

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

	<u>As of December 31,</u>	
	<u>2003</u>	<u>2002</u>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	540,000	400,000
Investment property	150,000	150,000
Intangible assets	140,000	150,000
Investments in joint ventures	60,000	60,000
	<u>890,000</u>	<u>760,000</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	849,000	547,000
	<u>1,694,000</u>	<u>1,317,000</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	1,083,000	629,600
	<u>1,485,000</u>	<u>1,033,600</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	66,000	66,000
	<u>657,000</u>	<u>627,000</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	22,000	22,000
	<u>351,000</u>	<u>326,000</u>
Total current liabilities	<u>351,000</u>	<u>326,000</u>
Total equity and liability:	<u><u>2,584,000</u></u>	<u><u>2,077,000</u></u>

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

	For Year Ended December 31,	
	2003	2002
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)

	<u>For Year Ended December 31,</u>	
	<u>2003</u>	<u>2002</u>
<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
	<u>574,000</u>	<u>442,000</u>
operating cash flows before movements in working capit	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	<u>(50,000)</u>	<u>(100,000)</u>
	<u>524,000</u>	<u>342,000</u>
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
	<u>(150,000)</u>	<u>(100,000)</u>
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)
	<u>(70,000)</u>	<u>100,000</u>
Net Cash Provided by (Used by) Financing Activities	(70,000)	100,000
<b>Net increase (decrease) in Cash and cash equiva</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>	<u>(2,000)</u>	<u>4,000</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>849,000</u>	<u>547,000</u>

**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, 2001	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
Balance at December 31, 2002	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)
Balance at December 31, 2003:	<u>300,000</u>	<u>100,000</u>	<u>2,000</u>	<u>1,083,000</u>	<u>1,485,000</u>