

**Sample Company, Inc.**  
Consolidated Balance Sheets  
(in Euros)

	<u>As of December 31,</u>	
	<u>2002</u>	<u>2001</u>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	540,000	400,000
Investment property	150,000	150,000
Goodwill	140,000	150,000
Investments in associates	<u>60,000</u>	<u>60,000</u>
Total Non Current Assets	<u>890,000</u>	<u>760,000</u>
<b>Current Assets</b>		
Inventories	350,000	175,000
Trade and other receivables	490,000	590,000
Prepayments	5,000	5,000
Cash and cash equivalents	<u>849,000</u>	<u>547,000</u>
Total Current Assets	<u>1,694,000</u>	<u>1,317,000</u>
Total Assets	<u><u>2,584,000</u></u>	<u><u>2,077,000</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and Reserves</b>		
Issued capital	300,000	300,000
Reserves	102,000	104,000
Accumulated profits	<u>1,083,000</u>	<u>629,600</u>
Total capital and reserves	<u>1,485,000</u>	<u>1,033,600</u>
<b>Minority interest</b>	91,000	90,400
<b>Non Current Liabilities</b>		
Interest bearing borrowings	560,000	530,000
Deferred tax	31,000	31,000
Retirement benefit obligation	<u>66,000</u>	<u>66,000</u>
Total non current liabilities	<u>657,000</u>	<u>627,000</u>
<b>Current Liabilities</b>		
Trade and other payables	229,000	204,000
Current portion of interest bearing borrowings	100,000	100,000
Other liabilities	<u>22,000</u>	<u>22,000</u>
Total current liabilities	<u>351,000</u>	<u>326,000</u>
Total equity and liabilities	<u><u>2,584,000</u></u>	<u><u>2,077,000</u></u>

**Sample Company, Inc.**  
Consolidated Income Statements  
(in Euros)

	<u>For Year Ended December 31,</u>	
	<u>2002</u>	<u>2001</u>
Sales	1,300,000	1,200,000
Cost of goods sold	<u>(500,000)</u>	<u>(550,000)</u>
Gross profit	<u>800,000</u>	<u>650,000</u>
Other operating income	21,000	18,000
Distribution costs	(90,000)	(80,000)
Administrative expenses	(50,000)	(49,000)
Other operating expenses	(31,000)	(32,000)
<b>Profit from operations</b>	<u>650,000</u>	<u>507,000</u>
Finance cost	(9,000)	(8,000)
Income from associates	<u>20,000</u>	<u>18,000</u>
<b>Profit before tax</b>	<u>661,000</u>	<u>517,000</u>
Income tax expense	<u>(107,000)</u>	<u>(95,000)</u>
<b>Profit after tax</b>	<u>554,000</u>	<u>422,000</u>
Minority interest in group profit	<u>(600)</u>	<u>(400)</u>
<b>Net profit for period</b>	<u><u>553,400</u></u>	<u><u>421,600</u></u>
 <b>Earnings per share (Euros)</b>		
Basic	1.84	1.41
Diluted	1.84	1.41

**Sample Company, Inc.**  
Consolidated Cash Flows  
(in Euros)

	For Year Ended December 31,	
	2002	2001
<b>Cash Flows from Operating Activities</b>		
Net profit	553,400	421,600
Adjustments for:		
Depreciation of property, plant and equipment	10,000	10,000
Amortisation of goodwill	10,000	10,000
Minority interest	600	400
Operating cash flows before movements in working capital	574,000	442,000
(Increase) decrease in inventories	(175,000)	(75,000)
(Increase) decrease in trade receivables	100,000	(50,000)
(Increase) decrease in prepayments	0	0
Increase (decrease) in trade payables	25,000	25,000
Net Cash Provided by Operating Activities	524,000	342,000
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(200,000)	(100,000)
Disposal of property, plant and equipment	50,000	0
Net Cash Provided by (Used by) Investing Activities	(150,000)	(100,000)
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(100,000)	(50,000)
Proceeds from long term borrowing	100,000	200,000
Payment of long term borrowing	(70,000)	(50,000)
Net Cash Provided by (Used by) Financing Activities	(70,000)	100,000
<b>Net increase (decrease) in Cash and cash equivalents</b>	304,000	342,000
<b>Cash and Cash Equivalents, Beginning of Year</b>	547,000	201,000
<b>Effect of Foreign Exchange Rate Changes</b>	(2,000)	4,000
<b>Cash and Cash Equivalents, End of Year</b>	849,000	547,000

**Sample Company, Inc.**Consolidated Statement of Changes in Equity  
(in Euros)

	<u>Share Capital</u>	<u>Revaluation Reserve</u>	<u>Translation Reserve</u>	<u>Accumulated Profits</u>	<u>Total Equity</u>
Balance at December 31, 2000	300,000	90,000	0	258,000	648,000
Net income	0	0	0	421,600	421,600
Dividends paid	0	0	0	(50,000)	(50,000)
Revaluation of property, plant and equipment	0	10,000	0	0	10,000
Foreign translation adjustment	0	0	4,000	0	4,000
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Balance at December 31, 2001	300,000	100,000	4,000	629,600	1,033,600
Net income	0	0	0	553,400	553,400
Dividends paid	0	0	0	(100,000)	(100,000)
Revaluation of property, plant and equipment	0	0	0	0	0
Foreign translation adjustment	0	0	(2,000)	0	(2,000)
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Balance at December 31, 2002	<u>300,000</u>	<u>100,000</u>	<u>2,000</u>	<u>1,083,000</u>	<u>1,485,000</u>