

**HUTCHISON HARBOUR RING LIMITED**  
**ANNOUNCEMENT OF 2002 ANNUAL RESULTS**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

	<i>Note</i>	<b>2002</b>	<b>2001</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
Turnover	1	<b>1,815,929</b>	70,398
Cost of sales		<b>(1,552,480)</b>	(67,237)
Gross profit		<b>263,449</b>	3,161
Other revenues		<b>43,496</b>	50,835
Other net income		<b>21,908</b>	5,698
Administrative expenses		<b>(145,930)</b>	(152,195)
Distribution costs		<b>(45,641)</b>	(6,037)
Other operating expenses		<b>(48)</b>	(44,531)
Impairment provision for non-trading securities		<b>(8,410)</b>	(84,758)
Loss on disposal of an associate		-	(49,413)
Operating profit/(loss)	2	<b>128,824</b>	(277,240)
Share of losses less profits of associates		<b>(998)</b>	(14,691)
Finance costs	3	<b>(46)</b>	(100)
Profit/(loss) from ordinary activities before provision		<b>127,780</b>	(292,031)
Write-back of provision against the toy and property subsidiaries	4	-	967,620
Profit before taxation		<b>127,780</b>	675,589
Taxation	5	<b>(16,829)</b>	(211)
Profit after taxation		<b>110,951</b>	675,378
Minority interests		<b>(5,876)</b>	5,224
Profit attributable to shareholders		<b>105,075</b>	680,602
Dividend	6	<b>84,150</b>	84,150
Basic earnings per share	7	<b>1.87 cents</b>	12.16 cents
Diluted earnings per share	7	<b>1.73 cents</b>	N/A

Notes:

- 1** Segment information is presented in respect of the Group's business and geographical segments. Business segment information is chosen as the primary reporting format. The net assets and results of the toy and property subsidiaries are included in the consolidated accounts with effect from 31 December 2001. Therefore, the primary segment information in 2001 only reported a segment of Internet business-to-business investment. As at 31 December 2002, the Group held only passive investments in the Internet business-to-business sectors. Moreover a technology division has been set up to supply consumer electronic products during the year and its segment turnover, results, assets or liabilities which did not exceed ten percent materiality thresholds and are grouped into the toy operation in 2002. Accordingly, the Group is divided into three business segments, namely, toy operation, property operation and Internet business-to-business investments as described below.

Other corporate income and expenses, held-to-maturity securities and cash held for non-operating purpose are not allocated to the above three segments.

**Primary segment information by business:**

	Year ended 31 December 2002			
	Toy operation HK\$'000	Property operation HK\$'000	Internet business- to-business investments HK\$'000	Group HK\$'000
Turnover				
Company and subsidiaries	1,698,645	106,375	10,909	1,815,929
Share of associates	7,009	41,751	-	48,760
	<u>1,705,654</u>	<u>148,126</u>	<u>10,909</u>	<u>1,864,689</u>
Segment results				
Company and subsidiaries	77,212	43,222	(15,748)	104,686
Other corporate income and expenses				24,138
Operating profit				<u>128,824</u>

	Year ended 31 December 2001			
	Toy operation HK\$'000	Property operation HK\$'000	Internet business- to-business investments HK\$'000	Group HK\$'000
Turnover				
Company and subsidiaries	-	-	70,398	70,398
Share of associates	-	-	1,567	1,567
	<u>-</u>	<u>-</u>	<u>71,965</u>	<u>71,965</u>
Segment results				
Company and subsidiaries	-	-	(226,100)	(226,100)
Other corporate income and expenses				(51,140)
Operating loss				<u>(277,240)</u>

## Secondary segment information by geographical location:

	Turnover		Segment results before finance costs and taxation	
	2002 HK\$'000	2001 HK\$'000	2002 HK\$'000	2001 HK\$'000
United States	1,069,798	-	42,967	(63,068)
Europe	240,972	-	9,475	-
Mainland China	106,451	-	42,998	-
Hong Kong	125,094	-	9,425	(56,794)
Japan	127,333	-	3,886	(55,660)
Singapore	12,388	70,398	(14,627)	(50,578)
Other regions	133,893	-	10,562	-
	<u>1,815,929</u>	<u>70,398</u>	<u>104,686</u>	<u>(226,100)</u>
Other corporate income and expenses			24,138	(51,140)
Operating profit/(loss)			<u>128,824</u>	<u>(277,240)</u>

## 2 Operating profit/(loss)

	2002 HK\$'000	2001 HK\$'000
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Operating profit/(loss) is stated after crediting and charging the following:

### Crediting

Rental from investment properties less outgoings of HK\$8,246,000 (2001: Nil)	30,257	-
Gain on disposal of investment properties	8,486	-
Net realised and unrealised gains on trading securities	536	-
Recovery of bad debts previously written-off	1,842	-
	<u>41,121</u>	<u>-</u>

### Charging

Cost of inventories sold ( <i>Note</i> )	1,513,130	58,106
Staff costs	350,526	96,288
Depreciation	56,087	8,380
Operating lease charges in respect of properties	31,657	12,242
Amortisation of goodwill and other intangible assets	654	27,939
Auditors' remuneration	2,284	743
Loss on disposal of fixed assets other than investment properties	9,162	9,006
Net exchange losses	13	1,806
	<u>1,974,593</u>	<u>213,706</u>

*Note:* Cost of inventories sold includes staff cost, depreciation and operating lease charges totalling HK\$304,958,000, which are also included in the respective total amount disclosed separately above for each of these types of expenses.

## 3 Finance costs

	2002 HK\$'000	2001 HK\$'000
Interest on bank overdrafts	46	100
	<u>46</u>	<u>100</u>

## 4 Write-back of provision against the toys and property subsidiaries

In the preparation of the Group accounts for the year ended 31 December 2000, the Company had determined to hold the toy and property subsidiaries for disposal. In view of this determination and

the significant restrictions on the Company's control over these subsidiaries pursuant to a Management Service Agreement ("MSA"), a provision of HK\$1,018,148,000 was made by the Group against the share of the net assets of the toy and property subsidiaries to reflect the fair value of the Group's interests in these subsidiaries as at 31 December 2000.

In the preparation of the Group accounts for the year ended 31 December 2001, the accounts of the toy and property subsidiaries were consolidated with effect from 31 December 2001, the date the Company resumed control over these subsidiaries pursuant to the cancellation of the MSA and the Put Option Deed. The toy and property subsidiaries were consolidated and the provision previously made was no longer required. The provision after taking into account the Group's share of the net assets of these subsidiaries as at 31 December 2001, was written back to the profit and loss account.

## 5 Taxation

Hong Kong profits tax has been provided at the rate of 16% (2001: 16%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged to the consolidated profit and loss account represents:

	<b>2002</b>	<b>2001</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong profits tax	7,323	-
Overseas taxation	8,106	211
Deferred taxation	(342)	-
	<u>15,087</u>	<u>-</u>
Share of taxation attributable to associates	1,742	-
	<u>16,829</u>	<u>211</u>

## 6 Dividend

	<b>2002</b>	<b>2001</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Final dividend proposed – HK1.5 cents per ordinary share (2001: HK1.5 cents)	<u>84,150</u>	<u>84,150</u>

At a meeting held on 18 March 2003 the directors declared a final dividend of HK1.5 cents per ordinary share. This proposed dividend is not reflected as a dividend payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2003.

## 7 Basic and diluted earnings per share

The calculation of basic earnings per share is based on the profit attributable to shareholders of HK\$105,075,000 (2001: HK\$680,602,000) and the weighted average number of 5,610,000,263 (2001: 5,595,125,000) ordinary shares in issue during the year.

The calculation of fully diluted earnings per share is based on the profit attributable to shareholders of HK\$105,075,000 and 6,057,954,808 ordinary shares which comprises 5,610,000,263 ordinary shares in issue during the year plus the weighted average number of 447,954,545 ordinary shares deemed to be issued at no consideration if all outstanding warrants had been exercised. No diluted earnings per share for 2001 was presented as the exercise of the Company's outstanding warrants would be anti-dilutive.

## **CHAIRMAN'S STATEMENT**

### **FINANCIAL RESULTS**

Hutchison Harbour Ring Limited ("the Company") and its group companies ("the Group") recorded an audited consolidated profit attributable to shareholders of HK\$105.1 million for the year ended 31 December 2002 compared to HK\$680.6 million for 2001. The 2001 profits included a one-time write-back of a provision of HK\$967.6 million relating to the Group's toy and property subsidiaries. Excluding this one-time write-back, 2002 results improved by HK\$392.1 million over the previous year reflecting the strategy adopted in late 2001 to focus on its core expertise in manufacturing and property operations. Earnings per share for 2002 were HK1.87 cents (2001 – HK12.16 cents).

### **DIVIDEND**

The Directors have decided to recommend the payment of a final dividend of HK1.5 cents per share in respect of 2002 (2001 – HK1.5 cents per share), to shareholders whose names appear on the Register of Members of the Company on 19 May 2003. The proposed dividend will be paid on 20 May 2003 following approval at the Annual General Meeting.

### **BUSINESS REVIEW**

In 2002, the Group achieved satisfactory results and continued to consolidate its position as a leading toy manufacturer. A new technology operation ("Technology Division") was established in early 2002 to manufacture high quality technology products, a growing market segment.

In 2002, the Group's toy operation reported profits in line with management's expectation, in spite of a difficult global operating environment characterised by subdued consumer demand in key toy markets. During the year, the Group focused on consolidating market share and expanding product diversity.

The Technology Division was created to spearhead the design, manufacturing, marketing and sales of high-value-added technology products. The new division expands the Group's product portfolio to include mobile handset accessories, digital cameras for mobile phones, computer peripherals, MP3 players and FM radios. This opens up new markets and creates an opportunity for the Group to counterbalance the seasonal fluctuations pertaining to the toy market.

The Group has also broadened its scope of operations to enhance original design manufacturing ("ODM"), representing an evolution towards a greater level of customisation and product differentiation.

The Group's rental income from the property investment portfolio in Mainland China grew by 10% in 2002 reflecting the increase in both occupancy rate and average rental rate on new tenancy agreements. As a result of satisfactory occupancy levels, the Group's office and retail properties in Shanghai generated stable income. During the year, the Group disposed of all its property investments in Shaoxing at a profit.

### **OUTLOOK**

Global economic conditions continue to be affected by uncertainties and international conflict, particularly in the Middle East. These factors may prolong lacklustre growth in our primary markets and perpetuate price fluctuations in oil-based materials such as plastics, which are primary raw materials of the Group's manufacturing operations. 2003 is expected to be another challenging year.

The Group's sustained focus and core expertise, coupled with the expansion and diversification of operations into leisure and technology products as well as value-added services, encourage confidence in the long-term business prospects. Looking ahead, the toy and technology operations will continue to build on its core expertise. Ample production capacity, well-equipped production facilities and a solid customer base put the Company in a strong position to further enhance its market share and competitiveness in providing high-quality original equipment manufacturing and

ODM products and services. The Group will continue to work closely with its parent company, Hutchison Whampoa Limited, to expand the business into key markets and establish strategic alliances with technology partners to upgrade design capabilities.

With its core manufacturing strengths and a strong balance sheet, I believe the Group is well positioned to seize opportunities to achieve sustained growth in the future. I would like to thank all members of the Board of Directors and our staff for their hard work and dedication over the past year, and also our shareholders and business partners for their continued support.

## **REVIEW OF OPERATIONS**

### **FINANCIAL OVERVIEW**

The Group's turnover for 2002 was HK\$1,815.9 million. The manufacturing of toys is the primary core business of the Group and the toy and other manufacturing operations accounted for 93.5 per cent of the turnover.

The Group recorded an audited consolidated profit attributable to shareholders of HK\$105.1 million for the year ended 31 December 2002 compared to HK\$680.6 million for 2001. The 2001 profits included a one-time write-back of a provision of HK\$967.6 million relating to the Group's toy and property subsidiaries. Excluding this one-time write-back, 2002 results improved by HK\$392.1 million over the previous year reflecting the strategy adopted in late 2001 to focus on its core expertise in manufacturing and property operations. Earnings per share for 2002 were HK1.87 cents (2001 – HK12.16 cents).

As a result of a fundamental restructuring and refocusing of its business strategy in 2001, the principal business of the Group reverted from B2B operation in 2001 to the manufacturing of the toys and property operations in 2002. Also in 2002, a new division, the technology division, was created to capture new markets.

### **TOY OPERATION**

During the year, the Group's toy and other manufacturing operations generated an enhanced turnover amounting to HK\$1,698.6 million and earnings before interest expenses and taxation of HK\$77.2 million.

The manufacturing and trading of hard, soft and electronic toys are conducted by the Group's subsidiaries from facilities in Dongguan, Guangzhou and Zhongshan in southern China.

The Group operates primarily as an original equipment manufacturer, specialising in manufacturing and supply-chain services for the mass production of both conventional and promotional toys for major toy marketing companies. The toy operation has particular expertise in working with various forms of plastics, roto casting, slush moulding and blow moulding. Moreover, the Group diversified into leisure and electronic products such as war game markers, digital cameras and video game controllers.

The enhanced performance of the toy business in 2002 is attributed to several factors. These included solid ongoing relationship with major customers, establishment of relationship with new customers, upgrade of manufacturing facilities and capabilities, continued diversification of product types and improvement in cost controls. Additionally, improvement in the flexibility of dedicated production areas, expansion in the hard and electronic toy business segments and the increased provision of one-stop services for customers enabled the Group to achieve better profit margins.

### **TECHNOLOGY OPERATION**

After a comprehensive assessment of its capabilities and market opportunities, the Group created the technology division in early 2002 to develop and expand the Group's product portfolio beyond toy market and to diversify production capability by manufacturing and supplying consumer electronics products such as mobile handset accessories, digital cameras for mobile phones,

computer peripherals, MP3 players and FM radios. The Group also possesses particular expertise in bluetooth technology to support the design and manufacturing of mobile handset accessories.

The technology division has made prudent investments to transform the plant and equipment in Guangzhou, recruit new staff with specialised skills and expertise in various aspects of design, production, marketing and creative services, and establish relationship with designers and design companies in order to reach higher levels of manufacturing requirements and standards.

As a new entrant to the market in the technology sector, the Group engaged in a major business development drive during 2002. Agreements in relation to the manufacturing and supply of mobile handset-related accessories were signed with Motorola and NEC during the year.

In addition, business contacts were made with other major corporations in Korea, Japan, the UK and the US, and product presentations were conducted. This has resulted in the formation of strategic relationships with several multinational corporations.

While the technology division is still in its infancy, the Group sees significant growth potentials in this area.

### **PROPERTY OPERATION**

The property investment portfolio performed well in 2002 reported turnover of HK\$106.4 million and earnings before interest expenses and taxation of HK\$43.2 million. This was mainly due to the rising demand for office space in Shanghai partly resulted from China's accession to the World Trade Organisation.

The Group's property investments are currently all located in Shanghai following the disposal of its Shaoxing property investment portfolio in December 2002 at a profit. The sale of its 67.5 per cent interest in the Shaoxing Xian Heng Hotel reflected the Group's strategy to focus its energy on its core areas of expertise.

In Shanghai, the two principal investments are Shanghai Harbour Ring Plaza and Shanghai Harbour Ring Huang Pu Centre in Huangpu district. These property investments recorded improvements in terms of both occupancy rates and rental yield. At 31 December 2002, 83 per cent of the unsold space, which includes 43,435m<sup>2</sup> of arcade and office space, was leased out. At the Canadian Garden residential complex, 39 units were sold and 14 villas remained on the market.

### **GROUP CAPITAL RESOURCES AND LIQUIDITY**

The Group maintained a healthy financial position during 2002. Total cash and cash equivalents plus other liquid listed investments amounted to HK\$1,565.3 million as of 31 December 2002 (2001 – HK\$1,407.6 million). The Group was debt free at the end of both 2001 and 2002.

### **TREASURY POLICIES**

As at 31 December 2002, the Group had no material exposure under foreign exchange contracts, interest or currency swaps or other financial derivatives.

### **CONTINGENT LIABILITIES AND CHARGES ON GROUP ASSETS**

As at 31 December 2002, the Group had pledged fixed assets to the value of HK\$48.4 million (31 December 2001 – HK\$50.4 million) in relation to general banking facilities. Mortgage loan facilities totalling HK\$5.7 million (31 December 2001 – HK\$9.7 million) granted by certain banks to purchasers of the Group's properties in China were secured by the guarantee of a subsidiary company and a pledge of the Group's fixed deposits of approximately HK\$7.4 million (31 December 2001 – HK\$10.1 million). Contingent liabilities did not change significantly from the end of 2001.

## **EMPLOYEES**

Excluding associated companies, the Group employed 20,232 people at the end of 2002 (2001 – 17,425 people). In 2002, total consolidated employee costs, including directors' emoluments, amounted to HK\$350.5 million compared to the employee costs in 2001 of HK\$96.3 million which related mainly to the internet B2B operation undertaken at that time.

The salary and benefit levels of Group employees are kept at competitive levels and individual performance is rewarded within the general framework of the Group's salary and bonus system. Remuneration packages are reviewed annually during the year.

Training continues to play an integral role in the Group's human resource strategy. The Group will continue to monitor the training needs of its staff, and provide them with crucial skills training to ensure that the staff possesses the skills necessary to contribute towards achieving common goals.

## **OUTLOOK**

Despite the global economic slowdown, the Group's operations performed well in 2002. While the Group is budgeting for further growth in 2003, with increasing contributions to be made by the new technology division, the current uncertainties in the global economic conditions and fluctuations of plastic raw material prices do represent challenges.

The Group's financial position continues to be strong with cash and cash equivalents of over HK\$1.5 billion available for future expansion and development in all divisions.

## **PUBLICATION OF FURTHER INFORMATION**

All information required by paragraphs 45(1) to 45(3) of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") will be published on both the Stock Exchange's website and the Company's website in due course.

By Order of the Board

**Edith Shih**

*Director and Company Secretary*

Hong Kong, 18 March 2003



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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of shareholders of the Company will be held in the Harbour Plaza Room, Basement 1, Harbour Plaza North Point, 665 King's Road, North Point, Hong Kong on Monday, 19 May 2003 at 10:00 am for the following purposes:

1. To receive and consider the statement of accounts and reports of the directors and auditors for the year ended 31 December 2002.
2. To declare a final dividend.
3. To elect directors and authorise the board of directors of the Company to fix the directors' remuneration.
4. To re-appoint auditors and authorise the board of directors of the Company to fix their remuneration.
5. As special business to consider and, if thought fit, pass the following Ordinary Resolutions:

### Ordinary Resolutions

(1) "THAT:

- (A) subject to paragraph (C) of this resolution, the exercise by the board of directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue or otherwise deal with new shares of the Company ("Shares") or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers be generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and warrants which would or might require the exercise of such power after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to Shares issued as a result of a Rights Issue (as defined below), the exercise of the subscription or conversion rights attaching to any warrants issued by the Company or the exercise of options granted under the share option scheme of the Company or any scrip dividend providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution and the said approval shall be limited accordingly; and
- (D) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of
  - (i) the conclusion of the next annual general meeting of the Company;

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

"Rights Issue" means the allotment, issue or grant of Shares pursuant to an offer of shares open for a period fixed by the directors of the Company to holders of Shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company)."

(2) "THAT:

- (A) subject to paragraph (B) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase or repurchase shares of the Company ("Shares") on, subject to and in accordance with all applicable laws and rules on The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission and The Stock Exchange of Hong Kong Limited, be generally and unconditionally approved;
- (B) the aggregate nominal amount of the Shares which may be purchased or repurchased by the Company pursuant to the approval in paragraph (A) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of this resolution, and the said approval shall be limited accordingly; and
- (C) for the purposes of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable law of Bermuda to be held; and
  - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting."

(3) "THAT subject to the passing of Ordinary Resolution No (1) and (2) set out in the notice convening this meeting, the aggregate nominal amount of the shares of the Company which may be purchased or repurchased by the Company pursuant to the authority granted to the directors of the Company by Ordinary Resolution No (2) set out in the notice convening this meeting shall be added to the aggregate nominal amount of share capital of the Company that may be allotted or issued or agreed conditionally or unconditionally to be allotted or issued by the directors of the Company pursuant to Ordinary Resolution No (1) set out in the notice convening this meeting, provided that such shares shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of this resolution."

The register of members will be closed from Monday, 12 May 2003 to Monday, 19 May 2003 both days inclusive.

By Order of the Board

**Edith Shih**

*Director and Company Secretary*

Hong Kong, 18 March 2003

Notes:

1. *In order to qualify for the final dividend payable on Tuesday, 20 May 2003, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong Branch Share Registrars, Computershare Hong Kong Investor Services Limited (formerly Central Registration Hong Kong Limited) , for registration not later than 4 pm, Friday, 9 May 2003.*
2. *Only members are entitled to attend and vote at the meeting.*
3. *A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of that member. A proxy need not be a member. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the principal place of business of the Company at 22nd Floor, Hutchison House, 10 Harcourt Road, Hong Kong, not later than 48 hours before the time for holding the meeting or any adjourned meeting (as the case may be).*
4. *With respect to Ordinary Resolution No (1), the directors wish to state that they have no immediate plans to issue any new shares of the Company other than the shares that may be issued upon the exercise of any warrant issued by the Company. Approval is being sought from the members under Ordinary Resolution No (1) as a general mandate for the purposes of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.*
5. *With respect to Ordinary Resolution No (2), an Explanatory Statement containing the information regarding the repurchase by the Company of its own shares will be sent to shareholders together with the Company's 2002 Annual Report.*