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FOR IMMEDIATE RELEASE:

IBH THIRD FISCAL QUARTER RESULTS

Caracas, July 30, 2002... International Briquettes Holding, IBH, a Sivensa subsidiary consolidates Venprecar's financial results and reports its participation in three partnerships with BHP Billiton: the Orinoco Iron and Operaciones RDI plants, and Brifer, which holds the intellectual rights over the FINMET[®] technology.

In the April-June 2002 period, IBH reported sales of US\$ 15.5 million, as compared to sales of US\$ 17.0 million recorded in the same period of the preceding year. Based on the market trend observed and as announced in the previous quarterly report, the prices for the Orinoco Iron and Venprecar briquettes experienced an upturn in the April-June 2002 period, reaching levels similar to those of April-June 2001. The decrease in sales was due to lower volume of products shipped by Venprecar, as explained below.

An operating loss of US\$ 4.9 million was reported versus an operating loss of US\$ 4.7 million in the April-June 2001 period.

During the reported period, the exchange rate went from Bs.894,50/US\$ on March 27, 2002 to Bs.1,352.75/US\$ on June 28, 2002. The financial effect of the devaluation on the bolivar-denominated passive monetary position, net, is reflected in the IBH financial statements under the *Exchange Gain* and *Equity Participation in Affiliates* lines. These accounts enabled the achievement of a one time positive net results, in accounting and financial terms, in the April-June quarter.

IBH's net profit in the quarter was US\$ 9.3 million, as compared to a US\$ 16.8 million loss in identical period of fiscal 2001. This favorable result is due to a non-recurrent exchange gain, unless a new devaluation occurs.

It is worthy to mention that, during the quarter, some signals of a potential shortage of natural gas and pellets were observed. The closing of oil wells and the consequent diminishment in associated gas production have caused the scarcity of natural gas. PDVSA Gas, according to its commitment with the national industry, is doing its best effort to solve the problem through the opening of alternate sources of gas. Separately, the potential insufficiency of pellets is due to the startup of a new briquette producer and to the limited pellets production capacity in the country. CVG Ferrominera Orinoco is implementing plans to increase its pellets production, and, at the same time, is negotiating a higher volume of pellets with another producer. Nevertheless, we can not assure that an eventual scarcity of these raw materials will not eventually affect the production of briquettes at Venprecar and Orinoco Iron plants.

Venprecar™

Venprecar's production in the April-June period was down 39% from the same period in 2001. This decrease in production was mainly due to the 27-day maintenance halt, performed in the month of June, and to the operating condition of the gas reformer of which we have informed in former reports.

Arrangements have been made to replace some key components of the Venprecar's gas reformer in March 2003. This expenditure is aimed at correcting a situation that materially impaired Venprecar's production capacity.

Orinoco Iron

Production volume reached by the Orinoco Iron plant in the third fiscal quarter was up 69% as compared to the same period of the preceding year. Train 2 of module 1 completed a 112-day campaign ending June 12. This is the longest campaign reached by a plant train to date. Separately, train 1 of the same module operated 41 days. This campaign was ended due to problems in the heating furnaces. However, its operation re-started in June, after a short period for maintenance and repair. Our briquettes have continued to comply with our commercial standards.

The carbonate re-boilers of Module 1 that were replaced in the previous quarter (January-March) have shown a satisfactory operating performance. Module 2's new re-boilers were received at the plant, but installation is pending.

In order to execute certain repairs in Module 1, and to diminish cash disbursements, some parts of Module 2 have been utilized. These parts will be purchased before module 2 restarts operations. Timing will depend on market conditions and on the financial situation of the company.

On May 31, 2002, Orinoco Iron settled a transaction dispute with a client. As a result, the sales agreement was modified in a manner satisfactory to both parties, allowing for a continuation of our relationship.

Talks with our banks, BHP Billiton and our suppliers have continued as part of our efforts to restructure Orinoco Iron's debt. Similarly, a strategy geared to strengthen the share structure of the company is also being pursued.

Operaciones RDI

The Operaciones RDI plant has been closed since March 2001 due to maintenance requirements and unfavorable market conditions. Reestablishment of its operations is not contemplated in the near term.

International Briquettes Holding, IBH (Nasdaq: IBHVF), a Sivensa subsidiary, consolidates Venprecar's financial results and takes part in three partnerships with BHP Billiton: the Orinoco Iron and Operaciones RDI plants; and Brifer, which holds the intellectual rights over the FINMET® technology.

International Briquettes Holding, IBH
Subsidiary of Siderúrgica Venezolana "SIVENSA", S.A.C.A.
US GAAP Financial Statements
Consolidated Balance Sheet
In thousands of US \$

	June 30,	
ASSETS	2002	2001
Current assets:		
Cash and Temporary investments	2,936	8,526
Accounts receivable		
Commercial	5,675	8,545
Related Companies	10,734	1,559
Inventories	5,032	9,612
Prepaid expenses, deferred tax and other	2,071	812
Total current assets	26,450	29,054
Property, plant and equipment, net	97,729	106,562
Investments under the equity method	37,269	70,651
Other assets	3,120	5,821
TOTAL ASSETS	<u>164,567</u>	<u>212,088</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable		
Suppliers	2,370	5,768
Related companies	21,931	20,898
Profit sharing, vacations and other personnel accruals	620	1,001
Taxes	16	85
Other current liabilities	233	1,070
Total current liabilities	25,171	28,822
Accrued employees termination benefits, net, of advances and loans to employees	629	1,021
Total liabilities	25,800	29,843
Minority interest	2,925	2,993
Shareholders' equity	135,843	179,252
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDER'S' EQUITY	<u>164,567</u>	<u>212,088</u>

International Briquettes Holding and its Subsidiaries
Subsidiary of Siderúrgica Venezolana "SIVENSA", S.A.
US GAAP Financial Statements
Consolidated Income Statement
In thousands of US \$

	Quarters ended	
	June 30, 2002	June 30, 2001
Net sales	15,518	17,003
Cost of sales	<u>(19,381)</u>	<u>(19,796)</u>
Gross profit (loss)	(3,863)	(2,793)
Administrative expenses	<u>(1,002)</u>	<u>(1,928)</u>
Operating loss	(4,865)	(4,721)
Interest income	120	1,066
Interest expenses	(2,446)	(1,442)
Equity participation in affiliates	4,634	(12,800)
Foreign exchange gain (loss), net	11,641	409
Other income (expense) net	<u>285</u>	<u>630</u>
	<u>14,234</u>	<u>(12,137)</u>
Income (loss) before taxes and minority interests	<u>9,369</u>	<u>(16,858)</u>
Estimated Taxes	<u>(6)</u>	<u>(29)</u>
Income (loss) before minority interests	<u>9,363</u>	<u>(16,887)</u>
Minority interests in subsidiaries	<u>(99)</u>	<u>30</u>
Net income (loss)	<u>9,264</u>	<u>(16,857)</u>

International Briquettes Holding, IBH
Subsidiary of Siderúrgica Venezolana "SIVENSA", S,A,C,A,
US GAAP Financial Statements
Consolidated Income Statement
In thousands of US \$

	Nine months ended June 30	
	2002	2001
Net sales	39,525	43,194
Cost of sales	(50,085)	(51,267)
Gross profit (loss)	(10,560)	(8,073)
General and administrative expenses	(3,219)	(4,411)
Operating income (loss)	(13,779)	(12,484)
Interest income	218	7,733
Interest expense	(2,937)	(6,684)
Equity in results of affiliates	(16,792)	(42,894)
Foreign exchange gain (loss), net	11,106	829
Other income (expense), net	510	363
	<u>(7,895)</u>	<u>(40,653)</u>
Income (loss) before taxes and minority interest	(21,674)	(53,137)
Tax benefit (expense)	<u>(22)</u>	<u>(93)</u>
Income (loss) before minority interest	(21,696)	(53,230)
Minority interest	<u>5</u>	<u>86</u>
Net income (loss)	(21,691)	(53,144)