta competitività dei rispettivi gruppi industriali (Buzzi Unicem, Dyckerhoff) e favorirne nel medio termine opportunità di sviluppo ed opzioni strategiche, nel quadro dell'evoluzione in atto nel settore del cemento a livello mondiale. L'accordo prevede che Buzzi Unicem acquisisca una partecipazione in Dyckerhoff AG pari al 34% del capitale ordinario ed al 4,4% del capitale privilegiato, con un investimento complessivo di 571 milioni di euro. Il trasferimento delle azioni è avvenuto in varie fasi: a fine agosto un 4% di azioni ordinarie, a fine settembre un ulteriore 26% di azioni ordinarie ed un 4,4 % di azioni privilegiate, in questi primi mesi del 2002 il residuo 4% di azioni ordinarie. Buzzi Unicem e la famiglia Dyckerhoff hanno conferito le rispettive azioni ordinarie in un patto di sindacato che raggrupperà il 68% dei diritti di voto in Dyckerhoff AG, con lo scopo di esercitare congiuntamente il controllo sulla società. Nei riguardi delle azioni tuttora detenute dalla famiglia Dyckerhoff, Buzzi Unicem ha accordato e garantito ai membri della famiglia stessa una *put option* esercitabile a fine 2004, per un ammontare di 597 milioni di euro in caso di completo esercizio. Per fare fronte ai fabbisogni finanziari derivanti dall'operazione, il 6 agosto è stato sottoscritto un contratto di finanziamento a medio termine da 1,4 miliardi di euro, organizzato da San Paolo Imi, da utilizzarsi progressivamente per cassa e per credito di firma. La nuova partecipazione in Dyckerhoff AG risulta iscritta tra le immobilizzazioni finanziarie ed è valutata col metodo del patrimonio netto. Il gruppo Dyckerhoff dispone complessivamente di una capacità produttiva di 28 milioni di tonnellate di cemento, distribuite in otto paesi (Germania, dove è market leader, USA, Spagna, Lussemburgo, Polonia, Repubblica Ceca, Ucraina e Russia) e possiede una significativa integrazione verticale nel settore del calcestruzzo pre-confezionato e degli aggregati naturali.

The year 2001 marked a watershed in corporate strategy of overall group growth and international diversification. In June the company and the Dyckerhoff family, major stockholder in the eponymous German cement company, signed a partnership agreement whose objective is to lay the foundation for improved competitiveness of both industrial groups (Buzzi Unicem and Dyckerhoff) and encourage development and strategic opportunities in the medium term, as part of the global evolution underway in the cement sector. The agreement lays down that Buzzi Unicem purchase a stake in Dyckerhoff AG equal to 34% of the ordinary capital stock and 4.4% of the preferred capital stock, for a total investment of euro 571 million. The share transfer took place in several phases: at the end of August, 4% of the ordinary shares were acquired; at the end of September, 26% of the ordinary shares and 4.4% of the preferred shares; and then, in early 2002, the remaining 4% of the ordinary shares. Buzzi Unicem and the Dyckerhoff family have contributed their respective ordinary shares in a syndicated agreement that pools 68% of the voting rights in Dyckerhoff AG, with the purpose of jointly exercising control over the company. As regards the shares still held by the Dyckerhoff family, Buzzi Unicem has agreed to offer the members of the family a put option that can be exercised at the end of 2004, for a total amount of euro 597 million in case of full exercise. To cover the financing requirements stemming from this deal, on August 6 the company stipulated a euro 1.4 billion credit facility arranged by SanPaolo IMI, which will be used as needed for cash advances and endorsement credits. The new equity investment in Dyckerhoff AG is recorded under financial fixed assets and is carried on an equity basis. The Dyckerhoff group has a cement capacity of 28 million tons, from production units located in eight countries (Germany, where it is market leader, the US, Spain, Luxembourg, Poland, Czech Republic, Ukraine and Russia) and holds a considerable vertical integration in the ready-mix concrete and natural aggregates sector.

Andamento economico e finanziario

Operating and financial results

I volumi di vendita del settore **cemento** sono migliorati in tutti i mercati di presenza. Il trend di crescita si conferma molto accentuato in Messico (+11,0%), sostenuto in Stati Uniti d'America (+4,2%) ed ancora favorevole in Italia (+1,8%). Complessivamente le quantità vendute raggiungono quota 13,1 milioni di tonnellate, un livello superiore a quello dello scorso anno del 4,2%.

Ugualmente positivo è risultato l'andamento delle vendite di **calcestruzzo preconfezionato**; l'impulso alla produzione proveniente da Messico (+14,6%) ed Italia (+5,7%) compensa largamente la contenuta flessione degli Stati Uniti d'America (-1,2%). A livello gruppo le vendite di calcestruzzo si attestano a 8,6 milioni di metri cubi (+4,8% sul 2000).

Alla crescita dei ricavi netti consolidati contribuiscono tutte le aree geografiche in cui il gruppo opera, ma in valore assoluto l'apporto dell'Italia è quello maggiormente significativo. L'aumento dell'8,4% è dovuto all'accresciuto livello di attività per il 5,4%, alle variazioni nei tassi di cambio per il 2,1% ed alle modifiche nell'area di consolidamento per lo 0,9%. L'aumento realizzato in Italia (+8,0%) deriva da un andamento positivo sia dei volumi sia dei prezzi. Negli USA (+4,3%) la rivalutazione del dollaro ha praticamente compensato la flessione verificatasi nei prezzi di vendita. Il giro d'affari realizzato in Messico registra un incremento importante (+23,5%), di cui quasi il 50% attinente ai maggiori volumi. La porzione di fatturato estero si mantiene al 43% del totale, come nello scorso esercizio.

*Sales volumes in the **cement** sector have improved throughout the markets where Buzzi Unicem operates. Outstanding growth was recorded in Mexico (+11.0%), steady increases in the United States of America (+4.2%) and slightly higher sales in Italy (+1.8%). Overall, sales volumes reached 13.1 million tons, reflecting a 4.2% rise over the previous year.*

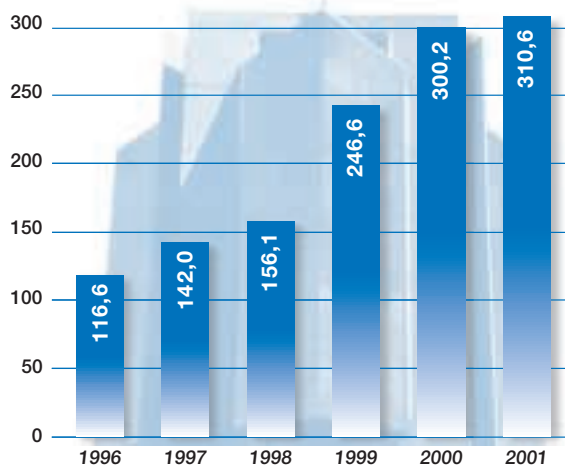
***Ready-mix concrete** sales followed a similar positive trend; Mexico showed very good sales growth (+14.6%) as did Italy (+5.7%), easily offsetting the moderate decrease in sales in the United States of America (-1.2%). At a group level, concrete sales reached 8.6 million cubic meters (+4.8% on 2000).*

All the geographic areas in which the group operates contributed to the overall growth of net sales, but Italy played the most important role in absolute terms. The increase of 8.4% is due to higher turnover for 5.4%, changes in the exchange rates for 2.1% and changes in the scope of consolidation for 0.9%. The upsurge recorded in Italy (+8.0%) was due to a positive trend in both volumes and prices. In the USA (+4.3%), the increase in the value of the dollar more or less offsets the slight decline in selling prices. Turnover in Mexico showed a substantial increase (+23.5%), about half of which was due to rising volumes. The share of international sales remained steady at 43% of total turnover, in line with the previous year.

Autofinanziamento

Cash flow

(€/000)



I principali saldi intermedi del conto economico (margine operativo lordo e risultato operativo) mostrano una accelerazione simile a quella dei ricavi. Contribuiscono al miglioramento le attività industriali localizzate in Italia ed in Messico mentre negli Stati Uniti assistiamo ad una diminuzione di alcuni punti percentuali. Il rapporto margine operativo lordo su giro d'affari è pari al 30,9%, vicino al massimo storico dell'esercizio 2000 (31,1%); il risultato operativo raggiunge i 318,7 milioni di euro (erano 293,0 milioni nel 2000), permettendo così alla redditività delle vendite di mantenersi a livello non inferiore a quello dell'esercizio precedente. Il risultato della gestione finanziaria peggiora di 7,1 milioni di euro; la variazione è dovuta alla progressiva riduzione dell'indebitamento netto, proseguita fino al mese di agosto, al calo del costo del denaro e, in senso negativo, agli oneri finanziari aggiuntivi connessi con l'acquisto della partecipazione in Dyckerhoff. Inoltre presso le società messicane si manifestano nel periodo differenze di cambio passive dovute al rafforzamento del peso rispetto a disponibilità liquide costituite in valuta forte (dollaro, euro) per prevenire possibili svalutazioni della moneta locale nel medio termine. Le rettifiche di valore (negative per complessivi 2,4 milioni) comprendono una svalutazione di euro 0,6 milioni riferita alla valutazione dell'investimento in Dyckerhoff col metodo del patrimonio netto. Dopo proventi straordinari netti per 0,9 milioni di euro (7,2 milioni nel 2000) ed imposte sul reddito per 115,0 milioni (+7,1 milioni rispetto all'esercizio 2000), l'esercizio chiude con un risultato attivo di 161,1 milioni di euro, al netto della quota spettante agli azionisti terzi, pari a 20,9 milioni. L'autofinanziamento di 310,6 milioni di euro è superiore di 10,5 milioni a quello del 2000.

The main intermediate balances of the income statement (EBITDA and operating income) have been growing at the same rate as revenues. Contributions to this improvement came from industrial activities in Italy and Mexico, while the United States slipped by a few percentage points. The EBITDA margin on sales was 30.9%, very close to the record level achieved in 2000 (31.1%). Operating income reached euro 318.7 million (euro 293.0 million in 2000), which enabled return on sales to remain on a par with the previous year. Net financial charges deteriorated by euro 7.1 million; the change was the combined effect of the gradual decrease in net debt that continued its downward trend until August and the decline in the cost of money on one hand and on the other the additional financial charges arising from the investment in Dyckerhoff. Furthermore, the Mexican companies showed foreign exchange losses due to the increased value of the peso compared to liquid assets held in strong currencies (dollar, euro) to hedge possible devaluation of the local currency in the medium run. Value adjustments (negative for a total of 2.4 million) include a write down of euro 0.6 million referring to the valuation of the Dyckerhoff investment at equity. After deducting extraordinary income of euro 0.9 million (euro 7.1 million in 2000) and income taxes of euro 115.0 million (+7.1 million over 2000), the year closed with net income of euro 161.1 million, after minority interests of euro 20.9 million. Cash flow of euro 310.6 million is euro 10.5 million higher than in 2000.

Conto economico consolidato sintetico
Summary consolidated income statement

(milioni di euro / millions of euro)

	2001	% sui ricavi % of sales	2000	% sui ricavi % of sales
Ricavi netti Net revenues	1.446,5	100,0	1.334,1	100,0
Consumi, costi operativi e servizi <i>Materials, operating costs and services</i>	(818,1)	(56,6)	(745,5)	(55,9)
Valore aggiunto Value added	628,4	43,4	588,6	44,1
Costo del lavoro <i>Labour costs</i>	(181,1)	(12,5)	(174,0)	(13,0)
Margine operativo lordo EBITDA (operating cash flow)	447,3	30,9	414,6	31,1
Ammortamenti <i>Depreciation and amortization</i>	(128,6)	(8,9)	(121,6)	(9,1)
Risultato operativo Operating income	318,7	22,0	293,0	22,0
Proventi (oneri) finanziari <i>Financial income (expenses)</i>	(20,1)	(1,4)	(13,0)	(1,0)
Altri proventi (oneri) <i>Other income (charges)</i>	(1,5)	(0,1)	6,5	0,5
Risultato ante imposte Income before taxes	297,1	20,5	286,5	21,5
Imposte sul reddito <i>Income taxes</i>	(115,0)	(8,0)	(107,9)	(8,1)
Utile netto dell'esercizio Combined net income	182,1	12,5	178,6	13,4
Quota terzi <i>Minority interests</i>	(20,9)	(1,4)	(18,2)	(1,4)
Utile netto del gruppo Consolidated net income	161,1	11,1	160,4	12,0
Cash flow (utile + ammortamenti) Cash flow (combined net income + depreciation)	310,6	21,4	300,2	22,5

Gli investimenti realizzati nel 2001 ammontano a 634,8 milioni di euro, contro i 160,0 milioni del precedente esercizio, di cui circa 510 milioni relativi alle azioni Dyckerhoff.

In Italia abbiamo indirizzato l'attività di investimento ordinaria del settore cemento all'adeguamento tecnico-ambientale, al rafforzamento della competitività delle unità produttive, al reintegro delle riserve di materie prime, al costante rinnovo tecnologico e funzionale dei sistemi informativi. Gli interventi più significativi riguardano l'installazione di un nuovo mulino Horomill presso lo stabilimento di Barletta, l'ammodernamento del reparto materie prime a Guidonia, il rinnovo delle linee insacco e pallettizzazione di alcuni stabilimenti, l'introduzione del software gestionale integrato Oracle Applications, l'ampliamento degli immobili di sede a Casale Monferrato. Nell'ambito del settore calcestruzzo preconfezionato è proseguito l'adeguamento tecnico-ambientale ed il rinnovo delle unità produttive, abbinato ad una attenta attività di acquisizione partecipazioni. Ne costituisce un esempio l'acquisto, avvenuto nel mese di aprile, del 100% di Calcestruzzi Margotti Srl, operante con quattro impianti situati nelle province di Bologna, Ferrara, Ravenna ed avente una produzione di calcestruzzo pari a 130.000 mc/anno.

Capital expenditure in year 2001 amounted to euro 634.8 million compared with 160.0 million the previous year, including euro 510 million relating to the Dyckerhoff's shares.

Ordinary investments in the cement business in Italy primarily dealt with upgrading production units in terms of their technical and environmental features as well as increasing competitiveness, restoring reserves of raw materials, technical and functional renovation of the IT systems. The most significant capital spending concerned installation of a new Horomill at the Barletta plant, modernization of the raw materials department in Guidonia, renovation of the bagging and palletizing lines of some facilities, introduction of the Oracle Applications integrated management software and expansion of the company offices in Casale Monferrato. Investments continued in the ready-mix concrete business to upgrade and renovate the production facilities, along with selective acquisitions of equity investments. An example was the 100% acquisition finalized in April of Calcestruzzi Margotti Srl, operating with four batching plants located in the provinces of Bologna, Ferrara, and Ravenna, with concrete output of 130,000 cubic meters/year.



Negli Stati Uniti le spese in conto capitale sostenute si sono molto ridimensionate rispetto allo scorso esercizio. I principali interventi riguardano il completamento della nuova linea di produzione cemento a Chattanooga (Tennessee), avviata nei primi giorni di aprile; l'acquisto di terreni adiacenti alla cementeria di Festus (Missouri) su cui insistono importanti riserve di materie prime; l'installazione di un nuovo mulino della materia prima, di un frantoio mobile e l'introduzione di importanti modifiche migliorative al raffreddatore presso la cementeria di San Antonio (Texas); l'acquisto di 30 nuove autobetoniere per il settore calcestruzzo di Alamo Cement.

Gli investimenti realizzati in Messico sono state indirizzati all'installazione del terzo mulino cemento a Tepetzingo, all'insediamento di 4 nuove centrali di betonaggio, all'acquisto di 25 nuovi mezzi per il trasporto ed il pompaggio del calcestruzzo ed al rinnovo tecnologico della piattaforma informatica, con introduzione del sistema gestionale integrato Oracle Applications. Tra gli investimenti di carattere finanziario, esclusi dall'importo sopra citato, merita segnalare l'acquisto di ulteriori azioni della controllata Unimed SpA, società quotata, per complessivi 1,1 milioni di euro, effettuato dalla capogruppo Buzzi Unicem SpA mediante acquisti sul mercato telematico della Borsa Italiana.

Il patrimonio netto complessivo al 31.12.2001 raggiunge i 1.239,9 milioni di euro contro 1.029,5 milioni a fine 2000. Contribuiscono al notevole rafforzamento in senso positivo l'utile dell'esercizio e l'effetto variazione tassi di cambio, pari a 36,1 milioni di euro; in senso negativo la distribuzione di 28,1 milioni di euro per dividendi relativi all'esercizio 2000.

In the United States, capital expenditure was much lower than the previous year. The most important projects abroad include completion of a new cement production line in Chattanooga (Tennessee), which began operating in early April; purchase of land adjacent to a cement works in Festus (Missouri) rich in raw materials reserves; installation of a new raw mill, a moveable crusher and significant improvements on the cooler at the cement plant in San Antonio (Texas); purchase of 30 new cement mixers for the concrete division of Alamo Cement.

Investments made in Mexico have been channelled into installation of a third cement mill in Tepetzingo, 4 new ready-mix concrete batching plants, purchase of 25 new mixer and pumping trucks, and technological renovation of the IT platform, with introduction of the Oracle Applications integrated management software. Among other financial investments, apart from the amount listed above, we should mention that the parent company Buzzi Unicem SpA purchased on the Italian Stock Exchange additional stakes in the subsidiary Unimed SpA (listed company) with an outlay of euro 1.1 million.

Total stockholders' equity at December 31, 2001 stands at euro 1,239.9 million, against euro 1,029.5 million at year end 2000. Net income for the year and translation differences of euro 36.1 million have contributed to this considerable increase, while euro 28.1 million distributed in dividends for 2000 were deducted.

Stato patrimoniale consolidato sintetico
Summary consolidated balance sheet

	(milioni di euro / millions of euro)	
	31.12.2001	31.12.2000
Immobilizzazioni materiali ed immateriali nette <i>Property, plant, equipment and intangible fixed assets, net</i>	1.126,9	1.083,9
Immobilizzazioni finanziarie <i>Financial fixed assets</i>	574,6	62,9
Capitale d'esercizio <i>Working capital</i>	238,8	207,2
Capitale investito netto <i>Net invested capital</i>	1.940,3	1.354,0
Patrimonio netto <i>Stockholders' equity</i>	1.239,9	1.029,5
di cui, Quota terzi <i>of which, Minority interests</i>	129,2	107,4
Fondi <i>Reserves for risks and charges</i>	156,3	140,1
Posizione finanziaria netta <i>Net financial position</i>	544,1	184,4
Totale copertura <i>Total financing</i>	1.940,3	1.354,0

L'indebitamento netto del gruppo a fine esercizio è pari a 544,1 milioni di euro, dopo l'investimento di 510 milioni sostenuto nel corso del terzo trimestre per l'acquisto della partecipazione in Dyckerhoff. Al netto di tale esborso, e dopo gli investimenti di sostituzione, di ampliamento della capacità ed il dividendo pagato agli azionisti, l'indebitamento è in diminuzione di 150 milioni di euro rispetto alla situazione di inizio anno, grazie alle risorse generate dalla gestione. Il rapporto indebitamento/patrimonio a fine 2001 è pari a 0,44 (0,18 al 31 dicembre 2000). Le componenti attive e passive della posizione finanziaria netta, suddivise per grado di liquidità, sono riportate nella tabella seguente:

Net financial position of the group at year end comes to euro 544.1 million, after the investment of euro 510 million in Dyckerhoff during the third quarter. Net of this outlay and after investments for equipment replacement, capacity expansion and dividends paid to shareholders, net debt fell by euro 150 million compared with the exposure at the start of the year, thanks to the cash flow provided by operations. The debt/equity ratio at the end of 2001 was 0.44, compared with 0.18 on December 31, 2000. The asset and liability items making up the net financial position are as follows, grouped according to their degree of liquidity:

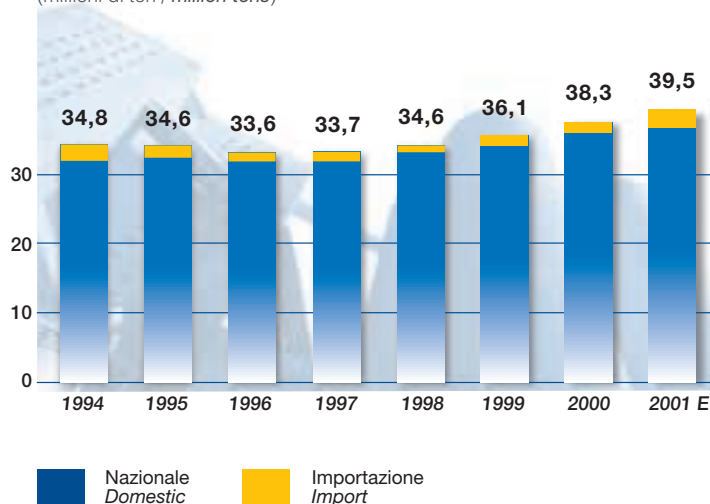
	(milioni di euro / millions of euro)	
	31.12.2001	31.12.2000
Disponibilità ed attività finanziarie a breve <i>Cash, banks and marketable securities</i>	294,4	278,6
Debiti finanziari a breve <i>Short-term debt</i>	(458,8)	(122,3)
Disponibilità (indebitamento) netta a breve <i>Net short-term cash (debt)</i>	(164,4)	156,2
Debiti finanziari a medio e lungo termine <i>Long-term debt</i>	(379,8)	(340,6)
Posizione finanziaria netta <i>Net financial position (net debt)</i>	(544,1)	(184,4)

I conti economici nazionali, resi noti in via preliminare dall'Istat, indicano che il 2001 è stato un anno di notevole frenata per quasi tutte le componenti del Pil. Il rallentamento della crescita, che ha portato ad una variazione positiva del Pil pari al 1,8%, riflette principalmente la debolezza della componente estera, non compensata dall'evoluzione della domanda interna. I consumi delle famiglie fanno segnare una crescita inferiore a quella del Pil, mentre gli investimenti, pur evidenziando un rallentamento sensibile rispetto al recente passato, crescono in misura superiore al principale indicatore macro-economico (+2,4%). Tra questi si distingue il settore costruzioni, con un aumento medio annuo superiore al 4% nel periodo 1999-2001, stimolato dal basso livello dei tassi di interesse reali, dal rilancio delle opere pubbliche e dagli incentivi all'edilizia residenziale. Si tratta di un risultato senza dubbio significativo se lo si paragona alla precedente, quasi decennale fase di declino.

Preliminary statistics on the Italian economy published by ISTAT indicate that 2001 was a year marked by a significant slowdown in almost every component of GDP. Sluggish growth, raising GDP by only 1.8%, reflects above all the weakness in exports, not compensated by an increase in domestic demand. Consumer spending growth has been less than GDP, while capital expenditures have grown more than the main macro-economic indicator (+2.4%), albeit much slower than in recent years. Among these, the construction industry stands out for its average annual increase of more than 4% in the period from 1999-2001, stimulated by low real interest rates, new public works projects, and incentives offered to residential buildings. This is a significant result when compared with the previous decade of decline.

Consumo di cemento in Italia **Cement consumption in Italy**

(milioni di ton / million tons)



Cemento Italia
Cement operations in Italy



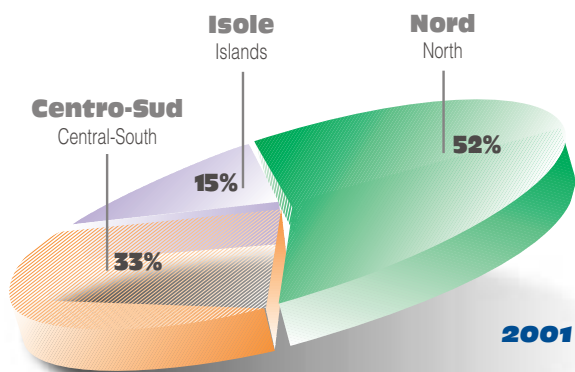
La produzione italiana di **cemento** è stimata pari, nel 2001, a 39,8 milioni di tonnellate, +2,0% rispetto ai 39,0 milioni del 2000. Nell'ambito dei vari comparti macro-regionali, le produzioni variano in modo differenziato: bene il Settentrione (+3,6%), ancor meglio l'Italia insulare (+7,6%), stazionario il Centro (-0,1%), debole il Meridione (-2,2%). Il saldo della bilancia commerciale di settore si mantiene attivo, ma la prolungata tendenza positiva del mercato in termini di volumi e prezzi favorisce un maggior ricorso alle importazioni. Come conseguenza dei suddetti dati e flussi e del movimento scorte, risulta un consumo interno del paese per il 2001 dell'ordine di 39,5 milioni di tonnellate, in recupero del 3% circa rispetto a 38,3 milioni di tonnellate del 2000.

Le nostre vendite di prodotti (leganti idraulici e clinker) sul mercato nazionale fanno segnare un aumento del 2,3%, mentre sono in diminuzione del 3% circa le quantità destinate all'export. La robustezza della domanda ha favorito l'adeguamento al rialzo dei prezzi netti di vendita, che riferiti al cemento per il mercato domestico aumentano mediamente del 10%, permettendo al fatturato di settore di raggiungere i 478,5 milioni di euro. Sul fronte dei costi di produzione, l'anno 2001 è stato nuovamente caratterizzato da un tasso di inflazione dei fattori energetici assai elevato. Nella prima parte dell'anno è continuato sul mercato del petcoke, nostro principale combustibile, l'effetto trascinarsi degli aumenti 2000; da giugno in poi

*Domestic production of **cement** in Italy is estimated at 39.8 million tons in 2001, +2.0% with respect to the 39.0 million recorded in 2000. The production results vary greatly from region to region: good in the North (+3.6%), even better in the Islands (+7.6%) while Central Italy remained fairly stable at -0.1% and the South weak (-2.2%). The sector trade balance is still positive, but the protracted positive performance of the market in terms of volume and prices is encouraging greater use of imports. As a consequence of these figures and flows, national consumption in 2001 recovered 3%, reaching 39.5 million tons with respect to 38.3 million tons in 2000.*

Sales of our products (hydraulic binders and clinker) on the domestic market increased by 2.3%, while volumes of export sales decreased by 3%. Strong demand made it possible to raise net selling prices, which for cement on the domestic market increased by +10%, boosting sector revenues to euro 478.5 million. Regarding production costs, 2001 marked the second year in a row of a particularly high rate of inflation in energy costs. The early part of the year saw continuing increases in the price of petcoke, our main type of fuel; from June this upward trend began to reverse, but overall the year on year increase was still very high. The electrical power market continues to malfunction, being very inefficient on the supply side; awaiting new players and more modern generation

Vendite di cemento per Area
Cement Sales by Area



abbiamo assistito ad una inversione di tendenza ma l'aumento anno su anno risulta comunque molto sensibile. Il mercato dell'energia elettrica continua ad essere assai imperfetto ed inefficiente dal lato dell'offerta; in attesa di nuovi attori e siti produttivi più moderni il costo di approvvigionamento è salito di un ulteriore 10% circa. Sotto controllo risulta invece il costo del lavoro, che si mantiene ai livelli del 2000, grazie al calo degli oneri sociali ed alla diminuzione del numero medio degli addetti in forza. Il margine operativo lordo aumenta di 28,6 milioni di euro (178,0 nel 2001 rispetto a 149,4 nell'esercizio precedente), grazie al buon livello di utilizzazione delle fabbriche ed indici di efficienza produttiva (consumi specifici, produttività del lavoro, servizi esterni) in graduale, continuo miglioramento. Nel mese di settembre la capogruppo Buzzi Unicem SpA ha sottoscritto con Laterlite SpA un accordo volto all'integrazione delle attività dei due gruppi nel settore dell'argilla espansa, dei premiscelati leggeri e dei blocchi isolanti. Esso prevede il conferimento dei rispettivi rami d'azienda, costituiti dai nostri stabilimenti di Lentella ed Enna e dagli stabilimenti Laterlite di Rubbiano e Bojano, in società di nuova costituzione. Al termine dell'operazione Buzzi Unicem deterrà una quota di partecipazione del 30% nella joint venture. L'integrazione è volta a costituire un'entità leader nel settore dell'argilla espansa al fine di creare maggior sviluppo e competitività nel mercato degli inerti leggeri e isolanti per l'edilizia, valorizzando le esperienze trentennali di entrambi i produttori in tale settore.

plant, the cost of supply rose a further 10%. Labor costs are under control, staying by and large at 2000 levels, thanks to the reduction in social security contributions and the decrease in the average number of employees. EBITDA in 2001 increased by euro 28.6 million (euro 178.0 million compared with 149.4 million last year) thanks to a good level of capacity utilization and production efficiency indicators (operating data, labor productivity, contract labor) which improved slowly but surely.

In September, the parent company, Buzzi Unicem SpA, signed an agreement with Laterlite SpA involving integration of the two groups in the sectors of expanded clay, light pre-mixes and insulating blocks. Under this agreement, each group will transfer its respective business units, namely our Lentella and Enna plants and Laterlite's Rubbiano and Bojano plants, to a new company. On completion of the transaction, Buzzi Unicem will hold a 30% stake in the new joint venture. The purpose of this amalgamation is to create a leader entity in the field of expanded clay, boosting development and competition in the market for light aggregates and insulating materials for the building industry, enhancing the thirty years of experience that both companies have in this sector.



Nel mese di novembre è stato sottoscritto con il gruppo E.ON, un accordo finalizzato alla realizzazione di un programma industriale per la produzione di energia elettrica a gas naturale, su siti di proprietà Buzzi Unicem. Il gruppo E.ON, la cui capogruppo E.ON AG è quotata alla borsa di Francoforte e di New York, è il secondo produttore di energia elettrica in Europa, dopo EDF. L'obiettivo principale della vostra società, attraverso questo accordo, è quello di accrescere la propria competitività nell'approvvigionamento di un primario fattore di produzione del cemento quale è l'energia elettrica. La E.ON Italia Produzione SpA, costituita recentemente, avrà la responsabilità di realizzare la prima centrale per la quale siano ottenute le autorizzazioni. A tale società E.ON partecipa con una quota del 95% e Buzzi Unicem del 5%. Buzzi Unicem avrà inoltre la facoltà di partecipare in misura analoga ad altre eventuali iniziative successive. L'accordo prevede che, realizzandosi la prima iniziativa, Buzzi Unicem ottenga condizioni di fornitura di energia elettrica vantaggiose rispetto alle condizioni di mercato, per una durata di 25 anni.

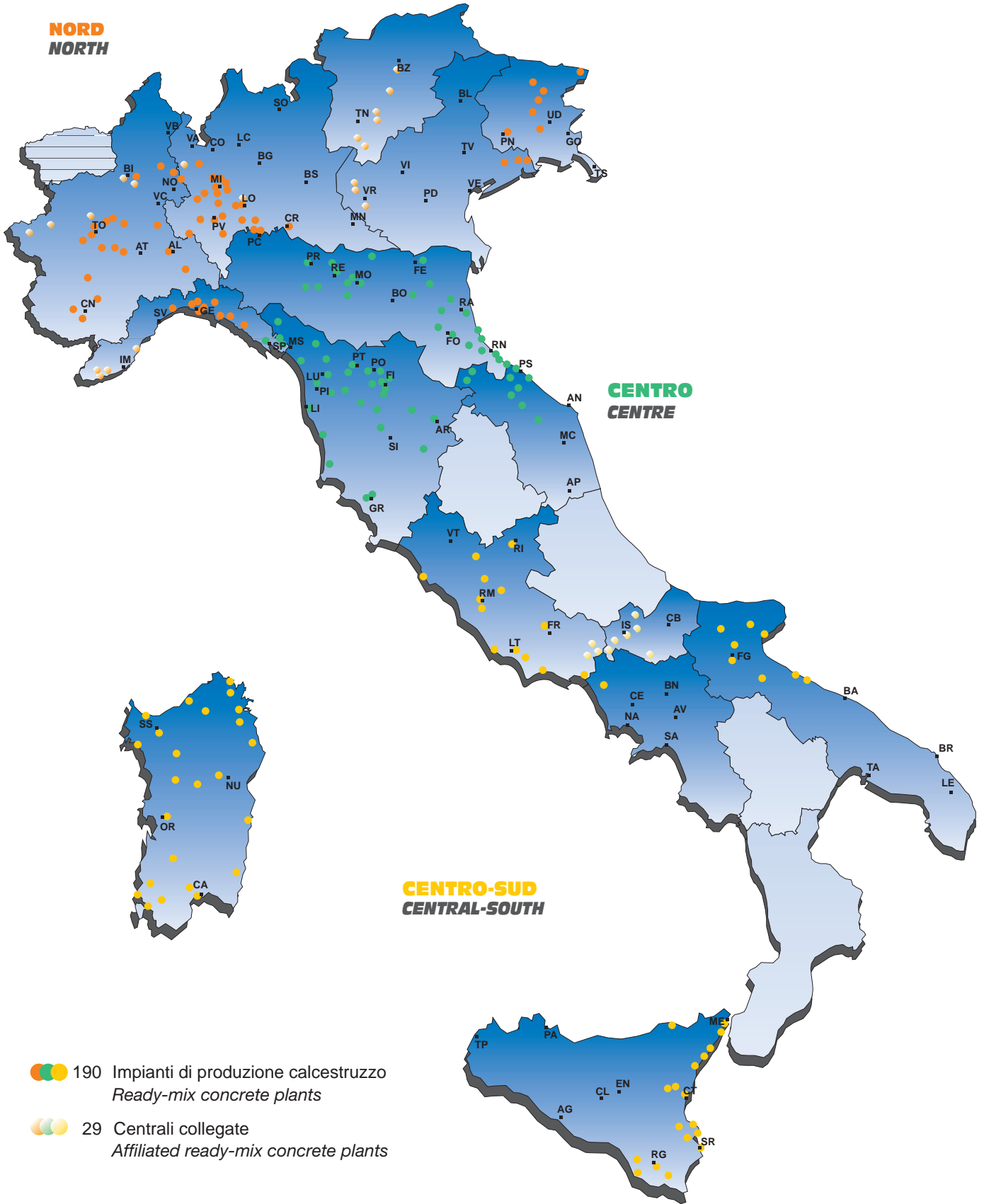
In November, Buzzi Unicem and the E.ON group signed an agreement to implement a business plan for natural gas powered electricity generation, on sites owned by Buzzi Unicem. The E.ON group, whose parent company E.ON AG is listed on the Frankfurt and New York stock exchanges, is the second largest electricity producer in Europe, after EDF. With this agreement, your company hopes to increase its competitiveness in procuring a primary element in cement manufacture, namely electrical power. A new company, E.ON Italia Produzione SpA, will be responsible for building the first power plant, after having possibly secured the appropriate authorization. E.ON will hold a 95% stake in the new company, Buzzi Unicem the remaining 5%. Furthermore, Buzzi Unicem will be entitled to participate to a comparable degree in any subsequent initiatives. The agreement provides that, once the first initiative has been completed, Buzzi Unicem will receive electricity supplies at favorable conditions compared with the market for a period of 25 years.

Si riportano di seguito i dati di sintesi delle società del settore cemento operanti in Italia, prima delle eliminazioni tra settori di attività:

The following are key figures for the cement sector in Italy, prior to eliminations among lines of business:

	(milioni di euro / millions of euro)	
	2001	2000
Ricavi netti <i>Net sales</i>	478,5	445,1
Margine operativo lordo <i>EBITDA</i>	178,0	149,4
% sui ricavi netti <i>% of sales</i>	37,2	33,6
Investimenti industriali <i>Capital expenditures</i>	37,0	34,3
Addetti a fine esercizio <i>Payroll at year end</i>	1.607	1.628

Calcestruzzo Italia
 Ready-mix concrete operations in Italy



L'andamento produttivo e di vendita del settore **calcestruzzo** è risultato in ulteriore crescita nell'esercizio 2001. A livello nazionale aumenta l'incidenza del cemento destinato alle centrali di betonaggio (46% nel 2000) e tale evoluzione, unitamente alla positiva situazione del mercato edilizio, favorisce lo sviluppo dei volumi. Il positivo andamento delle vendite viene anche dalla crescita interna effettuata tramite l'acquisizione di Calcestruzzi Margotti (area Emilia Romagna) e del ramo aziendale Quadrifoglio Calcestruzzi, in provincia di Lucca. La produzione di calcestruzzo preconfezionato raggiunge quota 6,9 milioni di metri cubi, +5,7% sull'esercizio precedente, mentre le vendite di inerti flettono del 15,8%. Il fatturato si attesta a 432,2 milioni di euro, con un aumento del 11,4%, che denota un andamento positivo dei prezzi nel loro complesso. L'incremento di volumi e prezzi ha permesso di assorbire l'inflazione dei principali costi operativi, in particolare quelli relativi alle materie prime.

*Production and sales of **ready-mix concrete** have shown further growth during 2001. Domestically the percentage of cement allocated to ready-mix producers is increasing and this evolution, along with the positive picture on the building industry market, has encouraged growth in volumes. The favorable sales trend is also due to internal growth through acquisition of Calcestruzzi Margotti (Emilia Romagna region) and the Quadrifoglio Calcestruzzi business unit in the province of Lucca. Production of ready-mix concrete has reached 6.9 million cubic meters, up 5.7% on the previous year, while sales of aggregates are down by 15.8%. Net sales stand at euro 432.2 million, representing an increase of 11.4% and signalling an overall positive price trend. The increase in prices and volumes has absorbed the increases of the main operating costs, in particular those relating to raw materials.*

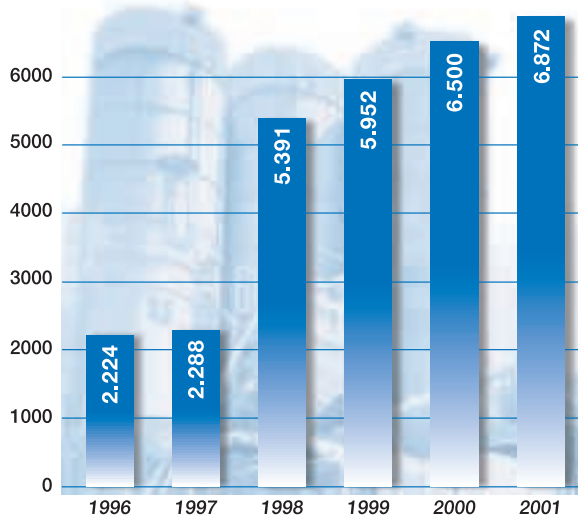


La nostra struttura tecnico-commerciale di settore dedica un grosso impegno ai progetti Alta Velocità in corso e di prossimo avvio. I fronti su cui siamo impegnati sono tre: Bologna-Firenze, i cui lavori in Toscana procedono su ritmi più lenti a causa dei problemi ambientali rilevati a fine giugno dalla magistratura; Milano-Bologna, i cui cantieri sono partiti secondo i programmi; Torino-Milano, per la quale si è presentata un'offerta di fornitura in questi primi mesi del 2002. Prosegue il processo di riorganizzazione della divisione aggregati naturali, che punta ad ottimizzare la redditività della stessa tramite outsourcing selettivo dell'attività di estrazione e/o la dismissione a terzi nelle situazioni economicamente più penalizzanti.

Our sales and technical structure has put forth a concerted effort to the High Speed Train projects already underway and soon to be activated. We are focusing on these three fronts: Bologna-Firenze, whose work in Tuscany are proceeding slowly due to environmental issues raised at the end of June by the magistrature; Milano-Bologna, whose sites have begun according to schedule; Torino-Milano, for which a supply offer was presented in the early months of 2002. Reorganization continues in the natural aggregates division, whose ultimate goal is to optimize its profitability by selectively outsourcing extraction activities or selling off the business to third parties in particularly unfavorable economic situations.

Vendite di calcestruzzo **Concrete sales**

(mc / 000)



Si riportano di seguito i dati di sintesi delle società del settore calcestruzzo preconfezionato ed aggregati naturali operanti in Italia, prima delle eliminazioni tra settori di attività:

The following are key figures for companies in the ready-mix concrete and aggregates sector in Italy, prior to eliminations among lines of business:

	(milioni di euro / millions of euro)	
	2001	2000
Ricavi netti <i>Net sales</i>	432,2	388,0
Margine operativo lordo <i>EBITDA</i>	42,3	38,2
% sui ricavi netti <i>% of sales</i>	9,8	9,8
Investimenti industriali <i>Capital expenditures</i>	15,6	16,0
Addetti a fine esercizio <i>Payroll at year end</i>	734	701
	(numero/number)	

Continua il positivo trend di sviluppo della Addiment Italia Srl (collegata al 50%), società specializzata nel settore **chimica dell'edilizia**, in particolare additivi per calcestruzzo ed additivi di processo per cementeria. Le quantità vendute dalla società sono salite a 24.200 tonnellate, a cui corrispondono nel 2001 ricavi netti di vendita pari a 10,2 milioni di euro. Migliora anche la redditività caratteristica, che evidenzia un margine operativo lordo in miglioramento da 1,3 a 1,6 milioni.

*Expansion continued at Addiment Italia Srl (50% associated), a company operating in the **construction chemicals** sector which specializes in admixtures for concrete and cement. Sales volumes increased to 24,200 tons, which correspond to net sales revenues of euro 10.2 million in 2001. Operating profitability also improved, showing EBITDA up to euro 1.6 from euro 1.3 million.*

Stati Uniti d'America United States of America

Nel marzo 2001 l'economia USA è entrata in una fase di leggera recessione, che si è accentuata nel terzo trimestre in seguito agli attacchi terroristici dell'11 settembre. La spinta negativa si è esaurita nell'ultima parte dell'anno ed il Pil americano è così cresciuto del 1,1% anno su anno, un risultato modesto se posto a confronto con quello del 2000, ma superiore alle attese degli esperti. L'impatto della recessione è stato assai maggiore nelle industrie ad elevato contenuto tecnologico e telecomunicazioni, mentre gli atti di terrorismo hanno fortemente penalizzato i settori viaggi, turismo e trasporti aerei. L'industria delle costruzioni ha mantenuto durante l'anno un livello di attività elevato, spinta da investimenti importanti nel campo sia delle opere autostradali sia dei fabbricati residenziali, questi ultimi favoriti dal livello molto basso toccato dai tassi di interesse a medio termine.

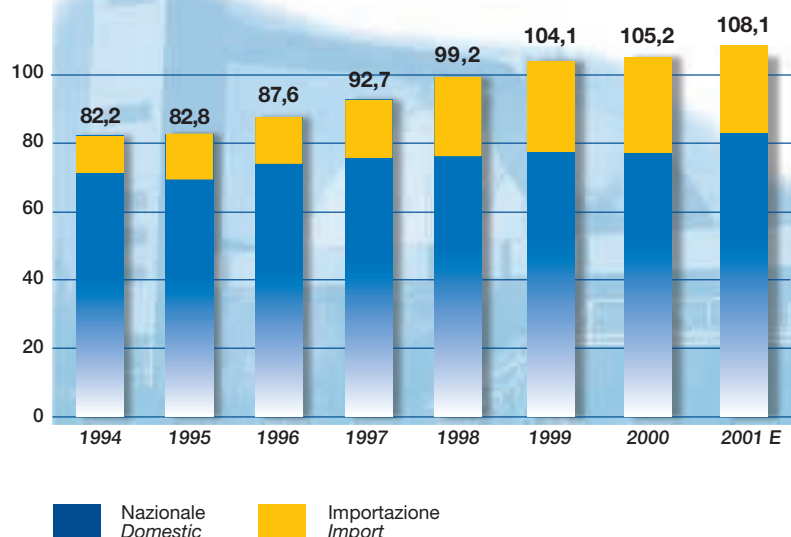
Nel complesso il consumo nazionale di cemento cresce del 2,5% circa; la variazione di segno positivo riguarda anche le aree di mercato servite da RC Cement ed Alamo Cement. Il consumo del Texas in particolare raggiunge il livello record di 12,5 milioni di tonnellate, che equivale ad una crescita del 9% rispetto al periodo precedente.

The USA economy entered a slightly recessive phase in 2001, which worsened in the third quarter following the terrorist attacks on September 11. The negative trend receded during the latter part of the year and GDP rose by 1.1% over last year, a modest result compared with 2000, but still better than analysts' expectations. The recession hit hardest in the high tech and telecom industries, while the terrorist attacks created havoc in the travel, tourism and airlines sectors. The construction industry managed to maintain a high level of activity, encouraged by sizeable investments in highway works and residential property, this latter favored by very low medium-term interest rates.

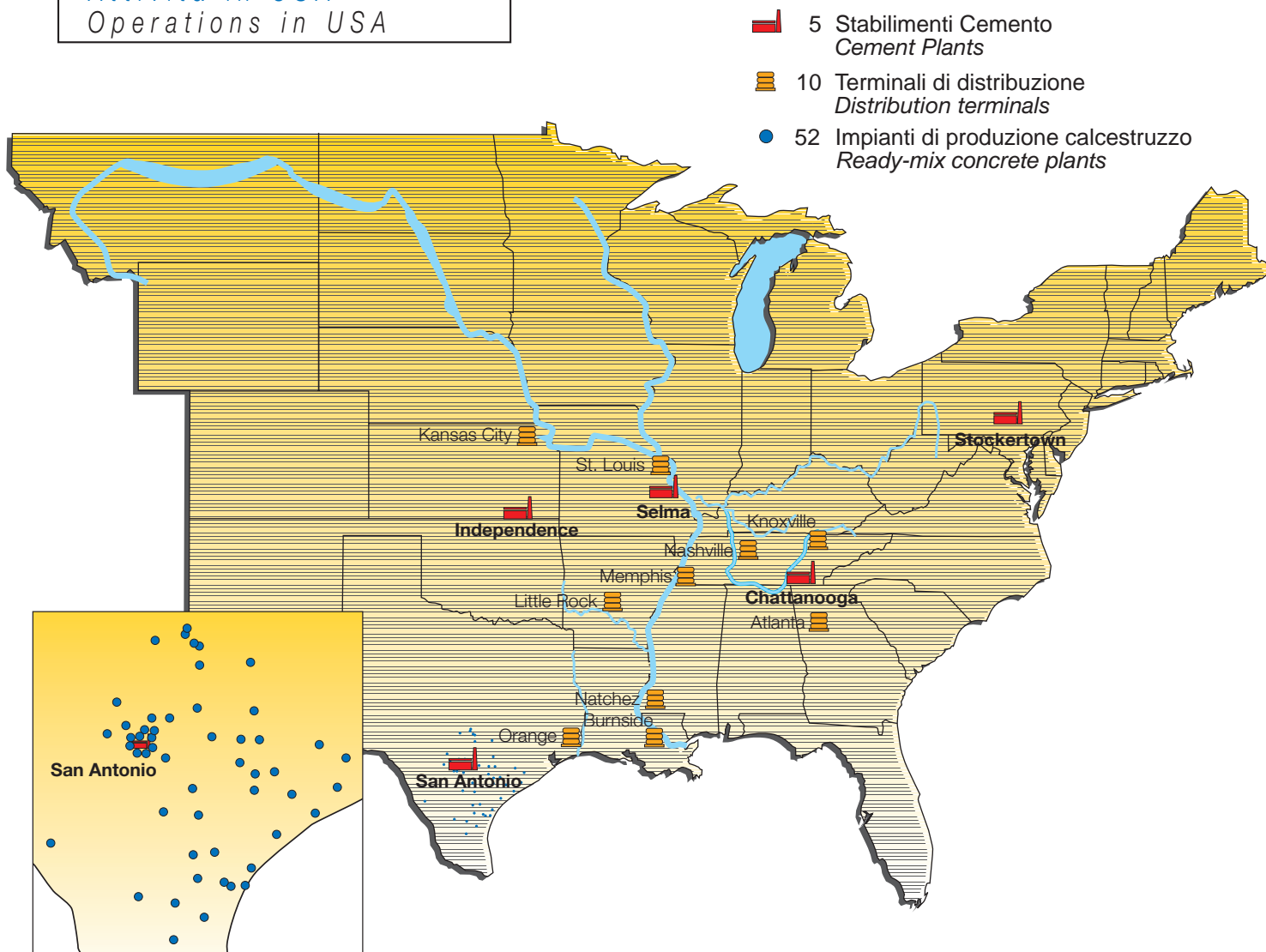
Overall, national cement consumption rose by 2.5%, with a positive sign also in the market areas served by RC Cement and Alamo Cement. Consumption in Texas reached record levels of 12.5 million tons, which translates to a 9% increase compared with the previous year.

Consumo di cemento in USA Cement consumption in the USA

(milioni di ton / million tons)



Attività in USA Operations in USA



Le quantità di cemento vendute dal nostro gruppo in USA si attestano a 4,5 milioni di tonnellate (+4,2% sul 2000), a prezzi di vendita mediamente in diminuzione per contrastare la pressione delle importazioni e la tendenza al consolidamento tra i produttori di calcestruzzo preconfezionato. Le diminuzioni di prezzo più significative si sono verificate nei mercati del mid-west (-4,5% anno su anno). Le vendite di calcestruzzo preconfezionato sono stabili a 1,4 milioni di metri cubi (-1,2%), con prezzi di vendita che salgono nella media del 1,7%. I costi di produzione del cemento risentono dell'aumento di prezzo dei combustibili, degli acquisti esterni di clinker e prodotto finito per la cementeria di San Antonio e di spese straordinarie non ripetibili connesse al ritardo nell'avviamento della nuova linea di produzione a Chattanooga, avvenuto poi con pieno successo nel mese di aprile. Il margine operativo lordo

The quantity of cement sold by our group in the US came in at 4.5 million tons (up 4.2% on 2000) while the selling prices decreased overall to counteract rising imports and the tendency toward consolidation of ready-mix concrete producers. The most significant price reductions have been noted on the Midwest market (-4.5% year on year). Sales of ready-mix concrete are stable at 1.4 million cubic meters (-1.2%), with selling prices rising on average by 1.7%. Production costs in the cement sector have been affected by the increase in fuel prices, outside purchases of clinker and finished products for the cement plant in San Antonio and non-recurring expenses associated with the delayed start-up of the new production line in Chattanooga, launched successfully in April. EBITDA of the US market, expressed in dollars, fell by 8.0%. Since the value of

del mercato USA, espresso in dollari, diminuisce del 8,0%. Essendosi la valuta americana ulteriormente rafforzata rispetto all'euro, ne deriva un effetto di conversione parzialmente compensativo sul Mol, che, tradotto nella valuta di bilancio, è inferiore a quello consuntivato nel 2000 del 5,7%.

Gli investimenti realizzati nel 2001, come in precedenza evidenziato, sono finalizzati all'ampliamento della capacità produttiva, alla crescita delle riserve di materia prima, alla produzione di cemento **low alkali** presso lo stabilimento di San Antonio, al rinnovo delle autobetoniere appartenenti alla divisione calcestruzzo. Il collegamento societario che si è instaurato nella seconda parte dell'anno tra Buzzi Unicem e Dyckerhoff ha già permesso ad RC Cement ed Alamo Cement di svolgere con Lone Star Industries (braccio operativo di Dyckerhoff in Stati Uniti) un'interessante attività comune, propedeutica all'integrazione e conseguente ottimizzazione dei canali distributivi, dei livelli di produzione e scorte, dei progetti di investimento.

the dollar increased against the euro in 2001, conversion had a partially offsetting effect on EBITDA, which, translated into the reporting currency, ended up 5.7% lower than 2000.

*Capital expenditure in 2001 was geared to expanding production capacity, increasing reserves of raw materials, producing **low alkali** cement at the San Antonio plant and buying new mixer trucks for the concrete division.*

The agreement signed in the second half of the year between Buzzi Unicem and Dyckerhoff has already enabled RC Cement and Alamo Cement to start up several interesting joint initiatives with Lone Star Industries (the operating arm of Dyckerhoff in the US), as a preliminary step toward integration and successive optimization of distribution channels, production and inventory planning and capital spending projects.

Si riportano di seguito i dati di sintesi delle società operanti negli Stati Uniti d'America:
The following are key figures for the companies operating in the United States of America:

	(milioni di euro / millions of euro)	
	2001	2000
Ricavi netti <i>Net sales</i>	481,0	460,6
Margine operativo lordo <i>EBITDA</i>	150,7	159,9
% sui ricavi netti <i>% of sales</i>	31,3	34,7
Investimenti industriali <i>Capital expenditures</i>	57,6	98,8
Addetti a fine esercizio <i>Payroll at year end</i>	1.261	1.260

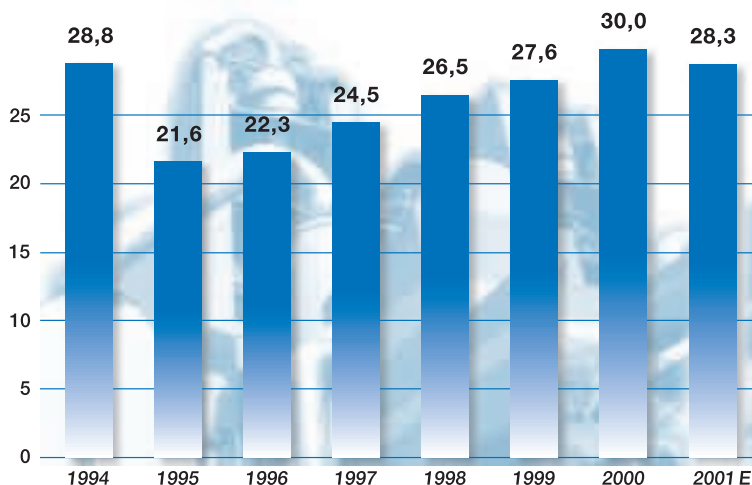
Messico Mexico

A seguito dell'elezione di Vicente Fox a presidente e capo del governo, il paese sta vivendo una fase di rinnovato senso democratico, che favorisce gli investimenti ed il libero commercio internazionale. Tuttavia nel 2001 il calo della domanda proveniente dagli Stati Uniti e l'indebolimento dei prezzi del petrolio, hanno condotto l'economia messicana ad una improvvisa contrazione del Pil (-0,4%). Gli altri principali indicatori dell'andamento macroeconomico si sono mossi, per contro, tutti in senso favorevole: inflazione al 4,4% (livello più basso dal 1968), tassi di interesse in diminuzione di 4 punti percentuali (minimo storico) ed apprezzamento del peso rispetto al dollaro. L'industria delle costruzioni è tra i settori maggiormente colpiti dal rallentamento della congiuntura, nella sua componente privata ed in quella pubblica, a causa del minor reddito per entrambe disponibile.

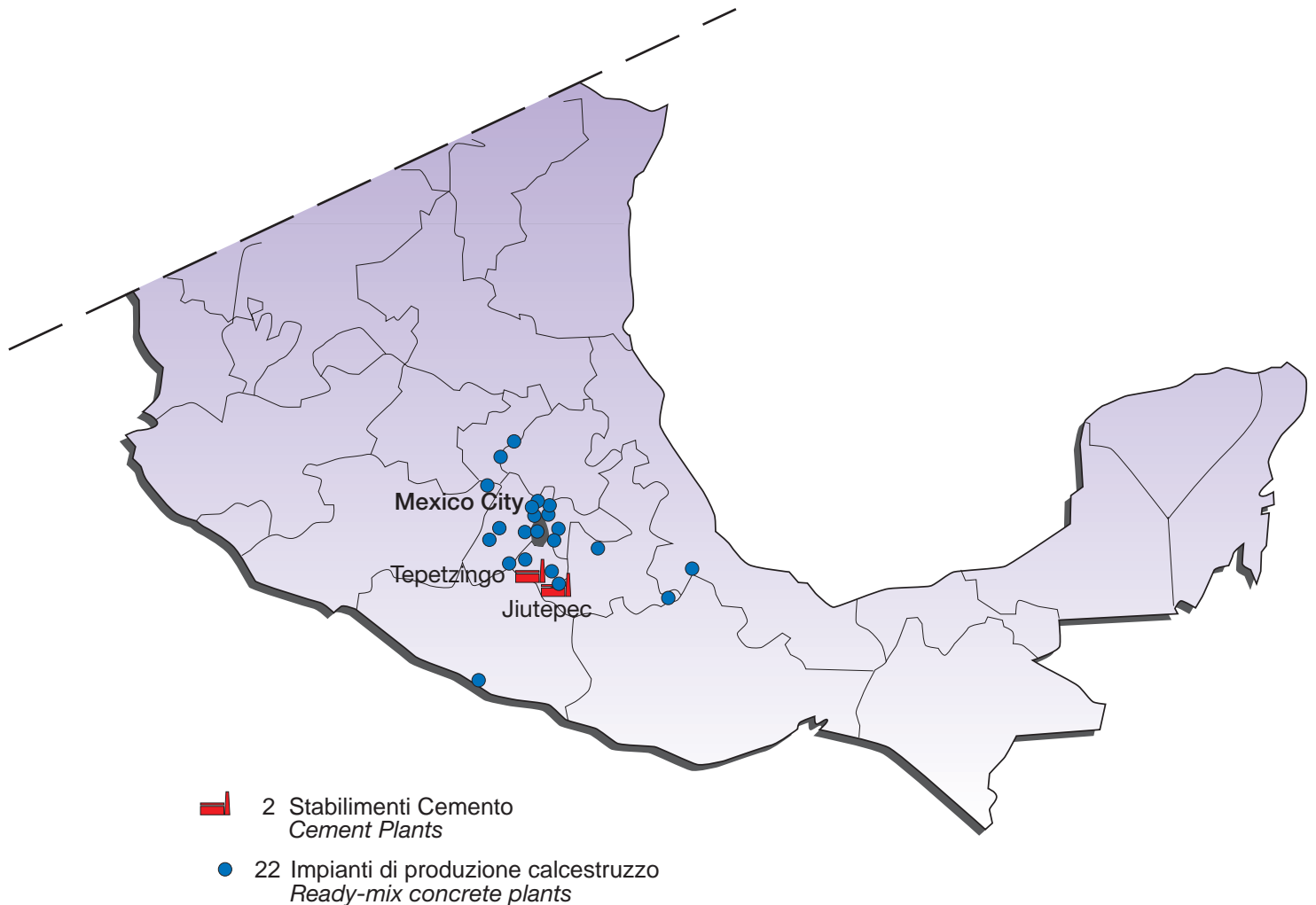
Following the election of Vicente Fox as president, the country is enjoying a renewed sense of democracy, which is encouraging investments and international free trade. Nevertheless, in 2001, the decline in US demand and falling oil prices have led to an unexpected recession in Mexico's GDP (-0.4%). Mexico other main macroeconomic indicators are all favorable, however: inflation is at 4.4% (the lowest since 1968), interest rates are down by 4 percentage points (a record low) and the peso is gaining against the dollar. The building industry, both in the private and public sector, was one of the sectors most affected by the slowdown in the economic cycle, due to lower resources being allocated to both.

Consumo di cemento in Messico Cement consumption in Mexico

(milioni di ton / million tons)



Attività in Messico Operations in Mexico



L'industria messicana del cemento è cresciuta del 12% negli ultimi cinque anni, dopo che la gravissima crisi economica e valutaria del 1995 portò ad un forte crollo del mercato (-27%). Il consumo interno dell'anno 2001 è stimato pari a 28,3 milioni di tonnellate, in diminuzione del 6,0%. La nostra collegata Corporación Moctezuma non ha praticamente risentito della contrazione a livello nazionale, aumentando le vendite di cemento del 11,0% e raggiungendo così, in un tempo relativamente breve, una quota di mercato domestico pari al 6,2% (era circa il 2% nel 1997). Lo sviluppo del settore calcestruzzo preconfezionato procede parallelamente a quello del cemento, con l'apertura nel 2001 di quattro nuove centrali di betonaggio ed una crescita della nostra produzione pari al 14,6% rispetto all'esercizio 2000, a 641.000 metri cubi. Meno positivo l'andamento dei prezzi espressi in pesos, con peggioramenti del 3,8% per il cemento e del

The Mexican cement industry has grown by 12% in the past five years, after the very serious economic and monetary crisis in 1995, which led to a collapse in construction investments. Domestic consumption for 2001 is estimated at 28.3 million tons, down by 6.0%. Our affiliate Corporación Moctezuma has been virtually untouched by this nationwide contraction, as it has increased its cement sales by 11.0%, successfully attaining in a very short time a domestic market share of 6.2% (it held 2% of the market in 1997). Development in the ready-mix concrete sector shows the same trend as the cement market, with the opening of four new batching plants in 2001 and a growth in production of about 14.6% over 2000, at 641,000 cubic meters. However, the trend in prices expressed in pesos worsened, down 3.8% for cement and 8.1% for concrete. Energy prices have shown divergent trends: power was up and oil stable at

8,1% per il calcestruzzo. I fattori energetici hanno avuto andamento differenziato: in aumento l'energia elettrica, stazionario l'olio combustibile sugli elevati livelli dell'anno 2000; i costi di produzione non ne hanno particolarmente risentito grazie agli ulteriori miglioramenti ottenuti nella già elevatissima efficienza produttiva dello stabilimento di Tepetzingo. Il margine operativo lordo rispetto al fatturato, pur essendo in diminuzione di alcuni punti percentuali, rimane, in assoluto, a livello molto elevato e pienamente soddisfacente.

Gli investimenti realizzati nel 2001 riguardano l'installazione di un terzo mulino cemento a Tepetzingo, per adeguarne la capacità di macinazione a quella del reparto cottura, e l'installazione di 4 centrali di betonaggio con relativi mezzi mobili, nell'ambito del programma di crescita del settore calcestruzzo per linee interne. Verso la fine dell'esercizio Moctezuma ha pubblicamente annunciato il progetto di costruzione di una nuova cementeria nello stato di San Luis Potosi. L'investimento previsto è di 150 milioni di dollari per una capacità produttiva di 1,2 milioni di tonnellate di cemento; l'entrata in produzione dell'impianto è prevista entro la fine del 2004.

2000's high levels; costs of production have not been particularly affected thanks to further improvements attained in the already high level of production efficiency at the Tepetzingo plant. The EBITDA margin, while showing a slight decline percentage-wise, remains very high and perfectly satisfactory in absolute terms.

Capital expenditures made in 2001 include installation of a third cement mill in Tepetzingo, which should bring the grinding capacity up to par with the kiln department and installation of four batching plant with related vehicles, as part of the internal growth plan for the concrete division. Toward year end, Moctezuma publicly announced its plan to build a new cement plant in the state of San Luis Potosi. The project calls for an investment of dollar 150 million and will boost production capacity by 1.2 million tons of cement; the new factory is scheduled to become fully operational by the end of 2004.

Si riportano di seguito i dati di sintesi delle società operanti in Messico; essi si riferiscono al bilancio consolidato di Corporación Moctezuma e pertanto al nostro gruppo spetta una quota pari al 50% degli stessi:

The following are key figures for the companies operating in Mexico. They refer to the consolidated financial statements of Corporación Moctezuma, of which 50% pertains to our group:

	(milioni di euro / millions of euro)	
	2001	2000
Ricavi netti <i>Net sales</i>	293,5	237,3
Margine operativo lordo <i>EBITDA</i>	151,6	132,9
% sui ricavi netti <i>% of sales</i>	51,6	56,0
Investimenti industriali <i>Capital expenditures</i>	28,9	21,6
Addetti a fine esercizio <i>Payroll at year end</i>	514	485

L'esercizio 2001 della collegata Dyckerhoff AG si chiude con margini operativi e risultato netto in peggioramento rispetto ai livelli 2000. Il calo della redditività è principalmente dovuto al brusco rallentamento dell'economia in Germania, paese nel quale Dyckerhoff realizza il 38% del giro d'affari. Il settore dell'edilizia risulta tra i più colpiti dalla crisi tedesca: gli investimenti in costruzioni si contraggono del 5,7% nel 2001, diminuzione che si aggiunge a quella del 2,5% consuntivata nell'anno precedente. Negli altri mercati in cui Dyckerhoff è presente la domanda di prodotti per l'industria delle costruzioni ha avuto andamento differenziato: decisamente favorevole in Repubblica Ceca, Lussemburgo e Spagna, stabile in Olanda ed USA, piuttosto debole in Polonia.

Il conto economico consolidato dell'esercizio 2001 presenta un fatturato di 2.443,0 milioni di euro (praticamente invariato rispetto al 2000), un risultato operativo di 211,6 milioni di euro (-25,8%) ed un utile netto di competenza pari a 84,1 milioni di euro, in diminuzione rispetto ai 107,8 milioni del 2000. La pesante crisi di settore che ha colpito la Germania non sembra di immediata soluzione. Per fronteggiarla al meglio il management ha varato un impegnativo programma di riduzione dei costi, che prevede l'allineamento della capacità produttiva e della struttura organizzativa alla nuova situazione di mercato, nonché un controllo più attento delle spese in conto capitale. Sempre nell'ambito del citato programma di ristrutturazione, in chiusura dell'esercizio 2001 è avvenuta la cessione a terzi della divisione prodotti per l'edilizia, che a fronte di un fatturato significativo (329,5 milioni di euro nel 2001) presentava da alcuni anni una redditività insoddisfacente.

This newly associated company closed the year with both operating income and net income lower than in 2000. The drop in profitability is mostly due to the abrupt slowdown in the German economy, where Dyckerhoff does 38% of its business. The building industry is one of the most affected by the German crisis: construction investments fell by 5.7% in 2001, adding to the 2.5% decrease suffered the year before. In the other markets where Dyckerhoff operates, the demand for building materials varied widely: quite favorable in the Czech Republic, Luxembourg and Spain, stable in Holland and the United States, and fairly weak in Poland.

The consolidated income statement for the year 2001 shows total sales of euro 2,443.0 million (virtually unchanged from 2000), operating income of euro 211.6 million (-25.8%) and consolidated net income of euro 84.1 million, down by 107.8 million compared with 2000. Analysts expect the severe decline in German construction industry to be fairly prolonged. To cope with it in the best way possible, management is making a concerted effort to reduce costs under a plan to bring production capacity and organizational structure into line with the new market situation, as well as tighter control of capital expenditures. Again, as part of the aforementioned restructuring program, the Finishing Products division was sold at the end of 2001. While it earned high sales revenues (euro 329.5 million in 2001), it had been showing low profitability for many years.

L'avvicinamento tra Buzzi Unicem e Dyckerhoff, iniziato nella seconda parte dell'anno, ci ha permesso di individuare diverse possibili sinergie, che, nell'interesse di entrambi i gruppi, abbiamo intenzione di sviluppare in tempi relativamente brevi. Esse riguardano in sintesi: riduzione dei costi di produzione partendo dal confronto tra unità produttive, armonizzazione del programma di vendita cementi e calcestruzzi speciali, coordinamento ed ottimizzazione degli investimenti, gestione comune degli acquisti strategici (impianti, ricambi, fattori energetici, ecc.), scambi di know-how tra le rispettive funzioni ricerca e sviluppo, integrazione dei servizi assicurativi e finanziari. Negli USA la ricerca e l'attuazione delle sinergie tra Buzzi Unicem (RC Cement, Alamo Cement) e Dyckerhoff (Lone Star Industries) sono già ad uno stadio avanzato.

The alliance between Buzzi Unicem and Dyckerhoff that began in the second half of the year has allowed our company to identify possible synergies that we intend to develop to the benefit of both groups in the relatively near future. In brief, these include: reduction in operating costs starting with benchmarking between production facilities, standardization of the special cements and concrete sales program, coordination and optimization of investments, shared management of strategic purchases (equipment, spare parts, fuel, power, etc), knowledge transfer between respective R&D departments, and integration of insurance and financial services. In the US, search and realization of the synergies between Buzzi Unicem (RC Cement, Alamo Cement) and Dyckerhoff (Lone Star Industries) are already in the advanced stages.



Risorse umane **Human Resources**

Nell'anno 2001 sono stati elaborati e attuati alcuni programmi di riorganizzazione del personale: centralmente in vista della riunificazione in un'unica sede dei servizi di staff e nelle unità produttive con l'obiettivo dell'efficienza e del miglioramento continuo. Si sono consolidati i progetti formativi avviati negli anni precedenti in campo informatico, commerciale, tecnologico e amministrativo; è stata mantenuta viva l'attenzione ai temi della sicurezza e della qualità; si è innalzato il livello qualitativo del personale impegnato nella attività di ricerca. Le attività pregresse messe in atto per ottenere sviluppo professionale hanno consentito alle giovani risorse che ne sono state oggetto di assumere responsabilità crescenti.

Nel settore cemento la formazione tecnica è stata attuata con prevalenza direttamente nelle unità produttive da consulenti o da personale interno di lunga esperienza a ciò delegato. Sono stati organizzati corsi specifici contestualmente all'introduzione e all'utilizzo di nuove tecnologie e macchinari. Nel settore calcestruzzo è proseguito l'impegno per diffondere a tutto il personale la conoscenza di concetti e procedure operative in tema di qualità. Particolare sforzo è stato dedicato all'integrazione e all'aggiornamento del personale operante nelle società entrate di recente a far parte del gruppo.

Specific programmes for reorganizing staff were set up and implemented in 2001: at the headquarters, in the form of unification of staff services in a single office and in the production units, aimed at increasing efficiency and continuous improvement. Staff training programs in IT, marketing, technology and administrative issues initiated the previous years have been consolidated; attention to safety and quality issues has remained a central point; the quality of staff working in research activities is higher than ever. Past activities aimed at professional development have allowed young staff members to take on more and more responsibility.

In the cement division, technical training was carried out directly in the production units by consultants or specially appointed, experienced in-house personnel. The company has organized specific courses on introduction or use of new technologies and equipment. In the concrete division, work continued on raising staff awareness of quality-oriented operating concepts and procedures. The company has made particular efforts toward integrating and updating the personnel operating in companies recently added to the group.

Gli enti centrali hanno fornito alle consociate estere in Messico e negli Stati Uniti d'America collaborazione e supporto per l'avviamento dei nuovi impianti e ciò ha consentito al personale tecnico locale di acquisire crescita professionale ed autonomia. Il collegamento con Dyckerhoff apre notevoli orizzonti di confronto e di integrazione sul piano organizzativo e delle conoscenze. Iniziative di questo genere sono già state intraprese e si svilupperanno opportunamente in futuro, favorite anche dal particolare impegno formativo che è stato programmato in campo linguistico.

The central staff has given collaboration and support to foreign subsidiaries in Mexico and the US for starting up new plants and this has enhanced local technical personnel's professionalism and autonomy. The Dyckerhoff alliance provides new opportunities in terms of the organizational structure and knowledge transfer. Initiatives of this nature have already been undertaken and will be appropriately developed in the future, encouraged by the particular commitment to planned language training program.

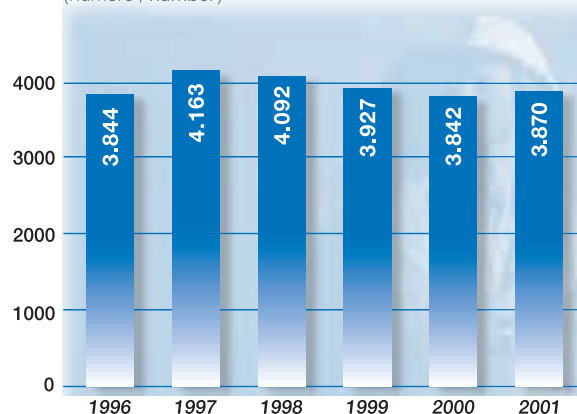
Al 31 dicembre 2001 l'organico Buzzi Unicem è costituito da 3.870 unità, con un aumento di 28 unità rispetto all'esercizio precedente. La ripartizione del personale per area geografica è la seguente:

On December 31, 2001 Buzzi Unicem had 3,870 employees, 28 more than at the end of the previous year. The breakdown by geographical area is as follows:

	(numero addetti / no. of employees)			
	2001	%	2000	%
Italia <i>Italy</i>	2.352	60,8	2.339	60,9
Stati Uniti d'America <i>United States of America</i>	1.261	32,6	1.260	32,8
Messico (50%) <i>Mexico (50%)</i>	257	6,6	243	6,3
Totale <i>Total</i>	3.870	100,0	3.842	100,0

Addetti a fine esercizio Payroll at year end

(numero / number)



Attività di ricerca e sviluppo **Research and development**

Da sempre Buzzi Unicem dedica particolare attenzione ai controlli di qualità nonché alla ricerca applicata alle specifiche produzioni. In associazione con altri operatori, sovente stranieri, conduce ricerca e sperimentazione su ingegneria di processo e su nuovi prodotti. Siamo presenti in tutti i principali organismi, nazionali e sovranazionali, che si occupano di normativa e certificazione. Inoltre siamo particolarmente attivi nella produzione, non solo sperimentale, di prodotti speciali, utilizzabili nell'industria della costruzione, ad integrazione e sostegno delle nostre produzioni principali.

Buzzi Unicem has always devoted a great deal of attention to quality control and to applied research into the field of cement manufacturing. Together with other producers, often foreign, we carry out research and testing on process engineering and new products. We have a presence in all of the main national and supranational organizations that look after regulations and certifications. We are also particularly active in the production – not only on an experimental basis – of special products for use in the construction industry to integrate and support our main output.



Nel corso del 2001 la società ha dedicato particolare impegno allo studio e sperimentazione dei calcestruzzi auto-compattanti. In collaborazione con la controllata Unical e la collegata Addiment Italia sono stati eseguiti con successo lavori anche di dimensione significativa, che ci hanno permesso di mettere a punto ogni fase del processo, dalla produzione alla messa in opera di tale calcestruzzo.

Nella seconda metà dell'anno, in seguito all'interventa alleanza societaria con Dyckerhoff, sono cominciati gli scambi di conoscenze tecniche tra la nostra funzione R&S ed il Wilhelm Dyckerhoff Institute (WDI). In particolare quest'ultimo vanta una lunga tradizione nella ricerca applicata alla formulazione di nuovi prodotti, possiede i più moderni mezzi di indagine ed è dotato di personale altamente specializzato. Contiamo in una proficua collaborazione nel prossimo futuro.

Con il rilascio allo stabilimento di Trino della certificazione ISO 9002, avvenuto a novembre 2001, è giunto a termine l'ambizioso progetto di conseguimento della certificazione di qualità presso tutte le cementerie Buzzi Unicem in Italia. Da notare che allo stabilimento di Robilante è stato concesso il marchio francese NF per due suoi cementi; al momento questa è l'unica fabbrica italiana ad aver ottenuto tale riconoscimento. Progressi notevoli infine, si registrano anche nel programma di certificazione secondo ISO 9002 della controllata Unical, nel settore del calcestruzzo pre-confezionato.

Over the course of 2001, the company was dedicated to research, development and experimentation of self-compacting concrete. Important work has been successfully completed in conjunction with the subsidiary Unical and the affiliate Addiment Italia which has enabled the company to fine-tune its processes, from production to pouring this type of concrete.

In the second half of the year, following the Dyckerhoff alliance, technical knowledge transfer started between our R&D and the Wilhelm Dyckerhoff Institute (WDI). In particular, the latter has a long tradition of applied research into new product formulation, owns modern investigative resources and employs highly specialized personnel. We are confident of a rewarding collaboration in the near future.

Certification of the Trino plant to ISO 9002 standards in November 2001 marked the completion of an ambitious quality certification project involving all of Buzzi Unicem cement plants in Italy. We would like to point out that the Robilante plant was also awarded France's NF certification for two of its cement products; at the moment, this is the only Italian plant to have obtained this recognition. Lastly, considerable progress was made in Unical's ISO 9002 certification process, as far as the ready-mix concrete division is concerned.

Fatti di rilievo avvenuti dopo la data di riferimento del bilancio consolidato

Significant subsequent events after closing of the financial year

Nel mese di febbraio, come da accordi in essere, è stato perfezionato l'acquisto da Dresdner Bank e R+V Versicherung di ulteriori n. 730.059 azioni ordinarie Dyckerhoff. Nel mese di marzo è stato eseguito l'acquisto di n. 78.613 azioni ordinarie Dyckerhoff dall'azionista minoritario Schwenk. La partecipazione detenuta equivale ora al 34% del capitale ordinario (19,2% del capitale totale), conferita nel patto di sindacato con la famiglia Dyckerhoff.

Tra i fatti significativi avvenuti dopo la chiusura dell'esercizio si segnala inoltre l'avvenuto conferimento del ramo aziendale argilla espansa, costituito dagli stabilimenti di Lentella ed Enna, alla collegata Laterlite SpA, con effetto dal 1 gennaio 2002.

Nel mese di febbraio, con le delibere dei rispettivi consigli di amministrazione, è iniziato l'iter societario per l'incorporazione di Unimed SpA in Buzzi Unicem SpA. L'operazione che verrà sottoposta all'approvazione delle rispettive assemblee prevede l'assegnazione agli azionisti Unimed di 1 azione ordinaria Buzzi Unicem ogni 5 azioni Unimed possedute.

In February, as agreed, another 730,059 ordinary shares of Dyckerhoff AG were bought from Dresdner Bank and R+V Versicherung. In March, 78,613 ordinary shares in Dyckerhoff were purchased from Schwenk, a minority stockholder. The stake now held comes to 34% of the ordinary capital stock (19.2% of total capital stock), contributed in the pool agreement with the Dyckerhoff family.

Significant events after the year end include the contribution of the expanded clay business, consisting of the Lentella and Enna plants, to the associated company Laterlite SpA, taking effect as of January 1, 2002.

In February, pursuant to approval by the respective boards of directors, procedures began for the merger of Unimed SpA into Buzzi Unicem SpA. The resolution that will be submitted for approval to the respective boards of directors foresees assignment of 1 Buzzi Unicem ordinary share to the Unimed stockholders for every 5 Unimed shares held.



Evoluzione prevedibile della gestione **Outlook for operations**

Per quanto riguarda l'andamento gestionale del mercato **Italia**, prevediamo per il corrente 2002 una domanda ancora sostenuta, sugli elevati livelli del 2001, ed una sostanziale stabilità dei prezzi di vendita. Riteniamo possibile un miglioramento nei costi di produzione, grazie all'attenuazione che finalmente dovrebbe verificarsi nel prezzo di acquisto dei fattori energetici. Complessivamente le prospettive del settore costruzioni in Italia si mantengono buone e pensiamo si possano tradurre in risultati operativi migliori di quelli conseguiti nel 2001.

Negli **Stati Uniti d'America** i segnali che giungono sulla fiducia dei consumatori, la produzione industriale e la disoccupazione, indicano chiaramente che la fase di recessione è stata di breve durata e la ripresa si sta affermando più rapidamente e con più forza del previsto. Per l'industria delle costruzioni si prevede un rallentamento moderato, dovuto a minori investimenti nel settore dei fabbricati residenziali e delle opere pubbliche; ne consegue un possibile calo dei consumi di cemento intorno al 3% a livello nazionale. Le nuove capacità produttive recentemente entrate sul mercato, il flusso delle importazioni a basso costo ed il consolidamento a cui stiamo assistendo nel settore calcestruzzo preconfezionato ci inducono a prevedere prezzi non superiori a quelli del 2001. Anche i costi di produzione non dovrebbero subire aumenti, poiché al maggior costo del personale si contrappongono vantaggi nell'acquisto dei combustibili ed una più elevata efficienza produttiva.

*As regards trends on the **Italian** market in 2002, we expect demand to continue on the strong side for the rest of the year, approximately at 2001 levels, and selling prices to remain more or less stable. Improvement in production costs is possible, thanks to the fact that energy prices should at long last start falling. Overall, prospects in the construction industry in Italy remain good and this year's results should be better than those achieved in 2001.*

*In the **United States of America**, indicators of consumer confidence, industrial production and unemployment clearly show that the recession was brief and recovery is taking place much more quickly and briskly than expected. For the construction industry, a moderate slowdown should be expected, due to lower investments being made in residential property and public works; then a 3% drop in cement consumption nationwide is possible. The combination of enhanced production capacities entering the market, the flow of low-cost imports and the consolidation we are seeing in the ready-mix concrete sector lead us to believe that prices will remain lower than or equal to 2001 levels. Costs of production should likewise remain stable, since the higher cost of personnel is offset by the advantages of reduced fuel prices and increased production efficiency.*

L'industria del cemento in **Messico** dovrebbe riprendersi a partire dal secondo trimestre 2002, al traino dell'economia domestica ed USA nel loro complesso. Le prospettive a medio termine rimangono buone, poiché il paese ha urgente bisogno di adeguare la propria dotazione di infrastrutture e di costruire nuovi fabbricati residenziali. Prevediamo pertanto nel corrente 2002 di utilizzare pienamente la capacità produttiva dello stabilimento di Tepetzingo ed un certo recupero dei prezzi di vendita. La fiducia che riponiamo nel potenziale del paese è dimostrata dai piani di ampliamento della capacità produttiva, in precedenza descritti.

Nel 2002 la collegata **Dyckerhoff** dovrà ancora confrontarsi in Germania con una situazione di mercato piuttosto debole. Si aggiunge da inizio anno una particolare tensione sui prezzi, dovuta a una politica commerciale aggressiva della concorrenza. La perdita di fatturato conseguente influirà sui risultati e rende pertanto necessarie una serie di importanti misure e decisioni, quali l'arresto di due linee complete di produzione clinker, la chiusura di diverse centrali di betonaggio ed una significativa riduzione del personale sia negli stabilimenti che nella sede centrale. Dyckerhoff nel suo complesso, nonostante l'apporto positivo della propria divisione internazionale, vedrà nel 2002 ridursi il proprio risultato d'esercizio. L'obiettivo del progetto di riorganizzazione è migliorare il risultato di almeno 50 milioni di euro al più tardi nell'anno 2003, con una ulteriore crescente prospettiva negli anni successivi.

In base alle considerazioni espresse, nell'ipotesi di sostanziale invarianza dei tassi di cambio, i margini operativi del 2002 sono attesi in ulteriore progresso a livello consolidato, in misura tale da assorbire i maggiori oneri finanziari dovuti all'effetto sull'intero esercizio dell'investimento in Dyckerhoff. Pertanto, grazie al miglioramento dei margini industriali, prevediamo un risultato dell'esercizio 2002 in linea con quello del 2001.

*The cement industry in **Mexico** should pick up starting in the second quarter 2002, driven by the domestic economy, together with that of the USA. Medium term prospects are also good, as the country has a pressing need to upgrade its infrastructure and build new residential houses. As a result, we expect that the Tepetzingo production capacity will be fully utilized in 2002. We also expect selling prices to recover. The confidence we feel in the country's potential is demonstrated by our plans to expand the production capacity, as described previously.*

*In 2002, the associated company **Dyckerhoff** will have to cope with the ongoing weakness of the economic situation in Germany. There has also been a certain tension on prices since the beginning of the year, due to aggressive marketing policies by the competition. The resulting losses in sales will influence results and will lead to a series of important measures and decisions, such as mothballing two complete clinker production lines, closing several concrete batching plants and a significant reduction in the workforce both at the plants and at the headquarters. Overall, despite the positive contribution of its international division, Dyckerhoff's results in 2002 are likely to be down on 2001. The objective of the reorganization is to improve the bottom line by at least euro 50 million by the end of 2003 at latest, with further cost savings planned for subsequent years.*

Based on the comments made above and assuming that foreign exchange rates remain stable, operating income in 2002 should rise sufficiently at a consolidated level to absorb the higher financial charges due to the impact of the Dyckerhoff investment for the whole year. So thanks to the improvement in industrial margins, this year we expect to achieve results in line with those of 2001.

Azioni proprie **Treasury shares**

A fine anno, così come risulta dai prospetti di bilancio, la controllante Buzzi Unicem SpA possedeva n. 1.600.000 azioni proprie ordinarie e n. 8.000 azioni proprie risparmio, del valore nominale di 0,60 euro ciascuna, corrispondenti al 1,15% del capitale. Nessuna delle imprese controllate possiede azioni della controllante.

As of December 31, 2001 the parent company Buzzi Unicem SpA held on treasury 1,600,000 ordinary shares and 8,000 savings shares, with a par value of euro 0.60 each, equal to 1.15% of the capital stock. None of the subsidiaries hold shares of the parent company.





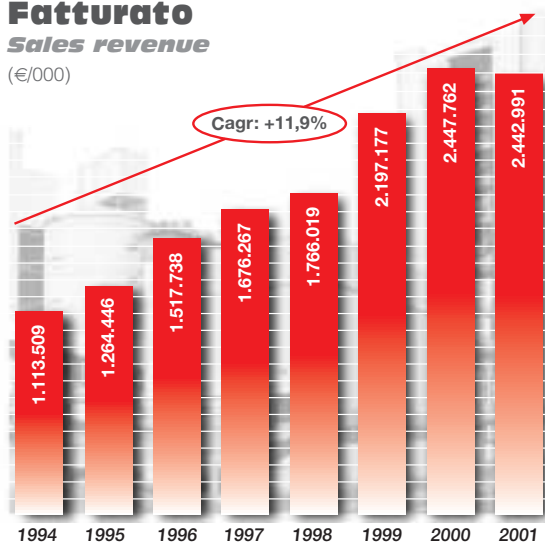
Dyckerhoff AG - Wiesbaden - Germania

Capacità produttiva 25.900.000 ton. di cemento, 31 stabilimenti, 21 terminali di distribuzione, 192 impianti di produzione calcestruzzo (consolidati), 5 cave di estrazione aggregati naturali (consolidate).

		2001	2000	01/00 (in %)
Vendite di cemento <i>Cement sales</i>	t/000	18.396	17.321	+ 6,2
Vendite di calcestruzzo ⁽¹⁾ <i>Concrete sales</i>	mc/000	11.025	12.104	- 8,9
Vendite di aggregati ⁽²⁾ <i>Aggregate sales</i>	t/000	14.750	3.836	+ 384,5
Fatturato <i>Sales revenue</i>	€/000	2.442.991	2.447.762	- 0,2
Investimenti industriali <i>Capital expenditures</i>	€/000	333.544	307.146	+ 8,6
Addetti a fine esercizio <i>Payroll at year end</i>	nr	8.843	10.105	- 12,5

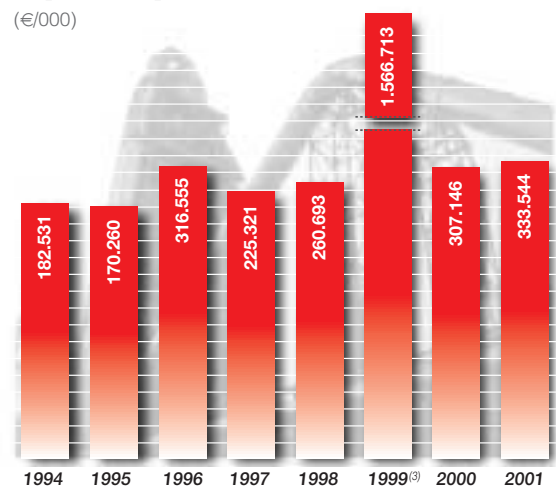
Fatturato *Sales revenue*

(€/000)



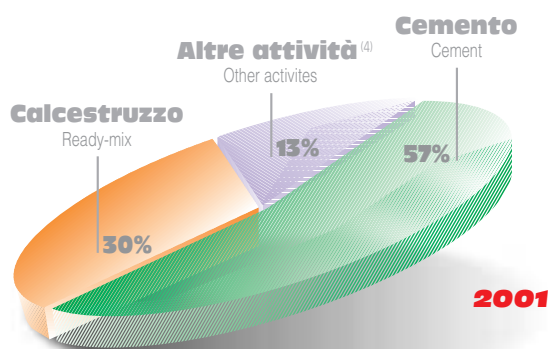
Investimenti industriali *Capital expenditures*

(€/000)



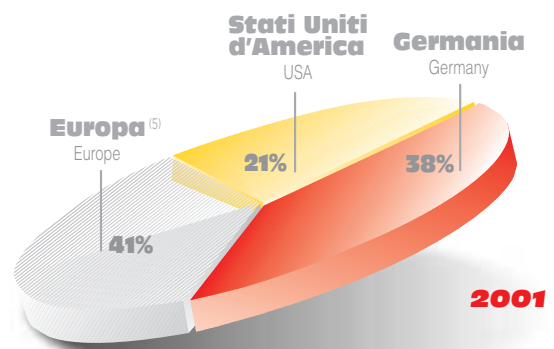
Fatturato per settore di attività

Sales revenue by line of business



Fatturato per area geografica

Sales revenue by region



(1) Di cui consolidate / Of which consolidated: 4,6 mio t in 2001 - 5,0 mio t in 2000

(2) Di cui consolidate / Of which consolidated: 12,1 mio t in 2001 - 3,1 mio t in 2000

(3) Include l'acquisizione di Lone Star Industries / Includes Lone Star Industries acquisition: 1.245 Eur million

(4) Prodotti di finitura, ceduti a fine 2001 / Finishing products, divested end of 2001

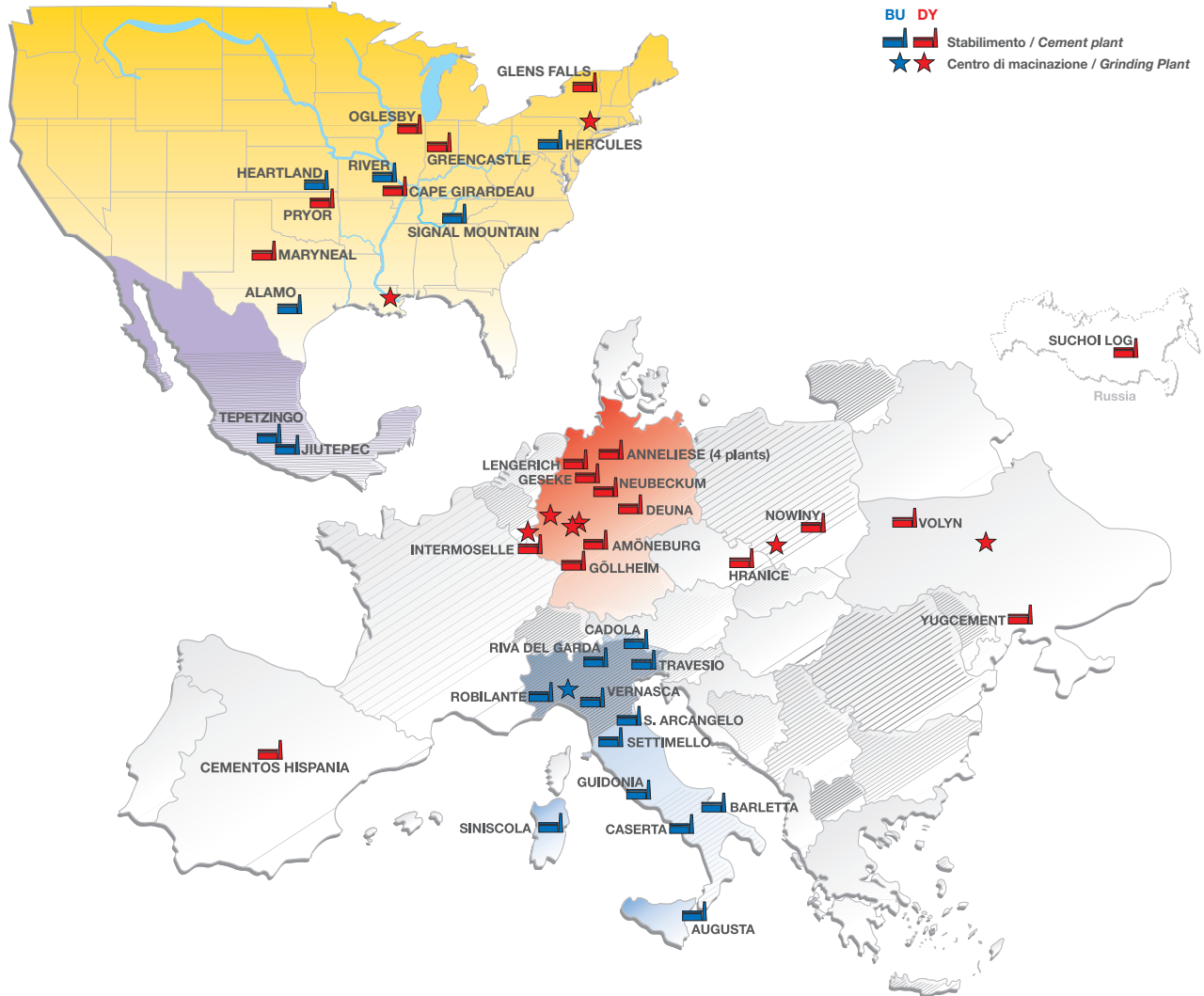
(5) Germania esclusa / Other than Germany

Buzzi Unicem - Dyckerhoff

il sistema - the system

Dove siamo

Cement plants location



Struttura operativa

Operating structure

		BU ⁽¹⁾	DY	TOTALE	USA	ITALIA	GERMANIA	EUROPA ⁽²⁾	MESSICO
Stabilimenti / Cement plants	nr	20	31	51	13	13	13	10	2
di cui macinazione / of which grinding		1	8	9	2	1	3	3	-
Capacità produttiva cemento	mio t/anno	15,4	25,9	41,3	9,5	9,5	10,8	10,1	2,8
Cement capacity	mio t/yr								
Impianti di produzione calcestruzzo ⁽³⁾	nr	263	192	455	51	190	108	84	22
Ready-mix concrete plants									
Cave di estrazione aggregati naturali ⁽⁴⁾	nr	34	5	39	3	30	-	5	1
Aggregate quarries									
Depositi e terminali di distribuzione	nr	19	21	40	29	9	-	2	-
Terminals									

(1) Capacità produttiva di Corporación Moctezuma assunta al 50% / Corporación Moctezuma's capacity at 50%

(2) Italia e Germania escluse / Other than Italy and Germany

(3) Dyckerhoff: non inclusi 171 impianti di società non consolidate / Not included 171 plants of non consolidated companies

(4) Dyckerhoff: non include 9 cave di società non consolidate / Not included 9 plants of non consolidated companies

Consolidated financial statements

CONSOLIDATED BALANCE SHEET

ASSETS

	Dec. 31, 2001 (in millions of lire)	Dec. 31, 2000 (in millions of lire)	Dec. 31, 2001 (in thousands of euro)
A) RECEIVABLES FROM STOCKHOLDERS FOR SUBSCRIBED CAPITAL UNPAID	–	–	–
B) FIXED ASSETS			
I Intangible fixed assets:			
1) Formation and expansion costs	3,829	5,948	1,978
2) Research, development and advertising expenses	–	–	–
3) Industrial patents and intellectual property rights	2,364	1,734	1,221
4) Concessions, licenses, trademarks and similar rights	1,427	1,537	737
5) Goodwill	192,992	215,876	99,672
6) Assets in progress and advances	14	48	7
7) Differential arising from consolidation	62,157	83,368	32,101
8) Others	25,648	2,250	13,246
Total	288,431	310,761	148,962
II Property, plant and equipment:			
1) Land and buildings	487,233	496,711	251,635
2) Plant and machinery	1,148,373	885,529	593,085
3) Industrial and commercial equipment	56,215	46,478	29,033
4) Other assets	24,208	26,738	12,502
5) Assets in progress and advances	177,502	332,545	91,672
Total	1,893,531	1,788,001	977,927
III Financial fixed assets:			
1) Equity investments in:	1,048,943	48,267	541,733
a) unconsolidated subsidiaries	181	668	93
b) associated companies	1,039,965	37,036	537,097
c) parent companies	–	–	–
d) other companies	8,797	10,563	4,543
2) Receivables:	63,661	73,583	32,878
a) from unconsolidated subsidiaries	492	492	254
- due beyond 12 months	492	492	254
b) from associated companies	4,347	16,976	2,245
- due within 12 months	300	300	155
- due beyond 12 months	4,047	16,676	2,090
c) from parent companies	–	–	–
d) from others	58,822	56,115	30,379
- due within 12 months	2,209	1,056	1,141
- due beyond 12 months	56,613	55,059	29,238
3) Other securities	44	44	23
4) Treasury stock	–	–	–
Total	1,112,648	121,894	574,634
Total fixed assets (B)	3,294,610	2,220,656	1,701,523

	Dec. 31, 2001 (in millions of lire)	Dec. 31, 2000 (in millions of lire)	Dec. 31, 2001 (in thousands of euro)
C) CURRENT ASSETS			
I Inventories:			
1) Raw materials, supplies and consumables	173,594	152,266	89,654
2) Work in progress and semi-finished products	59,909	42,519	30,940
3) Contract work in progress	–	–	–
4) Finished products and goods for resale	56,665	55,094	29,265
5) Advances to suppliers	2,716	1,922	1,403
Total	292,884	251,801	151,262
II Receivables:			
1) Trade receivables	597,677	541,330	308,675
- due within 12 months	597,186	540,401	308,421
- due beyond 12 months	491	929	254
2) From unconsolidated subsidiaries	–	–	–
3) From associated companies	14,585	13,285	7,533
- due within 12 months	12,992	11,807	6,710
- due beyond 12 months	1,593	1,478	823
4) From parent companies	8	8	4
5) From others	76,007	65,688	39,253
- due within 12 months	50,026	40,749	25,835
- due beyond 12 months	25,981	24,939	13,418
Total	688,277	620,311	355,465
III Financial assets not held as fixed assets:			
1) Equity investments in unconsolidated subsidiaries	–	–	–
2) Equity investments in associated companies	–	–	–
3) Equity investments in parent companies	–	–	–
4) Other equity investments	–	–	–
5) Treasury stock (nominal value euro 964,800)	27,396	2,298	14,149
6) Other securities	206,943	176,167	106,877
Total	234,339	178,465	121,026
IV Cash and cash equivalents:			
1) Bank and post office deposits	349,581	340,326	180,543
2) Checks	4,999	3,144	2,582
3) Cash on hand	305	205	158
Total	354,885	343,675	183,283
Total current assets (C)	1,570,385	1,394,252	811,036
D) ACCRUED REVENUES AND PREPAID EXPENSES	7,211	9,573	3,723
TOTAL ASSETS	4,872,206	3,624,481	2,516,282

LIABILITIES AND STOCKHOLDERS' EQUITY

	Dec. 31, 2001 (in millions of lire)	Dec. 31, 2000 (in millions of lire)	Dec. 31, 2001 (in thousands of euro)
A) STOCKHOLDERS' EQUITY			
I Capital stock	162,417	152,931	83,881
II Paid-in capital	65,113	65,113	33,628
III Revaluation reserves	133,932	133,932	69,170
IV Legal reserve	15,802	13,362	8,161
V Reserve for treasury stock	27,396	2,298	14,149
VI Statutory reserves	—	—	—
VII Other reserves:	600,706	564,575	310,239
1) Consolidation reserve	5,120	4,232	2,644
2) Translation differences	180,309	110,482	93,122
3) Reserve for gains on contributions ex law 904/77	43,116	43,116	22,268
4) Reserve for purchase of treasury stock	28,431	76,732	14,683
5) Reserve for capital grants	15,822	15,822	8,171
6) Reserve for gains ex law 169/83	19,200	19,200	9,916
7) Reserve for issuing of shares art. 2349 Civil Code	141	339	73
8) Merger surplus	308,567	294,652	159,362
VIII Retained earnings (losses)	833,197	542,708	430,310
IX Consolidated net income (loss)	311,922	310,566	161,094
Total stockholders' equity of the group	2,150,485	1,785,485	1,110,632
X Minority interests	250,218	207,885	129,227
Total stockholders' equity (A)	2,400,703	1,993,370	1,239,859
B) RESERVES FOR RISKS AND CHARGES			
1) Pensions and similar obligations	38,414	36,234	19,839
2) Taxation	161,739	135,314	83,531
3) Others	23,847	23,761	12,316
Total reserves for risks and charges (B)	224,000	195,309	115,686
C) RESERVE FOR EMPLOYEE SEVERANCE INDEMNITIES			
	78,596	75,956	40,591

	Dec. 31, 2001 (in millions of lire)	Dec. 31, 2000 (in millions of lire)	Dec. 31, 2001 (in thousands of euro)
D) PAYABLES			
1) Bonds	250,000	250,000	129,114
- due within 12 months	-	-	-
- due beyond 12 months	250,000	250,000	129,114
2) Convertible bonds	-	-	-
3) Borrowings from banks	1,379,898	613,650	712,658
- due within 12 months	872,806	220,631	450,767
- due beyond 12 months	507,092	393,019	261,891
4) Other providers of finance	3,738	17,810	1,930
- due within 12 months	1,824	1,285	942
- due beyond 12 months	1,914	16,525	988
5) Advances	3,838	7,197	1,982
6) Trade payables	359,646	340,584	185,742
7) Notes payable	259	-	134
- due within 12 months	163	-	84
- due beyond 12 months	96	-	50
8) Payables to unconsolidated subsidiaries	-	-	-
9) Payables to associated companies	380	231	196
10) Payables to parent companies	-	-	-
11) Taxes payable	93,053	56,079	48,058
- due within 12 months	88,059	46,191	45,479
- due beyond 12 months	4,994	9,888	2,579
12) Payables to social security institutions	12,031	12,879	6,213
- due within 12 months	12,017	12,095	6,206
- due beyond 12 months	14	784	7
13) Other payables	33,203	27,051	17,148
- due within 12 months	32,636	26,465	16,855
- due beyond 12 months	567	586	293
Total Payables (D)	2,136,046	1,325,481	1,103,175
E) ACCRUED EXPENSES AND DEFERRED REVENUES	32,861	34,365	16,971
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	4,872,206	3,624,481	2,516,282
MEMORANDUM ACCOUNTS			
Guarantees given	297,505	309,951	153,649
Guarantees received	1,208,518	45,340	624,147
Other memorandum accounts	18,595	64,530	9,604
Total memorandum accounts	1,524,618	419,821	787,400

CONSOLIDATED INCOME STATEMENT

	2001 (in millions of lire)	2000 (in millions of lire)	2001 (in thousands of euro)
A) VALUE OF PRODUCTION			
1) Revenues from sales and services	2,800,759	2,583,218	1,446,471
2) Changes in inventories of work in progress, semi-finished and finished products	20,215	21,615	10,440
3) Changes in contract work in progress	-	(250)	-
4) Additions to internally produced fixed assets	1,099	2,267	568
5) Other revenues and income	32,469	21,674	16,769
Total value of production	2,854,542	2,628,524	1,474,248
B) COSTS OF PRODUCTION			
6) Raw materials, supplies, consumables and goods for resale	1,015,014	942,216	524,211
7) Services	537,975	472,935	277,841
8) Use of third party assets	34,993	28,309	18,072
9) Labour costs:	350,620	336,835	181,079
a) salaries and wages	256,866	245,025	132,660
b) social security contributions	80,557	76,203	41,604
c) employee severance indemnities	10,195	10,217	5,265
d) pensions and similar obligations	1,486	1,860	767
e) other costs	1,516	3,530	783
10) Amortization, depreciation and writedowns:	258,099	247,197	133,297
a) amortization of intangible fixed assets	62,588	58,701	32,324
b) depreciation of property, plant and equipment	186,496	176,778	96,317
c) other adjustments to fixed assets	-	6,028	-
d) writedown of receivables under current assets and liquid funds	9,015	5,690	4,656
11) Changes in inventories of raw materials, supplies, consumables and goods for resale	(8,344)	(13,479)	(4,309)
12) Provisions for risks	607	30	313
13) Other provisions	2,957	2,400	1,527
14) Other expenses	45,618	44,722	23,560
Total costs of production	2,237,539	2,061,165	1,155,591
DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)	617,003	567,359	318,657
C) FINANCIAL INCOME AND EXPENSES			
15) Income from equity investments:	1,338	284	691
a) dividends from unconsolidated subsidiaries	-	-	-
b) dividends from associated companies	76	95	39
c) dividends from other companies	62	189	32
d) other income from equity investments	1,200	-	620

	2001 (in millions of lire)	2000 (in millions of lire)	2001 (in thousands of euro)
16) Other financial income:	32,962	41,544	17,024
a) from receivables under fixed assets:	2,184	2,462	1,128
- from unconsolidated subsidiaries	-	-	-
- from associated companies	9	529	5
- from parent companies	-	-	-
- from others	2,175	1,933	1,123
b) from securities under fixed assets other than equity investments	-	11	-
c) from securities under current assets other than equity investments	2,857	8,442	1,476
d) other income:	27,921	30,629	14,420
- from unconsolidated subsidiaries	-	-	-
- from associated companies	121	165	62
- from parent companies	-	22	-
- from others	27,800	30,442	14,358
17) Interest and other financial expenses:	73,305	67,073	37,859
a) unconsolidated subsidiaries	-	-	-
b) associated companies	-	-	-
c) parent companies	-	101	-
d) others	73,305	66,972	37,859
Total financial income and expenses (15+16-17)	(39,005)	(25,245)	(20,144)
D) ADJUSTMENTS TO FINANCIAL ASSETS			
18) Revaluations:	2,227	1,090	1,150
a) of equity investments	2,214	1,074	1,143
b) of financial fixed assets other than equity investments	13	16	7
c) of securities under current assets other than equity investments	-	-	-
19) Writedowns:	6,847	2,455	3,536
a) of equity investments	6,717	2,429	3,469
b) of financial fixed assets other than equity investments	130	-	67
c) of securities under current assets other than equity investments	-	26	-
Total adjustments (18-19)	(4,620)	(1,365)	(2,386)
E) EXTRAORDINARY INCOME AND EXPENSES			
20) Income:	4,083	18,375	2,108
a) gains on disposals	167	3,710	86
c) other extraordinary income	3,916	14,665	2,022
21) Expenses:	2,421	4,402	1,252
a) losses on disposals	961	223	496
b) prior years taxes	27	623	14
c) other extraordinary expenses	1,433	3,556	742
Total extraordinary income and expenses (20-21)	1,662	13,973	856
INCOME BEFORE TAXES (A-B+C+D+E)	575,040	554,722	296,983
22) Income taxes	(222,604)	(208,943)	(114,965)
23) COMBINED NET INCOME (LOSS)	352,436	345,779	182,018
24) Minority interests	(40,514)	(35,213)	(20,924)
CONSOLIDATED NET INCOME (LOSS)	311,922	310,566	161,094



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Form and content of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with Italian Legislative Decree 127/91. They include the statutory financial statements of Buzzi Unicem SpA and of the subsidiaries in which Buzzi Unicem SpA directly or indirectly holds more than 50% of the capital stock or in which it exercises a dominant influence, despite having a minority interest directly or indirectly. The scope of consolidation does not include those subsidiaries in which the parent company's rights are seriously and permanently restricted, nor those whose shares or quotas are held exclusively with a view to selling them in the future. Subsidiaries in winding up and those companies with insignificant assets, both from an investment point of view and in terms of their net equity and results, are also excluded from the scope of consolidation. Companies in which the group, directly or indirectly, exercises joint control with other stockholders are consolidated under the proportional method. Unconsolidated subsidiaries and associated companies in which the direct or indirect holding is between 20% and 50% are carried at equity.

The financial statements used in the consolidation are those prepared or approved as of December 31, 2001 by the boards of the individual companies. These financial statements have been adjusted, where necessary, to bring them into line with group accounting principles, which comply with those laid down by current Italian law and those issued by the Italian Accounting Profession. The adjustments to the individual financial statements made to eliminate items of a purely fiscal nature or to align them with group accounting principles, as well as other consolidation adjustments, take into account the related deferred tax effect, where appropriate. The Mexican companies prepare their financial statements in accordance with the principles of inflation accounting. The closing date and the reference period for the consolidated financial statements coincide with those of the statutory financial statements of the parent company and its subsidiaries.

Balance sheet and income statement are comparable with those of the prior year, except for changes in the scope of consolidation. In certain cases, comparability of content entails some adjustments to the prior year figures.

The main changes to the group structure during 2001 are summarized below.

- Buzzi Unicem SpA carried out the following operations: purchase of 30.09% of the ordinary capital and 4.4% of the preferred capital of Dyckerhoff AG; purchase of 0.8% of Unimed SpA; subscription of 30% of Laterlite SpA and 24.6% of Leca Sistemi SpA; sale of 50% of Alpine Srl and 30% of Baumit Italia Srl.
- Unicalcestruzzi SpA carried out the following operations: purchase of 100% of Calcestruzzi Margotti Srl and its subsequent merger; purchase of 18.33% of Frantoio Taro Srl; sale of 20% of Monterosa Calcestruzzi Srl.
- Betonval SpA carried out the following operations: merger of Maddaleni Pietro Srl; purchase of the remaining 50% of Brizzi Calcestruzzi Srl.

Consolidation principles

Subsidiaries have been consolidated under the line-by-line method, fully consolidating all assets, liabilities, costs and revenues, regardless of the percentage of ownership. The portions of stockholders' equity and of the result for the year pertaining to minority shareholders are shown separately in the consolidated balance sheet and income statement under the caption *Minority interests*. The main consolidation principles are:

- the carrying value of consolidated equity investments is eliminated against the related portion of stockholders' equity. Credit differentials arising from this elimination are booked to the *Consolidation reserve*. Debit differentials are allocated, where possible, to the assets or liabilities to which the higher value refers; any residual portion represents goodwill, which is booked to *Differential arising from consolidation*.
- Intercompany receivables and payables, costs and revenues are eliminated. Significant unrealized profits and losses deriving from transactions between consolidated companies and not yet realized with third parties are also eliminated.
- Dividends distributed within the group are eliminated from the consolidated income statement.

The proportional consolidation method, used for companies that are jointly controlled together with other stockholders, entails the inclusion of assets, liabilities and income statement results in proportion to the percentage of ownership held.

The valuation by the equity method, used for unconsolidated subsidiaries and associated companies in which the group has a significant influence, entails carrying the investment at the corresponding interest in the underlying stockholders' equity, after deducting dividends and making the adjustments required by generally accepted accounting principles for consolidated financial statements.

The translation of financial statements in foreign currencies is done using the current rate method. Such method entails translating assets and liabilities at the exchange rate ruling at the end of the year, and converting income statement figures at the average exchange rate for the year. Stockholders' equity is translated at the historical exchange rate ruling at the date of acquisition. The exchange difference arising using a different exchange rate than the one used the previous year is attributed to *Translation differences* under stockholders' equity. The difference that arises on converting the balance sheet and the income statement at different exchange rates is also booked to *Translation differences*. As for the financial statements of the Mexican companies, whose balance sheet and income statement figures are expressed at their current purchasing power at the end of the period, both accounting schedules are translated at the exchange rate ruling at year end. The exchange rates used for translation are the following:

(lire)

Currency	Exchange rate as of Dec. 31, 2001	Average exchange rate for 2001	Exchange rate as of Dec. 31, 2000	Average exchange rate for 2000
US Dollar	2,197.06	2,163.81	2,080.89	2,102.59
Mexican Peso	240.62	–	217.15	–
Dutch Guilder	878.64	878.64	878.64	878.64
Danish Kroner	260.37	259.83	259.45	259.77
Euro	1,936.27	–	1,936.27	–

Accounting policies

To improve the true and fair representation of the group's economic results and financial position, the consolidated financial statements are prepared applying different accounting policies from those used in the statutory financial statements of Buzzi Unicem SpA, without any changes from the previous year. Assets and liabilities are valued on a substantially consistent basis. Certain items in the financial statements of foreign operating companies have deliberately not been aligned to group accounting policies, as this better achieves a true and fair view.

Intangible fixed assets

Intangible fixed assets are booked at purchase or production cost, including ancillary charges, and amortized on a straight line basis over their estimated useful life. The capitalization of individual costs is economically justified by the future benefit they will bring. Their book value is shown net of accumulated amortization, which is generally calculated over five years. The useful life of *Goodwill* and *Differential arising from consolidation* has been set at 5 or 10 years, depending on the distinctive features of the sector in which the companies operate and the estimated payback period of the investments concerned. Mining licenses for the quarrying of natural aggregates are amortized in proportion to the volume extracted. Accessory charges incurred for securing medium term financing are amortized over the duration of debt, starting with the closing date.

Assets whose value at the balance sheet date is permanently lower than their book value are shown at this lower value. If the reasons for a permanent writedown no longer apply, the original value is reinstated within the limits of prior writedowns and, in any case, only to the extent that it has effectively recovered economic value.

Property, plant and equipment

Property, plant and equipment are booked at purchase or production cost, including overheads, restated in certain cases according to laws on monetary revaluation or as part of consolidation or merger operations, attributing indirect acquisition costs to the related assets. Production cost includes a reasonably attributable portion of the direct and indirect costs incurred before the asset entered into service. The cost of certain tangible fixed assets, especially new production lines, may include the interest expense on specific loans obtained during their construction.

Leased assets are booked to the assets side of the balance sheet at the lower of market and the net present value of future contractual lease payments. This accounting treatment is in line with IAS 17.

Ordinary maintenance and repairs are expensed in the year they are incurred. Maintenance costs entailing a genuine improvement in terms of productivity, useful life or value are capitalized and added to the value of the assets concerned.

Property, plant and equipment are depreciated systematically each year over their estimated residual useful life. Land on which natural aggregates are quarried is depleted in proportion to the volume of material extracted during the year. The value shown in the financial statements is net of accumulated depreciation and adjustments.

Assets whose value at the balance sheet date is permanently lower than their book value are shown at this lower value. If the reasons for a permanent writedown no longer apply, the original value is reinstated within the limits of prior writedowns and, in any case, only to the extent that it has effectively recovered economic value.

Financial fixed assets

Equity investments in unconsolidated subsidiaries and associated companies are generally valued by the equity method. Other equity investments are carried at purchase or subscription cost. In the event that the stockholders' equity of investments appearing in the financial statements suffers a permanent loss in value or the stock prices of listed companies are permanently lower than the carrying value, the cost is written down accordingly. The original value is reinstated in subsequent years, if the reasons for such writedowns no longer apply.

Receivables are recorded at their estimated realizable value.

Other securities are valued at acquisition cost, which includes overheads. This value is written down in the event of permanent losses. If the reasons for a permanent writedown no longer apply, the original value is reinstated within the limits of prior writedowns and, in any case, only to the extent that it has effectively recovered economic value.

Inventories

Inventories are valued at the lower of purchase or production cost and market. Cost is generally determined at average cost for the period.

Receivables and payables

Receivables are booked at their estimated realizable value, being the difference between their nominal value and the allowance for doubtful accounts. The reserve covers generic collection risks, calculated on all receivables and on the basis of past experience and the level of solvency of debtors or classes of debtors, as well as individual doubtful accounts.

Payables are recorded at their nominal value.

Receivables and payables denominated in foreign currency are translated into lire at the exchange rate ruling at the end of the year. Positive and/or negative differences between the amounts translated at the year-end exchange rate and those recorded at the time of the transaction are booked to the income statement, together with exchange differences realized during the year.

Financial assets not held as fixed assets

Equity investments, *Treasury stock* and *Other securities* not held as fixed assets are carried at the lower of cost and realizable value, based on market trends at the end of the year. Their original value is reinstated in subsequent years, if the reasons for writedowns no longer apply. *Other securities* are valued taking into account issue discounts accrued during the period in which they were held.

Reserves for risks and charges

The reserves for risks and charges are recorded to cover specific losses or liabilities whose existence is certain or likely, but whose timing or amount is not yet known at the balance sheet date. The provision reflects the best possible estimate based on available information.

Reserve for employee severance indemnities

The amount of this reserve is adjusted each year in compliance with current laws and labor contracts. It represents a certain liability, even if not yet payable, which has accrued up to the end of the year to the benefit of the employees of the Italian companies, net of advances paid.

Accruals and deferrals

Accruals and deferrals are made up of expenses and revenues common to two or more years, the amount of which varies exclusively over time.

Capital grants

The capital grants received up to the end of 1999 were booked to stockholders' equity under *Other reserves*, net of taxes. As from 2000, they are recorded within *Other revenues and income* and then deferred to future years by being included in deferred revenues. The income statement therefore reflects the portion related to the depreciation of property, plant and equipment to which they refer.

Revenues and costs

Revenues and costs are recorded in the financial statements on an accrual basis, notwithstanding their collection or payment date. Dividends from equity investments in unconsolidated companies are accounted for upon receipt.

Income taxes

The estimated amount of taxes for the year, calculated in accordance with current law, is credited to *Taxes payable*, net of advances, withholdings and tax credits. The tax rates applied vary according to the nationality and fiscal situation of each consolidated company. The *Taxation reserve* includes deferred taxes on the timing differences between the pretax and taxable income of the individual companies included in the consolidation, the deferred taxes caused by consolidation adjustments, and an estimate of the tax charges likely to arise on open years or matters in dispute. The tax effect of timing differences that lead to deferred tax assets is recorded only if there is a reasonable chance that they will be recovered.

Comments on items in the consolidated balance sheet

(in millions of lire)

FIXED ASSETS

Intangible fixed assets

Formation and expansion costs comprise lire 3,628 million of notary fees, taxes and duties, and other expenses relating to deeds concerning the legal and corporate expansion of the group, such as capital stock increases, mergers, bond issues, and admission to listing. The balance also includes lire 201 million for the start-up of new production sites.

Industrial patents and intellectual property rights mainly include expenses incurred for the purchase of software for plant and office automation.

The caption *Concessions, licenses, trademarks and similar rights* comprises lire 1,352 million of mining concessions, lire 35 million of industrial licenses and lire 40 million of trademarks mainly owned by the parent company.

Goodwill shown in the balance sheet refers for lire 162,637 million to Unicem SpA, merged in 1999. The balance also includes an amount of lire 30,355 million which is the cost incurred for the acquisition of companies operating in the concrete and aggregates sector. The merger of Calcestruzzi Margotti Srl into Unicalcestruzzi SpA gave rise to a goodwill of lire 7,365 million.

Differential arising from consolidation of lire 62,157 million consists of the positive differences arising on first-time consolidation of the main subsidiaries. The most significant surpluses refer to Alamo Cement Company (lire 41,835 million), which arose at the end of 1999 after the increase in our holding from 67% to 100%, and Betonval SpA (lire 17,681 million).

The caption *Others* is chiefly made up of accessory charges related to medium term debt (lire 23,935 million) in addition to leasehold improvements and other deferred charges. The increase of lire 23,398 million refers to the expenses incurred for the new loan of euro 1.4 billion to cover the financing requirements stemming from the investment in Dyckerhoff.

The following table shows details of changes during the year:

	Net value as of Dec. 31, 2000	Additions and revaluations	Amortization	Transfers and reclassifications	Translation differences	Disposals and others	Net value as of Dec. 31, 2001
Formation and expansion costs	5,948	399	(2,587)	–	118	(49)	3,829
Industrial patents and intellectual property rights	1,734	1,592	(996)	34	–	–	2,364
Concessions, licenses, trademarks and similar rights	1,537	56	(166)	–	–	–	1,427
Goodwill	215,876	9,532	(32,899)	483	–	–	192,992
Assets in progress and advances	48	–	–	(34)	–	–	14
Differential arising from consolidation	83,368	1,270	(21,998)	(483)	–	–	62,157
Others	2,250	27,340	(3,942)	–	–	–	25,648
Total	310,761	40,189	(62,588)	–	118	(49)	288,431

The effect of changes in the scope of consolidation amounts to lire 23 million, due to the inclusion of Calcestruzzi Margotti Srl.

Property, plant and equipment

The amount shown in the financial statements comes from the gross value of lire 4,382,836 million, less accumulated depreciation of lire 2,489,305 million (lire 4,074,680 million and lire 2,286,679 million respectively as of December 31, 2000). Increases and decreases in the gross value refer to normal business investments and disposals of fixed assets during the year. The net book value of lire 1,893,531 million increases by lire 105,530 million with respect to the prior year.

The following table shows details of changes during the year:

	<i>Net value as of Dec. 31, 2000</i>	<i>Additions and revaluations</i>	<i>Depreciation</i>	<i>Transfers and reclassifications</i>	<i>Translation differences</i>	<i>Disposals and others</i>	<i>Net value as of Dec. 31, 2001</i>	<i>Accumulated depreciation as of Dec. 31, 2001</i>
Land and buildings	496,711	11,147	(33,856)	12,479	12,276	(11,524)	487,233	(505,604)
Plant and machinery	885,529	105,940	(131,704)	252,099	43,971	(7,462)	1,148,373	(1,783,957)
Industrial and commercial equipment	46,478	29,232	(13,383)	5,745	2,931	(14,788)	56,215	(132,998)
Other assets	26,738	6,846	(7,553)	1,160	1,255	(4,238)	24,208	(66,746)
Assets in progress and advances	332,545	115,088	-	(271,786)	1,751	(96)	177,502	-
Total	1,788,001	268,253	(186,496)	(303)	62,184	(38,108)	1,893,531	(2,489,305)

Amounts shown in the column *Transfers and reclassifications* refer to the completion of capital expenditures projects, which were in progress at the end of the prior fiscal year. The effect of changes in the scope of consolidation amounts to lire 4,488 million, due to the inclusion of Calcestruzzi Margotti Srl and Brizzi Calcestruzzi Srl.

Financial fixed assets

In detail, *Equity investments* are the following:

	Book value	% of stockholding	
		direct	indirect
Unconsolidated subsidiaries			
Alfacementi Srl	132		100.0
Certosa Lda	49		100.0
Total unconsolidated subsidiaries	181		
Associated companies:			
Dyckerhoff AG	1,009,940	17.3	
Cementi Moccia SpA	15,277	30.0	
Siefic Calcestruzzi Srl	4,971		50.0
Technobeton Srl	3,862	45.0	
Premix SpA	1,726		40.0
E.L.M.A. Srl	1,140		50.0
Cave Alto Santerno Srl	816		49.0
Ciments de Balears, SA	392		35.0
Vielle Calcestruzzi Srl	251		40.0
Nova Beton Srl	242		30.0
Betonfer Srl	226		33.3
Edilcave Srl	220		30.0
Albenga Calcestruzzi Srl	196		40.0
Calcestruzzi Faure Srl	151		24.0
Cementi e Calci di Santa Marinella Srl	121	33.3	
Beton Biella Srl	107		20.0
Consorzio CO.ES. Srl. Srl	73		44.0
Laterlite 2002 SpA	58	30.0	
S.A.F.I. Srl	54		33.3
Leca Sistemi SpA	48	24.6	
Betonsud Srl (in liquidation)	46		49.9
Iblea Calcestruzzi Srl (in liquidation)	25		50.0
Calcestruzzi Bell'Italia Srl	15		25.0
A.P.I.C.E. Srl (in liquidation)	8		46.0
Total associated companies	1,039,965		
Other companies:			
Romana Calcestruzzi SpA	4,564		16.7
Partecipazioni Porto Antico di Genova SpA	2,098	14.0	
Cava degli Olmi Srl	656		12.0
Tassullo SpA	336		1.9
Ipse Srl	330	11.0	
F.lli Bianchi fu Michele & C. SpA	220		16.7
Sipac SpA (in liquidation)	220		11.0
Navicelli di Pisa SpA	83		10.4
Other minor investments	290		
Total other companies	8,797		
Total	1,048,943		

The breakdown by consolidation method is the following:

	Value as of Dec. 31, 2001	Value as of Dec. 31, 2000
Equity investments valued at equity	1,039,852	31,843
Equity investments valued at cost	9,091	16,424
Total	1,048,943	48,267

Dyckerhoff AG is valued at equity, setting a useful life of 20 years for the debit differential between the carrying value and the related portion of stockholders' equity, taking into account the specific features of the cement sector, in which the company operates. The other subsidiaries and associated companies carried at cost are not significant in terms of their net worth and results. The following table shows details of changes during the year:

	Value as of Dec. 31, 2000	Valuation at equity	Purchases and subscriptions	Writedowns	Disposals and others	Value as of Dec. 31, 2001
Unconsolidated subsidiaries	668	–	99	(516)	(70)	181
Associated companies	37,036	21,138	987,687	(586)	(5,310)	1,039,965
Other companies	10,563	–	10	(1,262)	(514)	8,797
Total	48,267	21,138	987,796	(2,364)	(5,894)	1,048,943

Receivables from unconsolidated subsidiaries, unchanged at lire 492 million, consist of non-interest bearing loans granted to Betongenova Srl in liquidation (lire 57 million), Sofinvest Srl in liquidation (lire 235 million) and Inerti and Calcestruzzi Srl in liquidation (lire 200 million).

Receivables from associated companies, are made up of non-interest bearing loans granted to Albenga Calcestruzzi Srl (lire 44 million), PRO.CAL.MI. Srl in liquidation (lire 3 million), A.P.I.C.E. Srl in liquidation (lire 57 million), as well as interest-bearing loans granted to Siefic Calcestruzzi Srl (lire 2,050 million), Nova Beton Srl (lire 300 million), Albenga Calcestruzzi Srl (lire 218 million), Premix SpA (lire 1,400 million), Betonsud Srl in liquidation (lire 125 million) and Iblea Calcestruzzi Srl in liquidation (lire 150 million).

Receivables from others total lire 58,822 million, compared with lire 56,115 million at the end of last year. The caption includes lire 50,251 million of receivables from tax authorities including accrued interest; lire 106 million of interest-bearing loans granted to third parties; lire 1,567 million of guarantee deposits receivable; other receivables for lire 6,898 million. The amounts receivable from tax authorities are allocated to fixed assets because the rebate is not forthcoming and it is unlikely to be paid in the near future. In practice this has created a long-term investment even if this situation is neither desirable nor welcome.

CURRENT ASSETS

Inventories

The amount of lire 292,884 million shows a growth of lire 41,083 million against the prior year. Increases and decreases in the various categories involve normal movements in materials and finished goods, in line with the trend in production and sales, as well as changes in exchange rates used for the translation of foreign financial statements. The item Inventories is recorded net of allowance for obsolescence of lire 2,177 million.

Receivables

Trade receivables amount to lire 597,677 million, net of allowance for doubtful accounts of lire 22,914 million, and increase by lire 56,347 million against the previous year. This change is attributable, on the one hand, to the normal trend in operating flows; on the other, to differences on translation of foreign financial statements.

Receivables from associated companies are made up of lire 1,675 million of interest-bearing loans granted to Premix SpA (lire 82 million) and Cave Alto Santerno Srl (lire 1,593 million). The balance also includes lire 12,910 million deriving from normal and regular trade relationships with affiliated firms, mainly in the concrete and aggregates sector. As of December 31, 2000, financial receivables from associated companies amounted to lire 3,051 million, trade receivables to lire 10,234 million. The decrease in financial receivables is principally due to the sale of Alpine Srl and Baumit Italia Srl, which took place in 2001.

Receivables from others total lire 76,007 million. They include receivables from tax authorities for lire 31,025 million, from personnel for lire 328 million, from social security institutions for lire 1,157 million, from suppliers for lire 1,052 million, deferred tax assets for lire 7,561 million, loans to third parties for lire 26,626 and other receivables for lire 8,258 million. Loans to third parties include lire 18,300 for those granted to important customers by RC Cement; they bear interest at market rates, are adequately secured and are performing regularly. They also comprise lire 8,305 million in outstanding loans to the formerly associated company Alpine Srl, which will be repaid in the short term.

Financial assets not held as fixed assets

At year end, the parent company, Buzzi Unicem SpA holds in treasury 1,600,000 ordinary shares and 8,000 savings shares, equal to 1.15% of the capital stock. The increase of lire 25,098 million follows purchases made during the year.

Other securities are made up of cash invested in marketable securities, bonds and shares of mutual funds; these are chiefly held by the American and Mexican companies.

Cash and cash equivalents

These total lire 354,885 million, with a decrease of lire 11,210 million compared to December 31, 2000. They include checking accounts and time deposits.

ACCRUED REVENUES AND PREPAID EXPENSES

Accrued revenues amount to lire 80 million and are made up of lire 10 million of interest income on marketable securities and time deposits. As of December 31, 2000 accrued revenues totaled lire 1,975 million.

Prepaid expenses amount to lire 7,131 million, of which lire 7,125 million relating to operating expenses and lire 6 million to financial expenses pertaining to the following year. As of December 31, 2000 prepaid expenses totaled lire 7,598 million.

STOCKHOLDERS' EQUITY

The table below summarizes changes in stockholders' equity of the group during the fiscal year ended on December 31, 2001:

	Capital stock	Paid-in capital	Revaluation reserves	Legal reserve	Reserve for treasury stock	Other reserves	Retained earnings	Consolidated net income (loss)	Total
Balance as of December 31, 2000	152,931	65,113	133,932	13,362	2,298	564,575	542,708	310,566	1,785,485
Allocation of 2000 net income:									
- dividends	-	-	-	-	-	-	-	(54,423)	(54,423)
- to reserves	-	-	-	2,440	-	-	253,703	(256,143)	-
Bonus issue	9,486	-	-	-	-	(9,486)	-	-	0
Differences on traslation of foreign financial statements	-	-	-	-	-	69,827	-	-	69,827
Application of inflation accounting	-	-	-	-	-	-	10,230	-	10,230
Other movements	-	-	-	-	25,098	(24,210)	26,556	-	27,444
Net income for 2001	-	-	-	-	-	-	-	311,922	311,922
Balance as of December 31, 2001	162,417	65,113	133,932	15,802	27,396	600,706	833,197	311,922	2,150,485

Capital stock

The capital stock, wholly paid-in, is made up of 127,208,478 ordinary shares and 12,594,039 savings shares, both with a par value of euro 0.60 each. The increase of lire 9,486 million is a bonus issue, as a result of the following two transactions: translations of the capital stock into euro together with the optional conversion of savings shares into ordinary shares, using lire 9,288 million from the *Merger surplus* (36,941,225 savings shares were converted with the issuance of 23,642,384 ordinary shares); issuance of 170,500 savings shares using the *Reserve for issuing of shares art. 2349 Civil Code* for lire 198 million.

Paid-in capital

This amounts to lire 65,113 million; there have been no changes with respect to the prior year.

Revaluation reserves

These are special reserves originated by specific laws, as follows:

- Reserve ex law 1952 and previous years 1,382
- Reserve ex law 72/83 47,196
- Reserve ex law 413/91 36,324
- Reserve ex law 342/00 49,030

There have been no changes with respect to the prior year.

Legal reserve

This amounts to lire 15,802 million, with an increase of lire 2,440 million due to the partial allocation of 2000 net income according to the stockholders' resolution of May 11, 2001. Current law and the by laws foresee a maximum limit of 20% of capital stock.

Reserve for treasury stock

This amount corresponds to the value of treasury stock in portfolio at the year end, shown under current assets.

Other reserves

The *Consolidation reserve* amounts to lire 5,120 million, increased by lire 888 million with respect to year 2000, due to negative differences on the purchase of Unimed SpA shares. This reserve comprises negative differences that arose on elimination of consolidated equity investments against the corresponding portion of stockholders' equity and on adjustment of the value of investments accounted for by the equity method.

The *Translation differences* are detailed as follows:

	Value as of Dec. 31, 2001	Value as of Dec. 31, 2000
Alamo Cement Company (USD)	41,490	32,728
RC Cement Holding Company (USD)	136,640	101,068
Corporación Moctezuma, SA de CV (MXN)	(4,565)	(25,956)
RC Cement International ApS (DKK)	4,112	10
Finpresa SA (EUR)	2,127	2,127
Fresit BV (EUR)	505	505
Total	180,309	110,482

The *Reserve for gains on contributions ex law 904/77* amounts to lire 43,116 million, unchanged with respect to the prior year.

The *Reserve for purchase of treasury stock* has decreased by lire 63,150 million following the cancellation of the resolution adopted on June 20, 2000, but increased by lire 58,088 million as a result of the resolution adopted on May 11, 2001. The total amount used for the purchase of treasury stock is lire 43,239 million. The algebraic sum of these movements leads to a balance of lire 28,431 million.

The *Reserve for capital grants* remains unchanged. The *Reserve for gains ex law 169/83* amounts to lire 19,200 million; no changes occurred in this balance.

The *Merger surplus* goes from lire 294,652 million to lire 308,567 million, reflecting an increase of lire 13,915 million. Additions and uses derive from the resolutions for the purchase of treasury stock and from transactions in treasury stock during the year. Furthermore the reserve was utilized by lire 9,288 million for translation of the capital stock into euro.

Retained earnings (losses)

The amount of lire 833,197 million increases by lire 290,489 million compared with the prior year. It includes the corresponding caption of the statutory financial statements of Buzzi Unicem SpA, changes in stockholders' equity of consolidated companies pertaining to the parent company that took place after the first consolidation and the revaluation reserves of Mexican companies that use inflation accounting. The item increased by lire 23,812 million in 2001 due to the valuation at equity of the investment in Dyckerhoff AG.

The following table shows the reconciliation between the statutory financial statements of Buzzi Unicem SpA and the consolidated financial statements:

	<i>Stockholders' equity</i>	<i>Net income for the year</i>
Buzzi Unicem SpA financial statements	941,641	86,340
Income (losses) of consolidated companies	296,091	296,091
Adjustments to bring the statutory financial statements into line with the accounting principles used in the consolidated financial statements	(255,900)	(62,280)
Elimination of items of a fiscal nature from the statutory financial statements	165,708	47,737
Differences resulting from the translation of foreign currency financial statements	69,827	-
Adjustment to the value of investments carried on an equity basis	11,958	(2,474)
Surplus of stockholders' equity of consolidated companies compared with their carrying value	1,171,378	60,897
Elimination of dividends distributed by consolidated companies	-	(73,875)
Minority interests	(250,218)	(40,514)
Consolidated financial statements	2,150,485	311,922

Minority interests

This reflects the portion of stockholders' equity pertaining to minority interests in consolidated companies. The balance as of December 31, 2001 is due for lire 87,749 million to Unimed SpA, lire 17,099 million to Betonval SpA, lire 2,116 million to Cementi Riva Srl and lire 141,822 million to Corporación Moctezuma, SA de CV. The latter corresponds to 16.7% of the stockholders' equity of Corporación Moctezuma, 50% consolidated under the proportional method, of which Buzzi Unicem holds the 66.7% majority interest jointly with the Spanish partner.

RESERVES FOR RISKS AND CHARGES

Pensions and similar obligations

This caption includes lire 38,114 million for funds existing in the financial statements of foreign companies which cover the liability to personnel for long-service bonuses to be paid on termination of employment. It also includes lire 300 million for indemnities on termination of agency agreements.

Taxation

This reserve includes lire 154,201 million of deferred taxes, net of deferred tax assets, which have been offset where possible with reference to the individual companies being consolidated. The estimated liability for probable taxes on open years or matters under dispute totals lire 7,538 million.

Others

The Morando lawsuit reserve (lire 76 million in 2000) has been utilized by lire 61 million and increased by lire 735 million to cover probable, additional legal expenses.

The residual amount is made up of the reserve for environmental risks for lire 3,408 million, quarry restoration reserves for lire 7,137 million and other reserves for miscellaneous contractual and commercial risks for lire 13,302 million.

RESERVE FOR EMPLOYEE SEVERANCE INDEMNITIES

The net increase of lire 2,640 million is determined by the following movements:

	<i>Value as of Dec. 31, 2000</i>	<i>Indemnities accrued</i>	<i>Indemnities paid</i>	<i>Other movements</i>	<i>Value as of Dec. 31, 2001</i>
Reserve for employee severance indemnities	75,956	10,195	(7,399)	(156)	78,596

PAYABLES

Bonds

The amount refers to a bond issue bearing interest at a floating rate (Euribor plus 0.35%) to be repaid in a single installment, closed on October 1, 1998 and denominated "Buzzi Unicem SpA 1998-2003". This funding is backed by *interest rate swaps* designed to transform the coupons maturing in the period 1999-2003 from floating rate to fixed rate. The statement of income for 2001 includes lire 1,101 million of financial income due to this *interest rate swap* contract.

Borrowings from banks

This caption is made up of secured loans (lire 1,288,147 million), unsecured loans (lire 79,951 million), bank overdrafts, other short-term loans and items to be settled (lire 11,800 million). During 2001, borrowings from banks of lire 381,301 million came to maturity; they were partially refinanced through new loans for lire 167,238 million.

Real guarantees on assets of consolidated companies are represented by: mortgages and liens on production facilities and industrial buildings; pledge on shares representing 80.5% of Unicalcestruzzi SpA's capital and on 7,118,298 shares of Dyckerhoff AG. The increase on 2000 is lire 766,248 million and refers mainly to the syndicated loan of euro 1.4 billion organized by SanPaolo Imi to cover the financing requirements arising from the Dyckerhoff deal. At year end the facility is drawn as follows: euro 502,4 million in cash and euro 652,8 million related to guarantees received. The amortization schedule provides for the repayment of euro 350 million by the end of 2002 and the rest in subsequent years.

The table below summarizes the information about interest rates on long-term debt, including the current portion:

	<i>Value as of Dec. 31, 2001</i>	<i>Value as of Dec. 31, 2000</i>
Lower than 5.5%	1,347,803	280,973
From 5.5% to 7%	16,113	315,833
From 7% to 10%	1,354	4,185
Higher than 10%	2,828	7,854
Total	1,368,098	608,845

Other providers of finance

These consist of financial payables to third parties (lire 2,329 million) and the net present value of capital lease obligations (lire 1,409 million). The decrease of lire 14,072 million with respect to 2000 is due to reimbursements for lire 14,270 million and translation losses for lire 198 million.

Trade payables

They amount to lire 359,646 million, with an increase of lire 19,062 million, and reflect liabilities to suppliers of goods and services at the end of the year. The increase is substantially due to the growth in the group's operations.

Taxes payable

The caption comprises value added tax payable (lire 1,008 million), withholding taxes payable (lire 4,475 million), substitute tax on revaluation of assets ex law 342/00 (lire 9,981 million), income taxes and other dues (lire 77,589 million). At the end of the year, the subsidiary Unimed SpA owes the tax authorities lire 2,770 million, part of which is still in suspense because of the earthquake which struck the Augusta factory in 1990.

Payables to social security institutions

This caption does not require further explanation about its content. The balance is in line with 2000. Payments of social contributions by Unimed SpA are still partially in suspense, to the extent of lire 959 million, because of the earthquake which struck the Augusta factory in 1990.

Other payables

These amount to lire 33,203 million and include, among others, payables to personnel (lire 15,444 million), to customers (lire 1,983 million), to corporate bodies (lire 663 million) and guarantee deposits (lire 608 million).

ACCRUED EXPENSES AND DEFERRED REVENUES

Accrued expenses total lire 18,248 million; they refer to interest expense on loans and bonds for lire 12,144 million and other costs pertaining to the year of lire 6,104 million, the most important of which are the deferred portions of labor costs. As of December 31, 2000 accrued expenses totaled lire 19,281 million.

Deferred revenues amounting to lire 14,613 million relate to financial and operating income pertaining to 2001 and/or subsequent years. They also include a deferred capital gain of lire 14,029 million booked by Alamo Cement Company. As of December 31, 2000 deferred revenues totaled lire 15,084 million.

MEMORANDUM ACCOUNTS

Guarantees given include commitments toward banks in favour of investee companies and a pledge on shares representing 80.5% of Unicalcestruzzi SpA's capital stock owned by the parent company for lire 262,701 million. *Guarantees received* include bank and insurance guarantees in favor of various entities, the public administration, etc., a guarantee of SanPaolo Imi in favor of the Dyckerhoff family for euro 597 million with respect to the put option on Dyckerhoff AG shares expiring at the end of 2004. *Other memorandum accounts* consist of a commitment to buy further shares in Cementi Moccia SpA, our assets in the hands of third parties, third party assets in our hands, risk of recourse on discounted bills, etc.

The commitments of foreign subsidiaries not shown in the balance sheet are not such as to prejudice the valuation of the net assets and financial position in the consolidated financial statements taken as a whole.

Comments on items in the consolidated income statement

(in millions of lire)

VALUE OF PRODUCTION

Revenues from sales and services

They amount to lire 2,800,759 million, net of premiums and discounts granted to customers. The increase of 8.4% is due to: favorable market situation + 5.4%, change in exchange rates + 2.1%, change in the scope of consolidation + 0.9%. The breakdown by sector and geographical area is the following:

	<i>Italy</i>	<i>United States of America</i>	<i>Mexico</i>	<i>Total</i>
Cement and clinker	744,108	688,076	217,558	1,649,742
Concrete and aggregates	836,873	216,386	66,619	1,119,878
Others	4,261	26,878	-	31,139
Total	1,585,242	931,340	284,177	2,800,759

Other revenues and income

This caption includes: revenues from rented properties (lire 2,581 million), gains on disposal of fixed assets (lire 4,213 million), insurance claims (lire 3,096 million), out-of-period revenues and other expense recoveries and/or income for the residual amount.

COSTS OF PRODUCTION

Raw materials, supplies, consumables and goods for resale

The total of lire 1,015,014 million is made up of the purchase of raw materials and finished products (lire 562,586 million), supplies and consumables (lire 121,745 million), power (lire 164,120 million), fuel (lire 147,548 million) and other goods used in production, selling, and administration for lire 19,016 million.

Services

The amount of lire 537,975 million includes: maintenance on tangible fixed assets, transportation, factory overhead, consultancy, professional fees, emoluments of corporate bodies, personnel services, commercial services, bank and insurance services, general and administrative services.

Use of third party assets

Total costs incurred amount to lire 34,993 million. The main categories of expenses listed in this caption are: lease expenses, rent payable for land and buildings, quarry concessions, operating leases of vehicles, means of transportation and office equipment.

Labor costs

The format of the income statement gives full disclosure about labor costs. The average number of employees working in fully consolidated companies split by category is the following:

	2001	2000
White collar and executives	1,456	1,427
Blue collar and supervisors	2,141	2,183
Total	3,597	3,610

The average number of employees working in companies consolidated under the proportional method, split by category and in proportion to the percentage of ownership is the following:

	2001	2000
White collar and executives	130	118
Blue collar and supervisors	142	140
Total	272	258

Amortization, depreciation and writedowns

The income statement format foresees four sub-captions which provide sufficient detail.

The *writedowns of receivables under current assets and liquid funds* consist of provisions to the allowance for doubtful accounts and direct writedowns.

Other provisions

These include further additions to the quarry restoration reserves.

Other expenses

This caption includes indirect taxes and duties (lire 16,831 million), memberships in industry organizations (lire 6,311 million), losses on disposal of fixed assets (lire 3,039 million), as well as out-of-period expenses, costs relating to real estate properties and other costs for the balance.

FINANCIAL INCOME AND EXPENSES

Income from equity investments

This consists of gains on disposal of investments.

Other financial income

Income from receivables under fixed assets refers to interest revenue on loans to third parties, to associated companies and on amounts due from tax authorities.

Income from securities under current assets other than equity investments relates to the short-term investment of cash in marketable securities and other financial instruments.

Other income refers to interest revenue on amounts receivable from banks, lire 4,978 million, on trade and other receivables, lire 417 million, as well as other interest income and revenues for the residual amount, including foreign exchange gains of lire 5,748 million.

Interest and other financial expenses

Financial expenses others represent interest expense on bonds (lire 12,196 million), on borrowings from banks (lire 39,910 million) and other bank and financial charges for the residual amount, including foreign exchange losses of lire 7,112 million and the loss due to inflation accounting (booked by the Mexican companies) for lire 6,385 million.

ADJUSTMENTS TO FINANCIAL ASSETS

Revaluations

The revaluations of *equity investments* represent the subsidiary earnings of investments carried on an equity basis.

Writedowns

Writedowns of *equity investments* reflect subsidiary losses of investments carried on an equity basis, lire 2,139 million, and writedowns of investments carried at cost, lire 2,364 million.

EXTRAORDINARY INCOME AND EXPENSES

Income

Gains on disposals derive mainly from the sale of non-industrial fixed assets.

Other extraordinary income includes lire 3,851 for miscellaneous out-of-period income.

Expenses

Losses on disposals mainly derive from the sale of tangible fixed assets.

Other extraordinary expenses include out-of-period expenses (lire 1,395 million) and miscellaneous expenses for the residual amount.

Income taxes

Income taxes amount to lire 222,604 million, of which lire 16,378 million for deferred tax liabilities.

Maturity of receivables and payables

(in millions of lire)

The expected maturities of receivables outstanding at the balance sheet date are the following:

	<i>Within 1 year</i>	<i>Beyond 1 year and within 5 years</i>	<i>Beyond 5 years</i>	<i>Total as of Dec. 31, 2001</i>
B) Fixed assets				
2) Receivables				
a) from unconsolidated subsidiaries	–	492	–	492
b) from associated companies	300	4,047	–	4,347
d) from others	2,209	56,613	–	58,822
C) Current assets				
II Receivables				
1) trade receivables	597,186	491	–	597,677
3) from associated companies	12,992	1,593	–	14,585
4) from parent companies	8	–	–	8
5) from others	50,026	25,981	–	76,007
Total	660,212	28,065	–	688,277

The expected maturities of payables at the balance sheet date are as follows:

	<i>Within 1 year</i>	<i>Beyond 1 year and within 5 years</i>	<i>Beyond 5 years</i>	<i>Total as of Dec. 31, 2001</i>
D) Payables				
1) Bonds	–	250,000	–	250,000
3) Borrowings from banks	872,806	505,386	1,706	1,379,898
4) Other providers of finance	1,824	1,914	–	3,738
5) Advances	3,838	–	–	3,838
6) Trade payables	359,646	–	–	359,646
7) Notes payable	163	96	–	259
9) Payables to associated companies	380	–	–	380
11) Taxes payable	93,050	3	–	93,053
12) Payables to social security institutions	12,017	14	–	12,031
13) Other payables	32,636	567	–	33,203
Total	1,376,360	757,980	1,706	2,136,046

Financial expenses allocated to assets

During the year no financial expenses were capitalized on assets of the consolidated balance sheet.

Emoluments to corporate bodies

Fees to Directors and Statutory Auditors for carrying out their duties also in other consolidated companies are illustrated in the notes to Buzzi Unicem SpA's statutory financial statements in accordance with CONSOB's resolution 11971 of May 14, 1999.

The consolidated statement of cash flows, the list of companies included in the consolidated financial statements (article 38 and 39 of Italian Legislative Decree 127/91), the list of unquoted equity investments in which the group ownership is between 10% and 20% (art. 125 and 126 of CONSOB's resolution 11971) are attached to these notes.

These consolidated financial statements agree with the accounting records as adjusted for consolidation entries.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of lire)

	2001	2000
A) Cash and cash equivalents at beginning of year	343,675	379,246
B) Cash provided (used) by operating activities		
Combined net income	352,436	345,779
Amortization and depreciation	249,084	235,479
Writedowns of fixed assets	4,620	1,365
Gains on disposal of fixed assets	(1,580)	(6,569)
Net change in reserves for risks and charges	28,691	11,690
Net change in reserve for employee severance indemnities	2,640	595
Changes in working capital:		
• Inventories	(41,083)	(42,474)
• Trade receivables	(56,347)	(20,665)
• Other current assets	(7,956)	(21,084)
• Trade payables	19,062	6,443
• Other current liabilities	1,080	8,800
• Taxes payable	36,974	(40,750)
Total B)	587,621	478,609
C) Cash provided (used) by investing activities		
Investments in fixed assets:		
• intangibles	(29,264)	(5,659)
• property, plant and equipment	(235,934)	(288,341)
• equity investments	(1,002,701)	(13,000)
Revaluation of property, plant and equipment, net of revaluation reserve	–	(12,484)
Proceeds from the sale of fixed assets	18,208	57,459
Proceeds from the sale of equity investments	6,301	3,507
Changes in financial receivables and payables	7,179	(76,636)
Changes in other securities	(55,874)	210,708
Total C)	(1,292,085)	(124,446)
D) Cash provided (used) by financing activities		
New long-term loans	1,139,967	337,183
Principal payments on bonds	–	(230,000)
Principal payments on long-term debt	(381,301)	(398,183)
Net change in short-term bank borrowings	7,582	(9,666)
Capital grants	2,693	1,074
Dividends paid	(54,423)	(47,816)
Total D)	714,518	(347,408)
E) Change in the scope of consolidation and translation differences	1,156	(42,326)
F) Increase (decrease) in cash and cash equivalents (B+C+D+E)	11,210	(35,571)
G) Cash and cash equivalents at end of year (A+F)	354,885	343,675

List of companies included in the consolidated financial statements and of equity investments

Companies consolidated on a line-by-line basis

Name	Registered office	Capital stock		Ownership interest held by	% of ownership	% of voting rights
Buzzi Unicem SpA	Casale Monferrato (AL)	EUR	83.881.510			
Finpresa SA	Luxembourg L	EUR	22.000.000	Buzzi Unicem SpA	100,00	
RC Cement International ApS	Copenhagen DK	DKK	200.000	Buzzi Unicem SpA	100,00	
Cementi Riva Srl	Riva del Garda (TN)	EUR	750.296	Buzzi Unicem SpA	90,00	
Unimed SpA	Casale Monferrato (AL)	EUR	43.437.061	Buzzi Unicem SpA	77,68	
Unicalcestruzzi SpA	Casale Monferrato (AL)	EUR	200.000.000	Buzzi Unicem SpA	80,50	
				Unimed SpA	19,50	
Uniserv Srl	Casale Monferrato (AL)	EUR	93.600	Buzzi Unicem SpA	70,00	
				Unimed SpA	30,00	
Presa International BV	Utrecht NL	EUR	4.000.000	Finpresa SA	100,00	
Alamo Cement Company	San Antonio USA	USD	300.000	Finpresa SA	100,00	
RC Cement Holding Company	Wilmington USA	USD	100	RC Cement International ApS	100,00	
Frantoio Taro Srl	Parma	EUR	544.920	Unicalcestruzzi SpA	86,67	
La Rinascita Calcestruzzi SpA	Torino	EUR	2.476.800	Unicalcestruzzi SpA	80,00	
Betonval Calcestruzzi di Cemento SpA	Sesto Fiorentino (FI)	EUR	12.500.000	Unicalcestruzzi SpA	70,00	
Simco Srl	Torino	EUR	104.000	Unicalcestruzzi SpA	44,10	
San Martino Scrl	Torino	EUR	100.000	Unicalcestruzzi SpA	51,00	
				Betonval Calcestruzzi di Cemento SpA	24,00	
Alamo Cement Holding Company	Wilmington USA	USD	1	Alamo Cement Company	100,00	
Alamo Cement Management Company	Wilmington USA	USD	1	Alamo Cement Company	100,00	
River Cement Company	Wilmington USA	USD	100	RC Cement Holding Company	100,00	
Hercules Cement Company	Wilmington USA	USD	1.000	RC Cement Holding Company	100,00	
Signal Mountain Cement Company	Wilmington USA	USD	100	RC Cement Holding Company	100,00	
Heartland Cement Company	Wilmington USA	USD	100	RC Cement Holding Company	100,00	
RC Cement Co., Inc.	Wilmington USA	USD	100	RC Cement Holding Company	100,00	
Brizzi Calcestruzzi Srl	Grosseto	EUR	45.000	Betonval Calcestruzzi di Cemento SpA	100,00	
Longhorn Cement Company	San Antonio USA	USD	101.000	Alamo Cement Holding Company	100,00	
Alamo Cement Trucking Company	San Antonio USA	USD	10	Alamo Cement Holding Company	100,00	
Alamo Cement Company II, Ltd.	San Antonio USA	USD	n/a	Alamo Cement Holding Company	99,00	
				Alamo Cement Management Company	1,00	
Alamo Concrete Products, Ltd.	San Antonio USA	USD	n/a	Alamo Cement Holding Company	99,00	
				Alamo Cement Management Company	1,00	
Alamo Transit Company II, Ltd.	San Antonio USA	USD	n/a	Alamo Cement Holding Company	99,00	
				Alamo Cement Management Company	1,00	
River Cement Sales Company	Wilmington USA	USD	100	River Cement Company	100,00	
Hercules Cement Sales Company	Wilmington USA	USD	10	Hercules Cement Company	100,00	
Hercules Cement Holding Company	Wilmington USA	USD	10	Hercules Cement Company	100,00	
Hercules Cement Company LP	Bethlehem USA	USD	n/a	Hercules Cement Company	99,00	
				Hercules Cement Holding Company	1,00	
Heartland Cement Sales Company	Wilmington USA	USD	10	Heartland Cement Company	100,00	
HCC Holding, Inc.	Wilmington USA	USD	1	Hercules Cement Company LP	100,00	

Companies consolidated by the proportional method

Name	Registered office	Capital stock		Ownership interest held by	% of ownership	% of voting rights
Addiment Italia Srl	Casale Monferrato (AL)	EUR	10.400	Buzzi Unicem SpA	50,00	
Fresit BV	Utrecht NL	EUR	6.806.703	Finpresa SA	50,00	
Corporación Moctezuma, SA de CV	Mexico MEX	MXN	171.376.652	Presa International BV	7,59	
				Fresit BV	51,51	
Cementos Portland Moctezuma, SA de CV	Jiutepec MEX	MXN	32.877.389	Corporación Moctezuma, SA de CV	100,00	
Cementos Moctezuma, SA de CV	Mexico MEX	MXN	2.500.000	Corporación Moctezuma, SA de CV	100,00	
Latinoamericana de Agregados y Concretos, SA de CV	Mexico MEX	MXN	10.929.252	Corporación Moctezuma, SA de CV	100,00	
Latinoamericana de Comercio, SA de CV	Emiliano Zapata MEX	MXN	10.775.000	Corporación Moctezuma, SA de CV	100,00	
Latinoamericana de Concretos, SA de CV	Mexico MEX	MXN	7.321.821	Corporación Moctezuma, SA de CV	98,00	
				Cementos Portland Moctezuma, SA de CV	2,00	
Arrendadora de Equipos de Transporte, SA de CV	Emiliano Zapata MEX	MXN	5.300.000	Corporación Moctezuma, SA de CV	98,00	
				Cementos Portland Moctezuma, SA de CV	2,00	
Inmobiliaria Lacosa, SA de CV	Mexico MEX	MXN	50.068.500	Corporación Moctezuma, SA de CV	98,00	
				Cementos Portland Moctezuma, SA de CV	2,00	

Companies consolidated by the proportional method (continued)

Name	Registered office	Capital stock		Ownership interest held by	% of ownership	% of voting rights
Servicios Corporativos Moctezuma, SA de CV	Emiliano Zapata MEX	MXN	40.000	Corporación Moctezuma, SA de CV	98,00	
				Cementos Portland Moctezuma, SA de CV	1,00	
				Inmobiliaria Lacosa, SA de CV	0,50	
				La. de Agregados y Concretos, SA de CV	0,50	
Grupo Impulsor Industrial, SA de CV	Mexico MEX	MXN	40.000	Corporación Moctezuma, SA de CV	98,00	
				Cementos Moctezuma, SA de CV	2,00	
Latinoamericana de Concretos de San Luis, SA de CV	Mexico MEX	MXN	100.000	Latinoamericana de Concretos, SA de CV	60,00	

Companies valued by the equity method

Name	Registered office	Capital stock		Ownership interest held by	% of ownership	% of voting rights
Technobeton Srl	Riva del Garda (TN)	EUR	512.200	Buzzi Unicem SpA	45,00	
Dyckerhoff AG	Wiesbaden D	EUR	105.639.816	Buzzi Unicem SpA	17,25	30,09
Cementi Moccia SpA	Napoli	EUR	7.398.300	Buzzi Unicem SpA	30,00	
Laterlite 2002 SpA	Solignano (PR)	EUR	100.000	Buzzi Unicem SpA	30,00	
Leca Sistemi SpA	Solignano (PR)	EUR	100.000	Buzzi Unicem SpA	24,60	
Premix SpA	Meilli (SR)	EUR	2.580.000	Unimed SpA	40,00	
Ciments de Balears, SA	Palma de Mallorca E	EUR	306.510	Unimed SpA	35,00	
Inerti e Calcestruzzi Srl (in liquidazione)	Torino	EUR	96.900	Unicalcestruzzi SpA	100,00	
Sofinvest Srl (in liquidazione)	Milano	EUR	26.000	Unicalcestruzzi SpA	100,00	
Betongenova Srl (in liquidazione)	Genova	EUR	10.400	Unicalcestruzzi SpA	54,88	
Siefic Calcestruzzi Srl	Isernia	EUR	5.080.000	Unicalcestruzzi SpA	50,00	
Betonsud Srl (in liquidazione)	Foggia	EUR	1.082.220	Unicalcestruzzi SpA	49,99	
A.P.I.C.E. Srl (in liquidazione)	Trino (VC)	EUR	99.960	Unicalcestruzzi SpA	46,00	
Vielle Calcestruzzi Srl	Gallarate (VA)	EUR	156.000	Unicalcestruzzi SpA	40,00	
Albenga Calcestruzzi Srl	Albenga (SV)	EUR	100.700	Unicalcestruzzi SpA	40,00	50,00
S.A.F.I. Srl	Pieve del Cairo (PV)	EUR	332.010	Unicalcestruzzi SpA	33,33	
Betonfer Srl	Torino	EUR	46.800	Unicalcestruzzi SpA	33,33	
Nova Beton Srl	S. Maurizio Canavese (TO)	EUR	46.800	Unicalcestruzzi SpA	30,00	
Edilcave Srl	Villarfocchiaro (TO)	EUR	72.800	Unicalcestruzzi SpA	30,00	
Calcestruzzi Bell'Italia Srl	Montanaso Lombardo (LO)	EUR	40.000	Unicalcestruzzi SpA	25,00	
Calcestruzzi Faure Srl	Salbertrand (TO)	EUR	53.560	Unicalcestruzzi SpA	24,00	
PRO.CAL.MI. Srl (in liquidazione)	Milano	EUR	51.000	Unicalcestruzzi SpA	23,77	
Beton Biella Srl	Biella	EUR	52.000	Unicalcestruzzi SpA	20,00	
Beton Pavia Srl (in liquidazione)	Milano	EUR	98.800	Sofinvest Srl (in liquidazione)	100,00	
E.L.M.A. Srl	Sinalunga (SI)	EUR	15.000	Betonval Calcestruzzi di Cemento SpA	50,00	
Cave Alto Santerno Srl	Sesto Fiorentino (FI)	EUR	250.000	Betonval Calcestruzzi di Cemento SpA	49,00	
Consorzio CO.ES. Srl	Vezzano Ligure (SP)	EUR	46.800	Betonval Calcestruzzi di Cemento SpA	44,05	

Other investments in subsidiaries and associated companies

Name	Registered office	Capital stock		Ownership interest held by	% of ownership	% of voting rights
Cementi e Calci di Santa Marinella Srl	Bergamo	EUR	10.000	Buzzi Unicem SpA	33,33	
Alfacementi Srl	Siracusa	EUR	10.000	Unimed SpA	100,00	
Certosa - Certificacao e Comercio de						
Materials para Construco Lda	Lisboa P	EUR	5.000	Unimed SpA	100,00	
Iblea Calcestruzzi Srl (in liquidazione)	Ragusa	EUR	25.000	Unicalcestruzzi SpA	50,00	

List of equity investments in unquoted companies between 10% and 20%

Name	Registered office	Capital stock	Ownership interest held by	% of ownership
Partecipaz. Porto Antico di Genova SpA	Genova	EUR 3,802,920	Buzzi Unicem SpA	14.00
Ipse Srl	Settimo Torinese (TO)	EUR 52,000	Buzzi Unicem SpA	11.00
Romana Calcestruzzi SpA	Roma	EUR 2,597,312	Unicalcestruzzi SpA	16.66
Fratelli Bianchi fu Michele & C. SpA	Roma	EUR 486,606	Unicalcestruzzi SpA	16.66
Cava degli Olmi Srl	Carignano (TO)	EUR 1,000,000	Unicalcestruzzi SpA	12.00
Sipac SpA (in liquidazione)	Milano	EUR 1,033,000	Unicalcestruzzi SpA	11.00
Navicelli di Pisa SpA	Pisa	EUR 701,353	Betonval Calcestruzzi di Cemento SpA	10.37

N.B. The Company does not hold equity investments through trustees or other persons nor investments in which the voting right is held by such trustees or persons.

**AUDITORS' REPORT IN ACCORDANCE WITH ARTICLE 156 OF LAW
DECREE No. 58, DATED 24 FEBRUARY 1998**

To the Shareholders of
BUZZI UNICEM SpA
Casale Monferrato (AL)
(Italy)

- 1 We have audited the consolidated financial statements of BUZZI UNICEM Group as at 31 December 2001. These financial statements are the responsibility of BUZZI UNICEM SpA's directors. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2 We conducted our audit in accordance with the auditing standards and criteria recommended by CONSOB. These standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the consolidated financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion. The financial statements of some subsidiaries, which represent around 26 percent of consolidated assets and around 33 percent of consolidated revenue from sales, have been examined by other auditors, who provided us with the relevant reports. Our opinion, expressed in this report, on the figures concerning these subsidiaries is based on the work performed by other auditors.

For the opinion on the financial statements of the prior period, which are presented for comparative the purposes as required by law, reference is made to our report dated 17 April 2001.

- 3 In our opinion, the consolidated financial statements of BUZZI UNICEM Group as at 31 December 2001 comply with the laws governing the criteria for their preparation; accordingly, they give a true and fair view of the financial position and result of operation of the Group.
- 4 Without qualifying our opinion, we wish to highlight the following:

- In June 2001, the company signed a partnership agreement with the Dyckerhoff family, the majority shareholder of the German cement manufacturer Dyckerhoff AG. This agreement provides that:
 - ◆ Buzzi Unicem SpA acquires 34% of ordinary shares and 4.4% of preference shares in Dyckerhoff AG, with a total investment of Euro 571 million. 30% of ordinary shares and 4.4% of preference shares were transferred in August and September 2001, while the remaining 4% of ordinary shares was purchased early in 2002;
 - ◆ the ordinary shares in Dyckerhoff AG held by both the Dyckerhoff family and Buzzi Unicem SpA are the subject of a shareholder agreement concerning the exercise of 68% of all voting rights, so that the Dyckerhoff family and Buzzi Unicem SpA will jointly exercise control of Dyckerhoff AG.

In order to raise funds to finance the above operation, on 6 August 2001 the company obtained a medium-term loan of Euro 1.4 billion from San Paolo Imi bank. As for the ordinary shares still held by the Dyckerhoff family, Buzzi Unicem SpA granted the members of the family a put option exercisable at the end of 2004 and worth Euro 597 million in the event it is exercised in full. The investment in Dyckerhoff AG was recorded within financial assets under the net equity method.

- In February 2002, resolutions passed by the respective Boards of Directors started a process to incorporate the already 77.68% owned subsidiary Unimed SpA into Buzzi Unicem SpA. The operation will be submitted for approval to the shareholders of both companies and provides for the award to Unimed shareholders of one ordinary share in Buzzi Unicem every five "Unimed" shares.

Milan, 5 April 2002

PricewaterhouseCoopers SpA

Roberto Pirola
(Partner)

This report has been translated from the original which was issued in accordance with Italian legislation. The consolidated financial statements referred to in the above report have been translated by the company and the translation has not been examined by us.

SHARES AND STOCKHOLDERS

Since September 1999 the ordinary and savings shares of Buzzi Unicem SpA are traded in Italy on the Borsa Italiana SpA system (Reuters BZU.MI). Stock market capitalization at year end was euro 1,018 million.

As of March 31, 2002 the capital stock is made up of 127,208,478 ordinary shares and 12,594,039 savings shares, both with par value of 0.60 euro. Each ordinary share has one vote. Savings shares, which do not have voting rights, may be registered or non registered at the stockholders' preference.

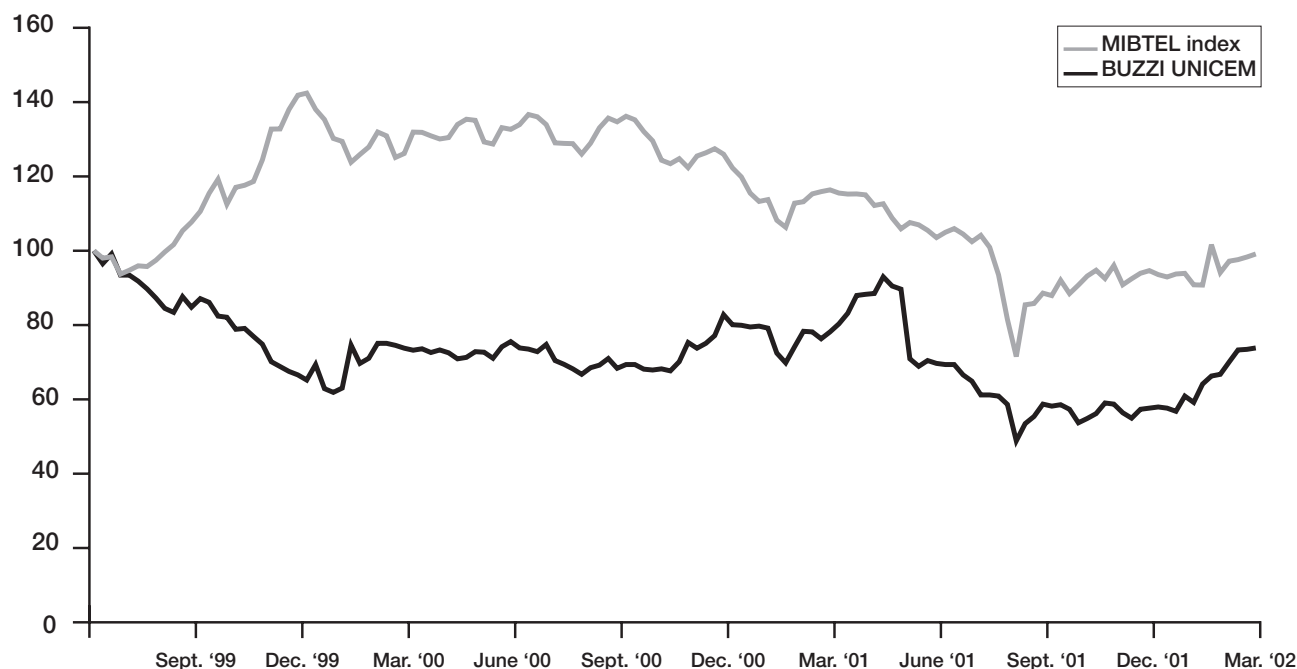
Trading in Buzzi Unicem shares*

Period	Number		euro million	
	Ordinary	Savings	Ordinary	Savings
27 Sep-Dec 1999	10,089,000	17,503,000	115.1	72.8
Year 2000	42,154,500	62,314,500	389.6	301.9
Year 2001	78,364,744	11,301,071	730.0	71.6
Jan – Mar 2002	17,866,161	612,359	150.2	4.3

Source: Milan Stock Exchange

* Non adjusted data; effective February 15, 2001 shavings shares were converted into ordinary shares in a ratio of 16 ordinary shares to 25 savings shares.

Performance of the Buzzi Unicem ordinary share



Distribution of shareholding

Shareholding	Nr. of shareholders	%	Nr. of shares	%
1 – 1,000	7,661	75.87	3,713,639	2.92
1,001 – 10,000	2,065	20.45	5,859,022	4.61
10,001 – 100,000	276	2.73	8,923,515	7.01
100,001 –	95	0.94	108,712,302	85.46

Source: Shareholders' Register completed with additional informations available to the company, as of March 31, 2002.

Main shareholders

Shareholding	Ordinary shares	Savings	% of ownership	% of voting rights
Fimedi SpA*	11,214,194	–	8.021	8.816
Presa SpA*	61,900,000	–	44.276	48.660
Banca d'Italia	2,636,697	–	1.888	2.073

Source: Shareholders' Register completed with additional informations available to the company, as of March 31, 2002.

* Holding companies Buzzi's family

In total 20,672,033 of the shares representing 16.251% of the voting rights were owned by foreigners.

Highlights per share

(in euro)

	1999	2000	2001
Earnings per share	0.78	1.05	1.15
Cash flow per share	1.61	1.96	2.22
Stockholders' equity per share	4.78	6.03	7.94
Dividend per share			
- ordinary	0.150	0.200	0.230
- savings	0.180	0.224	0.254
Share price at Dec. 31			
- ordinary	10.68	9.08	7.43
- savings	4.64	5.59	5.76
Price/Earnings ratio	13.74	8.66	6.45
Price/Cash flow ratio	6.62	4.63	3.34



RESOLUTIONS OF THE STOCKHOLDERS' MEETING

The stockholders of Buzzi Unicem SpA met on May 10, 2002 to adopt the financial statements for the year ended December 31, 2001, passing the following resolutions:

in ordinary session

1. to allocate net income of lire 86,340,224,663 (euro 44,591,004.70) as follows:

	<i>lire</i>	<i>euro</i>
- 5% to Legal reserve	4,317,011,233	2,229,550.24
- a dividend of euro 0.254 to each of the 12,592,039 <i>savings shares</i> (excluded 2,000 treasury shares) gross of withholdings, equivalent to	6,192,923,196	3,198,377.91
- a dividend of euro 0.230 to each of the 125,492,288 <i>ordinary shares</i> (excluded 1,716,190 treasury shares) gross of withholdings, equivalent to	55,886,999,072	28,863,226.24
- to Reserve for issuing of shares art. 2349 Civil Code	349,115,309	180,303.01
- to Reserve for capital grants ex law 488/92 of which lire 1,649,702,040 (equivalent to euro 852,000.00) tied up to project no. 21871-11 concerning the increase of Siniscola plant's technological efficiency and automation, until completion of the investment program	11,402,694,030	5,889,000.00
- to Reserve ex D.Lgs 124/93	8,770,509	4,529.59.93
- to Retained earnings the balance of	8,182,711,314	4,226,017.71
<ul style="list-style-type: none"> • to attribute to this dividend the tax credit as per art. 105.1.A) of DPR 917/86 (regular and unrestricted tax credit taken from "basket A" of taxes actually paid by the company). • to allocate to <i>Retained earnings</i> the dividend on treasury shares that the company may buy within this resolution and the date of coupon detachment, thus reducing the number of outstanding shares having right to dividend, and any rounding made on payment. 		

2. to set at eleven the number of Board Members and to appoint as Directors for the three years ending with the adoption of the financial statements as of December 31, 2004 the following persons:

Gianfranco Barzaghini	Onorato Castellino
Alessandro Buzzi	Alvaro Di Stefano
Enrico Buzzi	Jürgen Lose
Franco Buzzi	Maurizio Sella
Pietro Buzzi	Marco Weigmann
Carlo Camerana	

3. to appoint as Statutory Auditors for the three years ending with the adoption of the financial statements as of December 31, 2004 the following persons:

Members: Mario Pia – Chairman, Paolo Burlando, Giorgio Giorgi

Deputy Members: Franco Barolo, Roberto D'Amico

4. to elect PricewaterhouseCoopers auditors of the financial statements for the years ended December 31, 2002 – 2003 – 2004 as well as for the limited review of the semiannual reports as of June 30, 2002 – 2003 – 2004.

5. to authorize the purchase of treasury shares up to a maximum of additional 2,000,000 ordinary and/or savings shares.

in extraordinary session

1. to approve the merger by incorporation of Unimed SpA into Buzzi Unicem SpA.

**A d d i t i o n a l
i n f o r m a t i o n a b o u t t h e
a s s o c i a t e d c o m p a n y**

D y c k e r h o f f A G

DYCKERHOFF GROUP 1992 TO 2001

<i>in millions of euro</i>	1992	1993	1994
Sales and Earnings			
Sales	872	899	1,114
EBITDA (operating cash flow)	129	138	188
EBIT (operating result)	22	23	72
Result of ordinary activities	44	48	101
Tax ratio	41%	41%	42%
Net income	26	28	59
Balance Sheet			
Fixed assets	475	500	572
Current assets	237	241	302
Shareholders' equity	228	252	334
External funds	484	489	540
Total assets	712	741	874
Key Indicators			
Return on sales	3%	3%	5%
Return on equity after taxes	11%	11%	18%
Equity ratio	32%	34%	38%
Capital expenditure	135	146	183
Depreciation on property, plant and equipment	104	108	112
Employees at balance sheet date	4,816	4,621	5,094
Dividend			
Total dividends of Dyckerhoff AG	12	13	16
Dividend per share in euro*	0.51	0.56	0.61
Plus tax credit in euro*	0.29	0.24	0.26

* In 1999 a 1:10 stock split was executed. The values of the prior years were adjusted accordingly.
Source: Dyckerhoff Annual Report 2001.

<i>1995</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>
1,264	1,518	1,676	1,766	2,197	2,448	2,443
195	240	271	300	371	473	446
101	126	145	169	214	285	212
135	135	144	160	189	172	87
44%	43%	42%	44%	40%	31%	(9%)
76	77	84	91	114	119	95
934	1,189	1,254	1,384	3,359	3,605	3,579
398	411	452	490	716	743	697
542	617	673	724	860	1,184	1,244
790	983	1,033	1,150	3,215	3,164	3,032
1,332	1,600	1,706	1,874	4,075	4,348	4,276
6%	5%	5%	5%	5%	5%	4%
14%	13%	13%	13%	14%	10%	8%
41%	39%	39%	39%	21%	27%	29%
170	317	225	261	1,567	307	334
87	110	115	119	141	175	198
6,103	8,319	8,856	9,717	11,232	10,105	8,843
19	21	22	24	28	37	37
0.61	0.66	0.72	0.77	0.90	0.90	0.90
0.26	0.28	0.31	0.33	0.39	0.39	–

CONSOLIDATED BALANCE SHEET

	(in thousands of euro)	
	31.12.2001	31.12.2000
Fixed assets		
Intangible assets	134,270	180,896
Property, plant and equipment	3,124,869	3,168,102
Investments in associated companies	195,449	82,406
Other investments	124,203	173,133
Total fixed assets	3,578,791	3,604,537
Current assets		
Inventories	194,729	254,510
Trade accounts receivable	120,695	208,611
Other accounts receivable and other assets	343,626	212,817
Cash and securities	25,301	58,853
Total current assets	684,351	734,791
Deferred tax assets	7,354	4,146
Prepaid expenses	5,212	4,097
TOTAL ASSETS	4,275,708	4,347,571
Shareholders' equity		
Subscribed capital	105,640	105,640
Capital reserves	293,684	293,684
Retained earnings	798,205	712,610
Total shareholders' equity	1,197,529	1,111,934
Minority interests	46,029	72,508
Provisions		
Pension provisions and similar obligations	284,431	300,051
Tax provisions	55,296	69,806
Other provisions	247,797	250,438
Total Provisions	587,524	620,295
Liabilities		
Bonds and notes	983,628	968,726
Liabilities to banks	399,864	535,239
Trade accounts payable	75,953	113,177
Other liabilities	276,459	183,446
Total liabilities	1,735,904	1,800,588
Deferred tax liabilities	708,722	742,246
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,275,708	4,347,571

Source: Dyckerhoff Annual Report 2001.

CONSOLIDATED INCOME STATEMENT

	(in thousands of euro)	
	2001	2000
Sales	2,442,991	2,447,762
Changes in inventories and other capitalized expenses	5,824	18,248
	2,448,815	2,466,010
Other operating income	186,656	128,858
thereof: from the deconsolidation of the Finishing Products division	51,403	0
Cost of materials	(1,128,059)	(1,095,975)
Personnel expense	(494,522)	(480,053)
Other operating expenses	(566,514)	(545,358)
thereof: from the deconsolidation of the Finishing Products division	(10,456)	0
EBITDA (operating cash flow)	446,376	473,482
Depreciation and amortization on intangible assets and property, plant and equipment	(234,763)	(188,272)
EBIT (operating result)	211,613	285,210
Net income from associated companies	(8,799)	5,379
Other net investment income	(7,237)	9,674
Net interest	(108,761)	(128,407)
Profit before income taxes	86,816	171,856
Income taxes	8,096	(53,214)
Net income	94,912	118,642
Minority interests	10,843	10,859
Group net income (attributable to Dyckerhoff)	84,069	107,783
thereof: to be distributed to shareholders	37,139	37,139
Earnings per share (in euro)	2,04	3,10

Source: Dyckerhoff Annual Report 2001.

CONSOLIDATED CASH FLOW STATEMENT

	(in thousands of euro)	
	2001	2000
Profit before income taxes	86,816	171,856
Tax payments	(12,159)	(59,774)
Other taxes incl. deferred tax	20,255	6,560
Net income	94,912	118,642
Depreciation and amortization on intangible assets and property, plant and equipment	234,763	188,272
Write-offs on investments	8,833	3,444
Total depreciation and amortization	243,596	191,716
Cash flow	338,508	310,358
Gains/losses from disposals of fixed assets	(20,234)	(19,491)
Non-cash income	(38,536)	(11,355)
Changes in accounts receivable and other assets	6,073	512
Changes in liabilities	(30,190)	(65,139)
Net cash provided by operating activities	255,621	214,885
Purchase of intangible assets	(6,564)	(1,562)
Purchase of property, plant and equipment	(200,682)	(255,338)
Purchase of investments	(126,298)	(50,246)
Proceeds from disposals of fixed assets	56,289	42,655
Net cash used by investing activities	(277,255)	(264,491)
Changes in liabilities to banks/bonds	(7,703)	(111,496)
Dividend paid by Dyckerhoff AG	(37,139)	(28,198)
Dividends to minority shareholders	(3,737)	(4,191)
Exercise of warrants issued by Dyckerhoff AG	0	5,071
Capital increase by Dyckerhoff AG	0	201,238
Minority interest in capital increases	12,587	149
Net cash used by/provided by financing activities	(35,992)	62,573
Cash-effective changes in liquidity	(57,626)	12,967
Currency-related changes in liquidity	5,378	3,207
Consolidation-related changes in liquidity	18,696	6,512
Cash and cash equivalents at start of period	58,853	36,167
Cash and cash equivalents at end of period	25,301	58,853

Source: Dyckerhoff Annual Report 2001.

COMPARATIVE RECLASSIFIED BUZZI UNICEM AND DYCKERHOFF 2001 FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(millions of euro)

	<i>BUZZI UNICEM</i>		<i>DYCKERHOFF</i>	
	<i>2001</i>	<i>% of revenues</i>	<i>2001</i>	<i>% of revenues</i>
Net revenues	1,446.5	100.0	2,443.0	100.0
Materials, operating costs and services	(818.1)	(56.6)	(1,502.1)	(61.5)
Labor costs	(181.1)	(12.5)	(494.5)	(20.2)
EBITDA (Operating cash flow)	447.3	30.9	446.4	18.3
Depreciation and amortization	(128.6)	(8.9)	(234.8)	(9.6)
Operating income	318.7	22.0	211.6	8.7
Financial income (expenses)	(20.1)	(1.4)	(108.8)	(4.5)
Other income (charges)	(1.5)	(0.1)	(16.0)	(0.7)
Income before income taxes	297.1	20.5	86.8	3.6
Income taxes	(115.0)	(8.0)	8.1	0.3
Combined net income	182.1	12.5	94.9	3.9
Minority interests	(20.9)	(1.4)	(10.8)	(0.4)
Consolidated net income	161.1	11.1	84.1	3.4
Cash flow (combined net income + depreciation)	310.6	21.4	329.7	13.5

Buzzi Unicem holds a 17.21% economic stake in Dyckerhoff AG as of 31 December, 2001.

CONSOLIDATED BALANCE SHEET

(millions of euro)

	<i>BUZZI UNICEM</i> 31.12.2001	<i>DYCKERHOFF</i> 31.12.2001
Property, plant and equipment and intangible fixed assets, net	1,126.9	3,259.1
Financial fixed assets	574.6	319.7
Working capital	238.8	311.9
Net invested capital	1,940.3	3,890.6
Stockholders' equity	1,239.9	1,243.6
of which, Minority interests	129.2	46.0
Reserves for risks and charges	156.3	1,288.9
Net financial position	544.1	1,358.2
Total financing	1,940.3	3,890.6

Buzzi Unicem holds a 17.21% economic stake in Dyckerhoff AG as of 31 December, 2001.

CONSOLIDATED NET FINANCIAL POSITION

(millions of euro)

	<i>BUZZI UNICEM</i> 31.12.2001	<i>DYCKERHOFF</i> 31.12.2001
Cash, banks, and marketable securities	294.4	25.3
Short-term debt	(458.8)	(227.3)
Net short-term cash (debt)	(164.4)	(202.0)
Medium- and long-term debt	(379.8)	(1,156.2)
Net financial position (net debt)	(544.1)	(1,358.2)

Buzzi Unicem holds a 17.21% economic stake in Dyckerhoff AG as of 31 December, 2001.

