

Contents

Komax Group

<i>Financial Report 2001</i>	__2
<i>Five-year overview of the Komax Group</i>	__4
<i>Charts</i>	__5
<i>Value added accounting</i>	__6
<i>Consolidated balance sheets</i>	__8
<i>Consolidated income statements</i>	__10
<i>Consolidated cash flow statements</i>	__11
<i>Consolidated shareholders' equity</i>	__12
<i>Notes to the consolidated financial statements</i>	__13
<i>Report of the Group auditors</i>	__31

Komax Holding AG

<i>Balance sheets</i>	__32
<i>Income statements</i>	__34
<i>Remarks concerning the financial statements</i>	__35
<i>Notes to the 2001 financial statements</i>	__36
<i>Proposal for the appropriation of profit</i>	__39
<i>Report of the statutory auditors</i>	__40

<i>Information for investors</i>	__41
---	------

Financial Report 2001

For the 2001 financial year, the Komax Group posted sales of CHF 196.9m. This corresponds to a year-on-year increase of 7%. At CHF 13.9m (7.1% of net sales revenues), profit after tax was down 46.9% on the previous year.

Acquisition of Prime Automation Inc., Rockford (USA)

The purchase of Prime Automation Inc., Rockford/Illinois, was a key event in fiscal 2001. Prime is active in the area of assembly automation and employs around 25 people. Following last year's takeover of Ascor, the acquisition further expands the Group's range of assembly automation operations in the US.

Income Statement

Revenues (net sales)

In 2001, the Komax Group's sales were roughly 7% lower than the previous year. The regional sales breakdown is as follows: gross revenues in Europe, the Group's largest sales area, fell back by around 5% year-on-year in a decline that was attributable solely to the EU area. In other parts of Europe, including Switzerland, our sales were higher, increasing sharply in some cases. The key shift in sales in Europe correlates with the shift in the European wire processing industry. In Asia, the Group saw its sales slump by one third. In North America too, sales were down 1% on the previous year, mainly because of the slack state of the economy. Factoring out acquisitions, sales plunged by more than 25%. For the Komax Group, the total impact of currency factors on sales came to just under -1% in fiscal 2001 owing to the relative weakness of the euro against the Swiss franc.

Gross and operating profit

The gross profit margin (gross profit/net earnings) for 2001 totaled 61.9% compared with 60% the previous year. Overall, the wire processing business and the lower proportion of outside services in the assembly automation sector had a positive impact on the gross profit trend despite the decline in sales. The EUR's decline was also counterbalanced by higher purchasing in this currency.

Personnel expenditure as a percentage of sales grew from 30.6% to 34.2%. This is primarily due to the higher revenues posted by the assembly automation business and to the decrease in outside services. Fiscal

2001 also saw the Komax Group increase the value added quota within the Group in the production and assembly segment.

As at December 31, 2001, the headcount stood at 698 employees, which corresponds to a decrease of 4.3% over January 1, 2001. In fiscal 2001, the Komax Group responded indirectly to the decline in sales by cutting the size of its labor force to a greater extent than would have occurred through normal fluctuation. In 2001 net added value per employee was lower, partly because of the decline in sales and partly owing to the increase in assembly automation. The figure came to CHF 0.120m as against CHF 0.149m the previous year.

Research and development costs

R&D expenditure amounted to CHF 16.5m (8.4% of consolidated sales), although only outside services relating to R&D expenditure of CHF 4.0m are reported in the income statement. Despite the difficult economic conditions, we systematically pressed ahead with our targeted R&D investments in fiscal 2001. At the Pro-ductronica trade fair in Munich (fall 2001) we were thus able to present numerous new products. New developments and basic engineering projects accounted for roughly 70% of development expenditure.

As of December 31, 2001, the Komax Group employed a total of 95 employees in R&D.

Operating profit (EBIT)

The Komax Group posted an operating profit (EBIT) of CHF 18.7m for the reporting year (9.5% of net sales) as against CHF 32.9m (15.6%) in the prior year. This corresponds to a decrease of 43.3%.

Financial result

The financial result amounted to CHF -2.5m which is CHF 1.7m less than the year-back figure. This deterioration in the financial result can be broken down as follows: interest income was down by CHF 0.6m (higher average net indebtedness y-o-y), and securities income was down by CHF 0.3m, mainly because of the unfavorable trend on the financial markets. The exchange rate losses are primarily valued exchange rate losses arising from financial loans. The Komax Group takes out medium and long term financial loans in foreign currencies because it generates a cash flow excess in USD and EUR. This makes it possible to reduce hedging of foreign currency positions by means of derivatives.

Profit

In fiscal 2001, earnings before taxes (EBT) reached CHF 16.1m (8.2% of net sales revenues), as against

CHF 32.1m (15.2% of net sales revenues) the previous year.

Current and deferred income tax amounted to CHF 2.2m; equivalent to a tax rate of 13.6% for the Group. Profit after tax (EAT) was CHF 13.9m (EAT/sales 7.1%).

Balance sheet

Assets

Current assets decreased by around 12% to CHF 110m. Thanks to active and successful inventory and credit management, inventories were steadily reduced in line with sales. Despite the decrease in current assets, the balance sheet total increased by CHF 7.2m. The increase is a result of the positions tangible assets and intangible assets. The tangible assets mainly comprise new buildings (assembly and office buildings) in Rotkreuz (Switzerland) for the subsidiary Sibos AG, which is involved in assembly automation, and the assembly and office building for Ascor in the US. The increase in intangible fixed assets is a result of the goodwill for the acquisition of Prime Automation Inc., Rockford. At around 170%, the investment cover ratio II remains very good even after the investments in 2001.

Liabilities

Short-term liabilities decreased owing to a combination of a lower order intake than in the previous year, the reduction in performance-related remuneration, the elimination of the 2nd purchase price installment for the Ascor acquisition, which was paid in March 2001, and the decrease in guarantee obligations as a result of a further improvement in the quality of our products. The increase in long-term financial loans is attributable to the Prime acquisition and the above-mentioned new building in Rotkreuz.

Shareholders' equity for the Komax Group amounted to CHF 118.8m as at December 31, 2001; equivalent to 56.9% of the balance sheet total. This made it possible to further expand the equity ratio as a percentage of the balance sheet total compared with the previous year. What is more, as of December 31, 2001 the fixed assets remain covered at around 120% of shareholders' equity.

Cash flow statement

Operating activities

Net cash from operating activities grew to CHF 14.8m (prior year: CHF 30.8m) before the change in net current assets and to CHF 22.2m after the change in net current assets (prior year: CHF 22.4m). Net cash flow from operating activities was thus maintained at the same high level as the previous year despite a clear decline in sales and earnings. Through targeted and successful management of net current assets, we achieved a reduction of CHF 7.5m and were thus once again able to report cash flow from business operations in excess of CHF 22m.

Investment activities

The net cash outflow from investment activities amounted to CHF 30.4m. The main investments in 2001 were:

- Machines	CHF 0.4 million
- Property / Real estate	CHF 14.1 million
- Acquisition of Prime	CHF 11.0 million
- IT	CHF 3.7 million
- Other categories	CHF 1.2 million

In fiscal 2001, Komax generated a free cash flow of CHF -8.2m (previous year CHF +0.2m). Without the acquisition of Prime, the free cash flow would have amounted to CHF +2.9m.

Financing activities

The Komax Group took up a net total of CHF 18.3m in financial loans in the 2001 business year. These are being used solely to finance the Prime takeover and the new building in Rotkreuz, which together involve a total of CHF 22m. The dividend distribution was CHF 5.6m and the payment for the second purchase price installment for Ascor amounted to CHF 3.2m. In total, the net cash from financing activities resulted in a surplus of CHF 11.1m. Taking into account exchange-rate impacts, funds increased by CHF 2.2m (prior year: CHF 5.2m).

Five-year overview of the Komax Group

		2001	2000	1999	1998	1997
Net sales	CHF 1,000	196,900	211,617	183,732	142,016	136,170
Gross profit	CHF 1,000	121,217	129,029	110,535	86,567	75,761
in % of net sales	%	61.6	61.0	60.2	61.0	55.6
Operating profit plus depreciation (EBITDA)	CHF 1,000	26,406	38,921	32,889	26,569	23,630
in % of net sales	%	13.4	18.4	17.9	18.7	17.4
Operating profit (EBITA)	CHF 1,000	20,075	33,526	28,156	22,874	19,635
in % of net sales	%	10.2	15.8	15.3	16.1	14.4
Operating profit (EBIT)	CHF 1,000	18,678	32,917	27,641	22,355	19,635
in % of net sales	%	9.5	15.6	15.0	15.7	14.4
Group profit after tax (EAT)	CHF 1,000	13,941	26,277	22,248	16,260	11,409
in % of net sales	%	7.1	12.4	12.1	11.4	8.4
Depreciation & amortization	CHF 1,000	7,728	6,004	5,248	4,214	3,995
Net cash from operating activities	CHF 1,000	22,241	22,401	14,387	18,595	17,584
Investments in fixed assets	CHF 1,000	19,648	14,122	5,805	4,011	2,567
Free cash flow ¹⁾	CHF 1,000	-8,163	181	1,587	1,021	14,694
Research & development	CHF 1,000	16,503	15,773	14,320	13,158	11,547
in % of net sales	%	8.4	7.5	7.8	9.3	8.5
Total assets	CHF 1,000	208,651	201,416	162,020	133,958	108,419
Fixed assets	CHF 1,000	98,343	75,608	57,994	51,679	38,586
Current assets	CHF 1,000	110,308	125,808	104,026	82,279	69,833
Shareholders' equity	CHF 1,000	118,757	110,739	90,287	70,432	56,737
in % of total assets	%	56.9	55.0	55.7	52.6	52.3
Share capital	CHF 1,000	31,389	31,000	31,000	31,000	31,000
Borrowed capital	CHF 1,000	89,894	90,677	71,733	63,526	51,682
in % of total assets	%	43.1	45.0	44.3	47.4	47.7
Long-term financial loans	CHF 1,000	33,210	21,014	13,100	13,100	11,200
Short-term financial liabilities	CHF 1,000	15,220	8,500	9,708	11	6,266
Net indebtedness (-) / Net assets (+)	CHF 1,000	-26,884	-9,207	-6,761	3,004	-1,455
Headcount (at year-end)	Number	698	691	623	535	364
Net sales per employee	CHF 1,000	276	320	330	343	374
Shares ^{2) / 3)}	Number	3,138,900	3,100,000	310,000	310,000	310,000
Par value ²⁾	CHF	10.—	10.—	100.—	100.—	100.—
Issue price ⁴⁾	CHF	—	—	—	—	43.50
High ⁴⁾	CHF	163.—	176.—	108.90	84.50	58.30
Low ⁴⁾	CHF	59.—	102.60	61.10	52.20	48.—
Closing price on 31.12. ⁴⁾	CHF	88.—	161.—	106.—	69.—	52.—

¹⁾ Purchase of Prime in 2001 CHF 11.1m / purchase of Ascor in 2000 CHF 8.4m / purchase of ARA in 1999 CHF 7.5m / purchase of Sibos in 1998 CHF 13.9m.

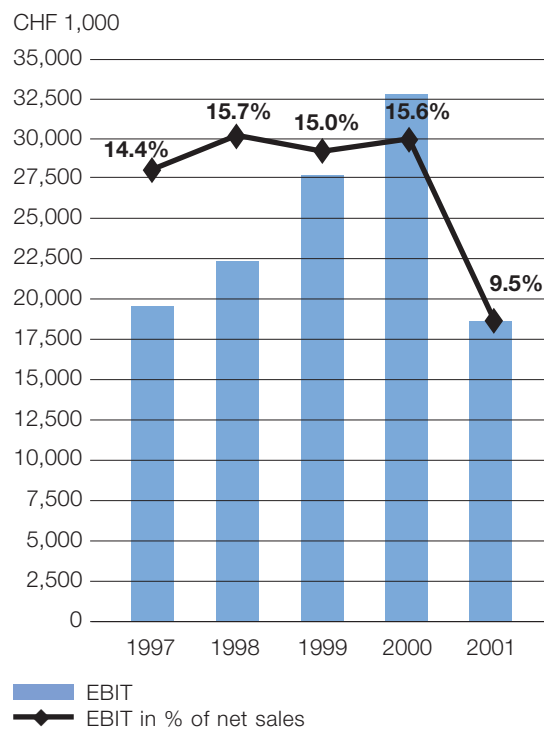
²⁾ Change in 2000 owing to ten-for-one share split on May 24, 2000.

³⁾ Change in 2001 owing to exercise of option rights.

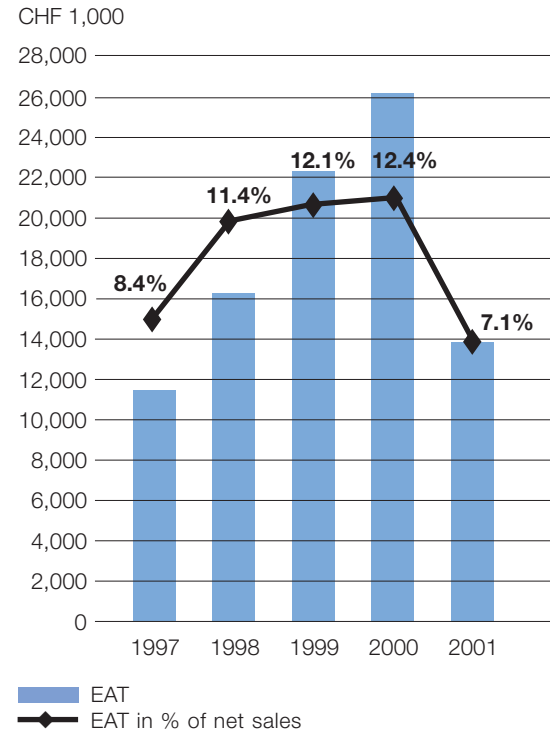
⁴⁾ Ten-for-one share split on May 24, 2000. The 1997–1999 figures have been adjusted to enable comparisons to be drawn with the year under review.

Charts

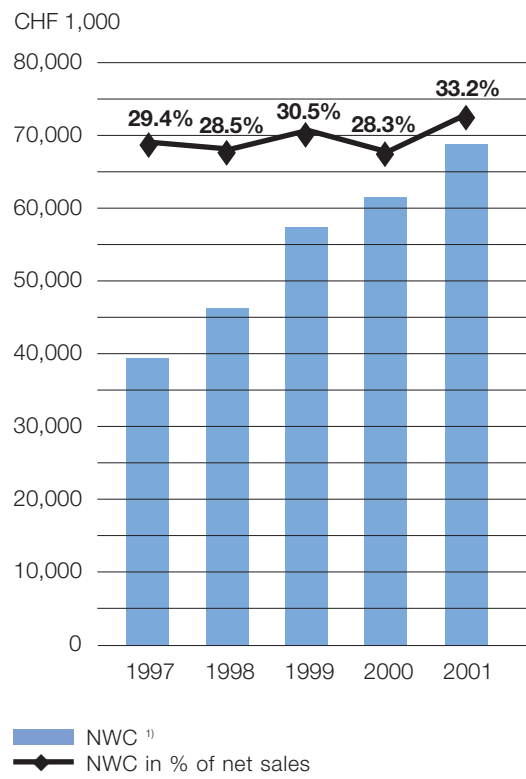
Operating profit (EBIT)



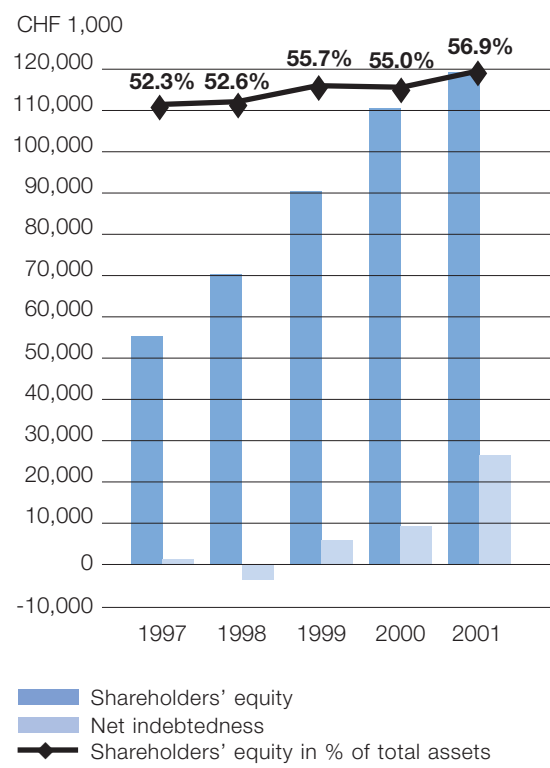
Group profit after tax (EAT)



Net working capital (NWC)



Development of equity and net indebtedness ²⁾



¹⁾ NWC = net working capital: receivables, inventories less short-term liabilities.

²⁾ Initial Public Offering (IPO) 1997.

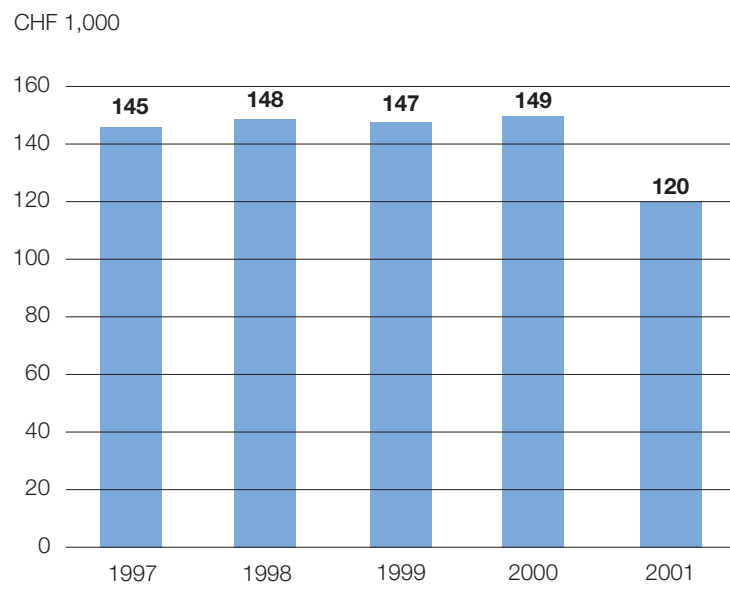
Value added accounting

Sources	Prev. column	2001		2000	
		CHF 1,000	%	CHF 1,000	%
Company output					
Net sales	196,900				
Inventory changes ¹⁾	-1,202	195,698	100.0	215,117	100.0
Purchased materials and services					
Expenditure on materials	-74,481				
Other expenditure ²⁾	-27,627	-102,108	-52.2	-110,834	-51.5
Gross value added		93,590	47.8	104,283	48.5
Depreciation & amortization		-7,728	-3.9	-6,004	-2.8
Net value added		85,862	43.9	98,279	45.7
Applications					
To employees		67,413	78.5	64,677	65.8
To creditors (interest paid)		2,315	2.7	1,484	1.5
To shareholders (dividend)		5,640	6.6	4,650	4.7
To community (direct taxes)		2,193	2.5	5,841	6.0
To company (self-financing)		8,301	9.7	21,627	22.0
Net value added		85,862	100.0	98,279	100.0
Key figures for value added					
Gross value added per employee		131		158	
Net value added per employee		120		149	

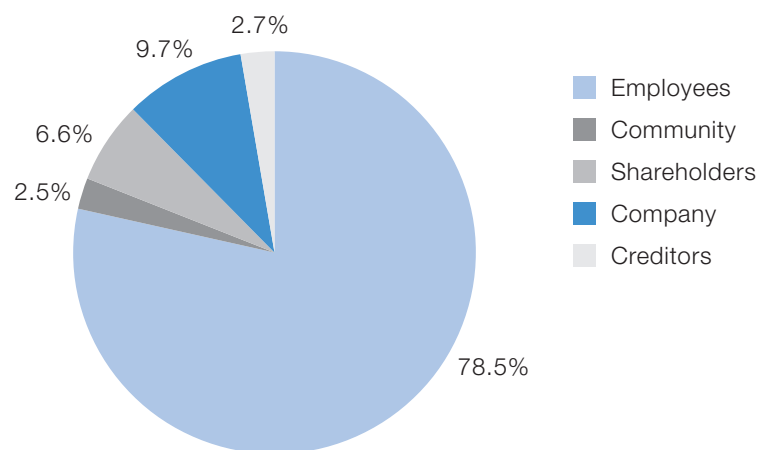
¹⁾ Change in working process and finished goods.

²⁾ Outside services for development expense, production, sales and administrative expense, less interest income.

Net value added per employee



Application of net value added 2001



Consolidated balance sheets

Assets		31.12.01	31.12.00
	Notes	CHF 1,000	CHF 1,000
Current assets			
Cash and cash equivalents	2	20,993	18,832
Securities	3	553	1,475
Trade receivables	4	55,090	60,485
Other receivables & accrued income/prepaid expense	5	5,004	13,899
Inventories	6	28,668	31,117
Total current assets		110,308	125,808
Fixed assets			
Deferred tax assets	7	5,325	4,381
Prepayments for pension fund liabilities	8	1,623	1,623
Tangible assets	9	60,207	46,966
Non-consolidated participations		0	511
Intangible assets	10	31,188	22,127
Total fixed assets		98,343	75,608
Total assets	11	208,651	201,416

Liabilities	Notes	31.12.01 CHF 1,000	31.12.00 CHF 1,000
Short-term liabilities			
Financial liabilities	12	15,220	8,500
Trade payables		10,540	16,796
Other liabilities & accrued expense/deferred income	13	19,782	29,909
Provisions	14	4,027	5,768
Total short-term liabilities		49,569	60,973
Long-term liabilities			
Financial loans	15	33,210	21,014
Deferred tax liabilities	7	7,115	8,690
Total long-term liabilities		40,325	29,704
Total liabilities		89,894	90,677
Total liabilities			
Share capital	16	31,389	31,000
Treasury shares		-2,164	-380
Capital surplus (premium)		41,299	39,630
Retained earnings		34,292	14,212
Group profit		13,941	26,277
Total shareholders' equity		118,757	110,739
Total liabilities and shareholders' equity		208,651	201,416

Consolidated income statements

	Notes	2001 CHF 1,000	2000 CHF 1,000
Sales of goods and services	17	196,933	211,980
Other operating income	18	2,299	1,897
Revenue reduction		-2,332	-2,260
Net sales		196,900	211,617
Change in inventories of work in process and finished goods		-1,202	3,500
Net earnings		195,698	215,117
Expenditure on materials		63,831	72,104
Outside services		10,650	13,984
Cost of goods sold		74,481	86,088
Gross profit		121,217	129,029
Personnel expense	19	67,413	64,677
Outside services for development expense	20	3,984	3,290
Production, sales and administrative expense		23,414	22,141
Depreciation and amortization		7,728	6,004
Operating expense		102,539	96,112
Operating profit (EBIT)		18,678	32,917
Financial result	21	-2,544	-799
Profit before tax		16,134	32,118
Taxes	22	2,193	5,841
Group profit after tax		13,941	26,277
Basic earnings per share (CHF/share)	23	4.47	8.49
Diluted earnings per share (CHF/share)	23	4.25	8.10

Consolidated cash flow statements

	Notes	2001 CHF 1,000	2000 CHF 1,000
Net cash from operating activities			
Operating profit (EBIT)		18,678	32,917
Depreciation on tangible assets		4,748	4,073
Depreciation on intangible assets and participations		1,583	1,322
Amortization of goodwill on Sibos acquisition		515	515
Amortization of goodwill on Ascor acquisition		376	94
Amortisation of goodwill on Prime acquisition		506	0
Profit(-) loss (+) from liquidation of fixed assets / revaluation		-107	-1
Interest income		5,053	3,975
Interest expense		-7,597	-4,774
Tax expense		-7,235	-5,998
Increase (+) decrease (-) in long-term provisions		-1,741	-1,368
Cash flow before change in net current assets		14,779	30,755
Increase (-) decrease (+) in other net current assets		7,462	-8,354
Net cash from operating activities		22,241	22,401
Net cash from investing activities			
Investments in tangible assets		-17,792	-12,138
Sales of tangible assets		301	317
Investments in intangible fixed assets		-1,856	-1,984
Investments in subsidiaries	24	-11,057	-8,415
Net cash from investing activities		-30,404	-22,220
Net cash from financing activities			
Increase (+) decrease (-) in financial liabilities		6,720	-1,208
Increase (-) decrease (+) in securities		922	248
Transactions in treasury shares		-1,784	299
2nd purchase price installment for Ascor		-3,377	3,204
Dividend distribution		-5,640	-4,650
Amortization of financial loans		-6,148	-70
Raising of financial loans		18,331	7,880
Prepayment employee benefits plan		0	-620
Capital increase (option plan)		2,058	0
Net cash from financing activities		11,082	5,083
Foreign currency impacts and exchange differences		-758	-77
Increase (+) decrease (-) in funds	25	2,161	5,187
Funds on December 31		20,993	18,832

Consolidated shareholders' equity

2001 in CHF 1,000	Share capital	Treasury shares	Premium	Retained earnings	Group profit	Sh. equity	of which cumulative
							currency translation differences ¹⁾
Balance on January 1, 2001	31,000	-380	39,630	40,489		110,739	1,059
Dividends paid in 2000				-5,640		-5,640	0
2001 profit for the year					13,941	13,941	0
Capital increase from exercise of options	389		1,669			2,058	0
Transactions in treasury shares		-1,784				-1,784	0
Currency translation differences				-557		-557	-557
Balance on Dec. 31, 2001	31,389	-2,164	41,299	34,292	13,941	118,757	502

¹⁾ Included in retained earnings.

2000 in CHF 1,000	Share capital	Treasury shares	Premium	Retained earnings	Group profit	Sh. equity	of which cumulative
							currency translation differences ¹⁾
Balance on Jan. 1, 2000	31,000	0	39,630	19,657		90,287	1,854
Initial holdings of treasury shares ²⁾		-679				-679	0
Dividends paid in 1999				-4,650		-4,650	0
2000 profit for the year					26,277	26,277	0
Transactions in treasury shares		299				299	0
Currency translation differences				-795		-795	-795
Balance on Dec. 31, 2000	31,000	-380	39,630	14,212	26,277	110,739	1,059

¹⁾ Included in retained earnings.

²⁾ In conformity with SIC-16 (IAS Standing Interpretations Committee) treasury shares are stated under equity.

Notes to the consolidated financial statements

General information

Name, domicile and purpose of the Komax Group

The Komax Group is active in machinery manufacture (wire processing and automation) and at Dec. 31, 2001 employed 698 people worldwide. The parent company, Komax Holding AG, is domiciled in Dierikon, Canton Lucerne (Switzerland).

The Komax Group's business activities are centered on development, production and sale of high-quality capital goods for precision engineering, electronics and information technology in the areas of wire processing and automated production and assembly. The focus here is on highly automated production systems for the automobile, household appliances, electronics, telecommunications, solar energy and medical technology sectors. The Komax Group sells to the world market. Komax has a network of 17 subsidiaries and more than 30 independent agencies to ensure on-the-spot sales and service support.

1. Summary of main accounting principles

Accounting principles

The consolidated annual financial statements of the Komax Group are based on the individual accounts of Group companies prepared according to uniform standards and duly audited at December 31, 2001. The Group's accounts have been prepared in accordance with International Accounting Standards (IAS), as published by the International Accounting Standards Committee (IASC), and comply with Swiss law and the accounting rules laid down in the Listing Regulations of SWX Swiss Exchange.

Komax has introduced various new IAS standards issued by the IASC for financial years beginning after January 1, 2001. However, the introduction of IAS 39 – Financial Instruments – and IAS 40 – Investment Property – has no significant impact on the consolidated annual financial statements of the Komax Group. The consolidated annual financial statements were adopted by the Board of Directors of Komax Holding AG on March 20, 2002.

Scope of consolidation

The consolidated financial statements contain the individual annual accounts of Komax Holding AG, Dierikon, and its subsidiaries. The individual subsidiaries included in this consolidation are shown on page 36. As a rule, the full consolidation method is used for subsidiaries when Komax Holding AG exercises operational control. This is generally the case when it directly or indirectly controls over 50% of the voting capital of the respective relevant subsidiary. Capital consolidation is carried out in accordance with the purchase method. All Group-internal turnover, balances and intermediate profits are eliminated.

In 2001, the scope of consolidation widened with the establishment of Komax South Africa and Komax Morocco and the acquisition of Prime, Rockford, Illinois USA, which was integrated into the Komax Group as of January 1, 2001. Prime operates in the production and assembly automation segment. In addition, the stake in Komax Japan was increased to 100% and was fully consolidated for the first time.

Cash and cash equivalents

These consist of cash and similar holdings, including deposits which can be converted into cash, with a maximum duration of three months.

Securities

Securities comprise capital market investments classified as "available for sale" and reported on the balance sheet at market value. Purchases of securities are recorded at the current price and are subsequently valued at market value. Realized and unrealized gains and losses arising from changes in market value are recorded in the income statement in the corresponding periods.

Trade receivables

The balance-sheet carrying value corresponds to the nominal value less appropriate value adjustments for claims where recovery is difficult or impossible (doubtful debt provision).

Manufacturing orders

Manufacturing orders in the automated assembly and production segment, involving the customer-specific manufacture of systems, are valued according to the "Percentage of Completion Method" (POC). On the balance sheet these are reported either under "Trade receivables" or "Trade payables", depending on the degree to which they are underfinanced or overfinanced.

Inventories

Inventories are valued in accordance with the weighted average method, but in any case at no more than the realizable net sales price. Goods in process and finished products produced by the company itself are stated at the cost of manufacture as per status of progress. Cost of goods sold includes the cost of materials and manufacture and the direct delivery costs of production but not the indirect logistics expense. Value adjustments are made for slow-selling merchandise.

Tangible assets

Tangible assets are valued at acquisition cost less accumulated depreciation. They are written off over their estimated useful life according to the straight line method. The individual periods of depreciation are:

Asset category	Years
Machinery	7 – 12
Tools	6 – 7
Measuring, testing and controlling instruments	5
Operating installations	10
Warehouse installations	13 – 15
Vehicles	5 – 8
Office furnishings and office machines	5 – 10
Information technology	3 – 5
Factory buildings	35
Office buildings	40

The costs for maintenance, repairs and small-scale renovations are charged directly to the income statement as expense when they occur. Value-adding renovation work is capitalized beyond a certain value. Tangible assets which have been eliminated from the

business or sold are charged off to the tangible assets account at their acquisition cost and with the associated accumulated depreciation. Any profits or losses resulting from the disposal of tangible assets are recognized in the income statement. Financing costs for tangible assets under construction are not capitalized.

Intangible assets

Intangible assets are stated at acquisition cost less accumulated depreciation. They are reviewed at the balance-sheet date for any changes in their value. Goodwill is written off over its economically useful life. Goodwill arising on the Sibos acquisition as well as the Ascor and Prime acquisitions will be written off over 20 years as these participations represent a strategic commitment (extension of existing core business to automated assembly and production). EDP software is capitalized as an intangible asset and written off over 3-5 years. The patents acquired by Komax Holding AG in connection with the ARA acquisition will be written off over a maximum of 10 years.

Deferred taxes

All consolidated companies of the Komax Group are independently subject to tax except for the companies attached to Sibos Holding Corp. (Sibos Corp., Ascor, Prime). In the case of the other companies it is not possible to set off the taxable profit of one consolidated company with the loss of another consolidated company. This should be borne in mind when comparing profit and the tax burden.

Deferred and future tax expense is calculated based on the comprehensive liability method. Under this method, it is the tax rates and tax legislation valid in the future which are decisive. Any foreseeable changes in tax legislation consequently flow directly into the tax statement. Deferred and future taxes are computed on the value differences between the consolidated balance sheet and the tax balance sheet. Such differences primarily exist in the case of fixed assets, goods inventories and some provisions. Claims for deferred taxes are only taken into consideration if it is more than probable that they will be realized.

Research and development expenditure

All research and development costs are recognized as an expense in the period in which they are incurred since in general these costs cannot be linked with a tangible, future benefit or one directly attributable to specific products.

Currency conversion

The currency used in the consolidated financial statements is the Swiss franc. All balance-sheet positions in foreign currencies are translated at the exchange rate prevailing at the end of the year (cut-off date method/ current-rate method). Items in the income statement are translated at the average rate for the year. In converting to average rates, the resulting translation difference between the results according to the balance sheet and those according to the income statement are treated as not affecting the results and are set off against shareholders' equity. Currency translation differences are cumulated and stated separately in shareholders' equity. The most important year-end and average exchange rates were as follows:

Currency	Year-end	Average	Year-end	Average
	rate	rate	rate	rate
	31.12.01	2001	31.12.00	2000
USD	1.68	1.70	1.64	1.69
EUR	1.48	1.51	1.52	1.56
DEM	75.74	77.31	77.81	79.65
PTE	0.74	0.75	0.76	0.78
FRF	22.58	23.05	23.20	23.75
BRL	0.76	0.76	0.84	0.91
SGD	91.10	95.46	94.30	97.96

Financial instruments

Financial instruments are only used to hedge existing currency and interest-rate exposures. Only standardized hedging instruments may be used (currency futures and options contracts, interest rate and currency swaps). In particular, the full hedging costs must always be known in advance. The use of financial and hedging instruments is additionally subject to uniform Group-wide rules.

Derivative financial instruments are recorded at the current price and are subsequently valued at market value. Realized and unrealized gains arising from changes in market value are recorded in the income statement in the corresponding periods.

Recognition of revenue

Revenue from the sale of goods is recognized when risk and benefit of ownership have been transferred to the buyer. All expenses connected with sales are recognized on an accrual basis.

In the automated assembly and manufacturing area, revenue is recognized according to the percentage of completion method (POC), while the Komax Group applies the "efforts expended method", i.e. the percentage of completion is calculated on the basis of the number of hours expended.

Employee benefits

Retirement and other employee benefits are based on regulations and conditions prevailing in the countries in which Komax is represented. In Switzerland and France, retirement and other employee benefits are based on the defined benefit model in conformity with IAS 19 (employee benefits). The consequences of compliance with IAS 19 for retirement benefits in Switzerland and France are detailed in Note 8. In the other countries, benefits are provided by funds based on the defined contribution model.

Provisions

Provisions for guarantees are made according to business management criteria and in accordance with IAS 37. These are based on past experience, turnover achieved in the past year and on current contracts. The other provisions relate to various obligations and liabilities associated with past events, the performance of which will in all probability result in an outflow of funds.

Treasury shares

Treasury shares are carried at cost and deducted from equity in conformity with SIC-16.

Notes

2. Cash and cash equivalents

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Demand deposits and call money	17,422	17,293
Time deposits	3,571	1,539
Total	20,993	18,832

On December 31, 2001, interest rates on call and time deposits were: EUR 2.75-3.10%, USD 1.69%, SGD 0.94%, BRL 13.20%.

The Komax Group uses forex forward and options contracts and interest rate and currency swaps to hedge against currency and interest rate risks on funds. As of December 31, 2001, no foreign exchange forward contracts or other derivatives were outstanding. By contrast, the previous year, contacts amounting to USD 8.0m were outstanding.

3. Securities

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Shares and bonds ¹⁾	553	1,475
Total	553	1,475

¹⁾ Valued at market value.

4. Trade receivables

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Receivables from goods and services delivered	43,701	58,843
Accruals for systems ¹⁾	42,628	19,167
Less prepayments for systems	-30,043	-15,975
Deductions for doubtful debt provisions	-1,196	-1,550
Net	55,090	60,485

¹⁾ For manufacturing orders for systems, the inventory includes all costs associated with the systems as well as the production costs. The order costs comprise all costs attributable to the contract from the date the order is received until the balance-sheet date. The order proceeds per manufacturing order are recorded as of December 31, according to the percentage of completion and efforts expended.

5. Other receivables and accrued income/prepaid expense

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Other receivables ¹⁾	4,322	11,881
Accruals	682	2,018
Total	5,004	13,899

¹⁾ Other receivables as of December 31, 2000 consist primarily of tax credits with the Swiss federal tax authorities.

6. Inventories

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Manufacturing components and spare parts	11,804	12,789
Working process goods / work in process	3,336	3,251
Finished goods	13,292	14,256
Prepayments to suppliers	236	821
Total	28,668	31,117

7. Deferred taxes

Deferred tax assets	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Fixed assets (depreciation on tangible assets)	328	372
Current assets	946	978
Provisions	290	243
Other items ¹⁾	3,761	2,788
Total deferred tax assets ²⁾	5,325	4,381

Deferred tax liabilities	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Fixed assets (depreciation on tangible assets)	3,825	3,828
Current assets	2,151	2,485
Provisions	1,134	1,199
Other items	5	1,178
Total deferred tax liabilities	7,115	8,690

Deferred tax claims (net debt)	-1,790	-4,309
---------------------------------------	---------------	---------------

¹⁾ Including unrealized intercompany profits, tax loss carry-overs and tax credits.

²⁾ Deferred taxes are recognized as an asset when it is probable that the relevant Group companies will generate sufficient taxable profit to absorb the corresponding positive differences in the tax assets.

8. Prepayments for pension fund liabilities (IAS 19)

Komax maintains retirement benefit plans for its employees in Switzerland and abroad, over 80% of whom are located in Switzerland. In conformity with IAS, the retirement benefit plans in Switzerland and France are classed as defined benefit schemes. For the principal defined benefit pension schemes, net expenditure for employee benefits, stated in the balance sheet as a prepayment and in the income statement as an expense reduction, amounted to the following for the Komax Group:

	2001	2000
	CHF 1,000	CHF 1,000
Costs of employee benefits	2,718	3,001
Interest expense	1,848	1,565
Amortization of initial balance over 5 years	257	257
Total employee benefits expenditure of the Komax Group	4,823	4,823
Income on pension fund assets	1,846	1,641
Employee contributions and accruals	1,380	1,335
Total employee benefits income of the Komax Group	3,226	2,976
Employee benefits result of the Komax Group	-1,597	-1,847
Employer contributions	2,314	2,467
Accrual for employee benefits as of 31.12.	717	620
(prepayment by the Komax Group)		

The funding shortfall of CHF 1.287m at January 1, 1999 in the initial balance will be amortized over 5 years. The movements in net assets recorded in the consolidated balance sheet with respect to the defined benefit schemes were as follows:

	2001
	CHF 1,000
Total January 1	1,623
Expense	-1,597
Employer contributions	2,314
Non-appropriable prepaid income ¹⁾	-717
Total December 31	1,623

¹⁾ The Komax Group does not apply any additional capitalization of prepayments to the employee benefits plan. This takes account of the funding shortfall and the difficult situation on the capital markets.

The following table contains information concerning the current state of over- or underfunding of the retirement benefit schemes operated in Switzerland and on the figures in the consolidated balance sheet:

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Available assets	46,819	46,143
Retirement benefit liabilities	47,840	46,191
Overfunding (+) / Underfunding (-)	-1,021	-48
Unrealized actuarial losses	3,361	1,671
Non-appropriable prepaid income	-717	0
Stated as assets in the consolidated balance sheet	1,623	1,623

The valuation of retirement benefit liabilities is based, on the one hand, on assumptions relating to current company policy and, on the other, on empirical values. They are reflected in the following economic and demographical parameters. Assumptions were based on the following underlying parameters (in %, weighted average):

	2001	2000
	in %	in %
Discount rate	4.0	4.0
Estimated wage growth rate	2.0	2.0
Increase in current pensions (expectancy of future benefits)	1.5	1.5
Expected long-term net yield on plan assets	4.0	5.5

The personnel expenditure (IAS 19) incurred in France was recognized in the consolidated accounts. This expenditure is, however, not included in the detailed information as it has no material influence and is to some extent subject to different conditions and underlying parameters.

9. Tangible assets 2001

Trend in gross values in CHF 1,000 Asset category	Costs 01.01.01	Costs ¹⁾	Other changes ²⁾	Additions	Disposals	Costs 31.12.01
Movables						
Machinery	16,144	158	-175	586	-1,329	15,383
Tools/operating installations	3,295	10	8	212	-308	3,217
Warehouse installations	1,204	9	-27	247	-2	1,432
Vehicles	682	31	51	385	-329	819
Office furnishings	3,739	49	-50	759	-222	4,276
Information technology	5,152	38	-15	1,874	-248	6,802
Prepayment for assets	646	0	-1	619	-645	619
Total	30,862	294	-209	4,683	-3,083	32,548
Real estate						
Buildings	34,609	0	72	13,448	0	48,128
Land	11,068	0	-6	607	0	11,669
Total	45,677	0	-67	14,055	0	59,797
Total	76,539	294	-142	18,738	-3,083	92,345

Depreciation and amortization in CHF 1,000 Asset category	Accum. depr. 01.01.01	Other changes ²⁾	Accum. depr. on disposals	Deprecia- tion 2001	Accum. depr. 31.12.01	Net value tang. assets 31.12.01
Movables						
Machinery	8,631	-6	1,264	1,478	8,838	6,545
Tools/operating installations	1,896	20	292	324	1,948	1,269
Warehouse installations	588	-16	1	109	680	752
Vehicles	493	-9	216	105	372	447
Office furnishings	2,056	-3	149	498	2,402	1,874
Information technology	3,321	6	246	1,167	4,250	2,552
Prepayment for assets	0	0	0	0	0	619
Regrouping/ valuation differences	-4	0	-2	2	0	0
Total	16,981	-8	2,165	3,683	18,490	14,058
Real estate						
Buildings	12,592	-9	0	1,065	13,648	34,480
Land	0	0	0	0	0	11,669
Total	12,592	-9	0	1,065	13,648	46,149
Total	29,573	-17	2,165	4,748	32,138	60,207

¹⁾ Acquisition of Prime Automation Inc.

²⁾ The column "Other changes" includes currency differences and revaluations.

The insurance value of tangible assets was CHF 95.6m on December 31, 2001.

Future liabilities arising from non-capitalized operating lease agreements amount to:

Due 2002: CHF 0.3m.

Due 2003-2007: CHF 1.2m.

9.1. Intangible assets 2000

Trend in gross values in CHF 1,000 Asset category	Costs	Costs ¹⁾	Other changes ²⁾	Additions	Disposals	Costs
	01.01.00					31.12.00
Movables						
Machinery	15,089	115	-22	2,626	-1,664	16,144
Tools/operating installations	2,459	0	31	877	-71	3,295
Warehouse installations	822	7	-25	399	0	1,204
Vehicles	663	15	-35	156	-118	682
Office furnishings	3,010	46	52	648	-16	3,739
Information technology	4,284	0	50	1,169	-351	5,152
Prepayment for assets	801	0	-2	604	-757	646
Total	27,128	182	49	6,480	-2,977	30,862
Real estate						
Buildings	33,002	0	-140	1,746	0	34,609
Land	6,591	0	-22	4,499	0	11,068
Total	39,593	0	-161	6,245	0	45,677
Total	66,721	182	-112	12,725	-2,977	76,539

Depreciation and amortization in CHF 1,000 Asset category	Accum. depr. 01.01.00	Other changes ²⁾	Accum. depr. on disposals	Deprecia- tion 2000	Accum. depr. 31.12.00	Net value tang. assets 31.12.00
Movables						
Machinery	9,048	-6	1,663	1,252	8,631	7,513
Tools/operating installations	1,583	84	69	298	1,896	1,399
Warehouse installations	508	2	0	78	588	616
Vehicles	487	-15	135	156	493	189
Office furnishings	1,634	100	14	336	2,056	1,683
Information technology	2,547	144	269	899	3,321	1,831
Prepayment for assets	0	0	0	0	0	646
Regrouping/ valuation differences	-7	-6	0	8	-4	4
Total	15,800	303	2,149	3,027	16,981	13,881
Real estate						
Buildings	11,580	-34	0	1,046	12,592	22,017
Land	0	0	0	0	0	11,068
Total	11,580	-34	0	1,046	12,592	33,085
Total	27,380	269	2,149	4,073	29,573	46,966

¹⁾ Acquisition Ascor Inc.

²⁾ The column "Other changes" includes currency differences and revaluations.

The insurance value of tangible assets was CHF 90.4m on December 31, 2000.

Future liabilities arising from non-capitalized operating lease agreements amount to:

Due 2001: CHF 0.3m

Due 2002-2006: CHF 1.1m

10. Intangible assets 2001

Trend in gross values in CHF 1,000 Asset category	Costs 01.01.01	Costs ¹⁾	Other changes ²⁾	Additions	Disposals	Costs 31.12.01
Intangible assets						
Software	6,156	5	1	1,836	-317	7,681
Patents	4,050	0	0	0	0	4,050
Goodwill	17,800	0	167	9,993	0	27,960
Costs of incorporation	0	0	0	15	0	15
Total	28,006	5	168	11,844	-317	39,706

Depreciation and amortization in CHF 1,000 Asset category	Accum. depr. 01.01.01	Other changes ²⁾	Accum. depr. on disposal	Deprecia- tion 2001	Accum. depr. 31.12.01	Net value intang. assets 31.12.01
Intangible assets						
Software	3,586	-2	324	1,130	4,390	3,291
Patents	557	0	0	405	962	3,088
Goodwill	1,736	-15	0	1,442	3,163	24,797
Costs of incorporation	0	0	0	3	3	12
Regrouping/ valuation differences	0	0	0	0	0	0
Total	5,879	-17	324	2,980	8,518	31,188

¹⁾ Acquisition Prime Automation Inc.

²⁾ The column "Other changes" includes currency differences and revaluations.

10.1. Intangible assets 2000

Trend in gross values in CHF 1,000 Asset category	Costs 01.01.00	Costs ¹⁾	Other changes ²⁾	Additions	Disposals	Costs 31.12.00
Intangible assets						
Software	4,683	15	57	1,973	-573	6,156
Patents	4,050	0	0	0	0	4,050
Goodwill	10,549	0	-407	7,658	0	17,800
Total	19,282	15	-350	9,631	-573	28,006

Depreciation and amortization in CHF 1,000 Asset category	Accum. depr. 01.01.00	Other changes ²⁾	Accum. depr. on disposal	Deprecia- tion 2000	Accum. depr. 31.12.00	Net value intang. assets 31.12.00
Intangible assets						
Software	3,208	38	526	866	3,586	2,570
Patents	152	0	0	405	557	3,493
Goodwill	1,083	-3	0	656	1,736	16,064
Regrouping / valuation differences	-1	0	3	4	0	0
Total	4,442	35	529	1,931	5,879	22,127

¹⁾ Acquisition Ascor Inc.

²⁾ The column "Other changes" includes currency differences and revaluations.

20__Komax Group

11. Ownership restrictions for own liabilities

Assets pledged to secure own liabilities:

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Balance-sheet value (real estate of Komax AG, Switzerland)	19,220	19,739
Charge	4,575	4,575
Utilization (mortgages)	100	100

12. Financial liabilities

		2001	31.12.01	2000	31.12.00
	Currency	Interest rate	Total CHF 1,000	Interest rate	Total CHF 1,000
Short-term bank loans	CHF	2.73%	1,000	4.60%	1,000
	CHF	3.72%	1,500	5.00%	1,000
	CHF	3.72%	2,000	4.08%	2,000
	CHF	4.10%	4,000	3.95%	4,500
	USD	4.60%	6,720		0
Total			15,220		8,500
Unutilized credit lines			55,082		38,070

By the end of February 2002, short-term financial loans amounting to CHF 4m and USD 2m had been repaid.

13. Other liabilities and accrued expenses / deferred income

	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Other liabilities ¹⁾	4,347	9,969
Employee benefits	408	1,073
Corporation tax due at short term ²⁾	1,243	3,767
Accrued expenses/deferred income	10,407	10,490
Prepayments on systems	12,888	13,465
Less accruals/deferrals in respect of systems	-9,511	-8,855
Total	19,782	29,909

¹⁾ As of December 31, 2000 incl. 2nd purchase price installment for Ascor amounting to CHF 3.2m.²⁾ All consolidated companies book corporation tax resulting from business activity in the same business year, irrespective of the tax and assessment periods.

14. Provisions

	2001	2000
Guarantee payments ¹⁾	CHF 1,000	CHF 1,000
Total January 1	4,250	4,500
Additional provisions created	1,984	1,813
Amounts utilised during the year	-3,034	-2,063
Unused amounts reversed	0	0
Total December 31	3,200	4,250

¹⁾ Provisions include material and personnel costs, to the extent that individual parts were replaced by Komax employees. In its wire-processing business, Komax as a rule grants a one-year warranty (except for wear and tear). Guarantee payments in respect of assembly automation are agreed individually with the customer.

Provisions for guarantee commitments are reviewed annually. The decrease in relation to sales reflects improvements associated with quality management.

	2001	2000
Other provisions ¹⁾	CHF 1,000	CHF 1,000
Total January 1	1,518	2,636
Additional provisions created	101	50
Amounts utilised during the year ²⁾	-742	-1,062
Unused amounts reversed	-50	-106
Total December 31	827	1,518

¹⁾ The other long-term provisions relate partly to legal disputes and partly to losses not covered by insurance benefits.

²⁾ The appropriation of other provisions relates to the restructuring measures in Asia.

Total provisions December 31	4,027	5,768
-------------------------------------	--------------	--------------

15. Financial loans

	Currency	2001 Interest rate	31.12.01 CHF 1,000	2000 Interest rate	31.12.00 CHF 1,000
Loan agreement UBS Lucerne ¹⁾	CHF	2.60%	10,500	3.55%	7,000
Loan agreement UBS Lucerne	USD	4.80%	3,360		0
Loan agreement UBS Lucerne	USD	5.10%	8,400		0
Loan agreement Credit Suisse, Lucerne	CHF		0	3.10%	4,000
Loan agreement Credit Suisse, Lucerne	USD		0	8.00%	6,560
				7.00%	3,280
Loan agreement Allfirst Bank, York	USD	9.40%	50	9.40%	74
Loan agreement LKB Lucerne	CHF	3.89%	10,800		0
Mortgage	CHF	4.84%	100	5.16%	100
Total			33,210		21,014

¹⁾ Loan agreement of June 25, 1997 between UBS, Lucerne, Credit Suisse, Lucerne, and Luzerner Kantonalbank, Lucerne, and Komax Holding AG and Komax AG. UBS, Lucerne, acts as agent for the lending banks.

The average interest on the financial loans was 3.9% in 2001 compared with 5.4% a year earlier.

15.1. Repayment of debts

Maturity	Syndicated bank loan ¹⁾	Bank loan ²⁾	Other financial loans	Total CHF 1,000
by end of 2002	10,500	0	0	10,500
after January 1, 2003	0	22,610	100	22,710
Total ³⁾	10,500	22,610	100	33,210

¹⁾ The loan agreement runs for five years from June 30, 1997 up to June 30, 2002. The expiry of the agreement represents the final maturity of the business investment loan, and of credit facilities granted under it. As things stand now, long-term refinancing is planned.

²⁾ UBS, CS, LKB, Allfirst.

³⁾ Loan amount at December 31, 2001 before interest due at time of repayment.

16. Share capital

As of December 31, 2001, the share capital amounted to CHF 31,389,000. This includes a capital increase of CHF 389,000 based on the exercise of option rights. The registered share has a par value of CHF 10.-.

17. Segment information

17.1. Primary segment information

As the Komax Group is active in only one segment, the primary segment information is presented in a single column for each financial year.

Income statement	2001		2000		change
	CHF 1,000	%	CHF 1,000	%	
Net sales ¹⁾	196,900	100.0	211,617	100.0	-7.0
Net earnings	195,698	99.4	215,117	101.7	-9.0
Expenditure on materials	63,831	32.4	72,104	34.1	-11.5
Outside services	10,650	5.4	13,984	6.6	-23.8
Gross profit	121,217	61.6	129,029	61.0	-6.1
Operating expenditure	94,811	48.2	90,108	42.6	5.2
Depreciation and amortization	7,728	3.9	6,004	2.8	28.7
Operating profit (EBIT)	18,678	9.5	32,917	15.6	-43.3

¹⁾ The net sales revenue for 2001 includes POC sales amounting to CHF 16.9m (previous year CHF 16.6m). This is equivalent to 8.6% of sales for 2001, or 7.8% for the previous year.

In fiscal 2001, the currency effect on net sales revenues amounted to -1.0% and is primarily attributable to the weakening of the EUR against the CHF. The first-time inclusion of the newly acquired Prime Automation Inc. from January 1, 2001 led to a 2.6% increase in net sales revenues.

Assets and borrowed capital	31.12.01		31.12.00		change
	CHF 1,000	%	CHF 1,000	%	
Current assets	110,308	52.9	125,808	62.5	-12.3
Fixed assets	98,343	47.1	75,608	37.5	30.1
Total assets	208,651	100.0	201,416	100.0	3.6
Short-term liabilities	49,569	-	60,973	-	-18.7
Long-term liabilities	40,325	-	29,704	-	35.8
Total liabilities	89,894	-	90,677	-	-0.9
Investments	30,705	-	22,537	-	36.2

The 2001 investments include the acquisition of Prime Automation Inc. (CHF 11.1m) and the 2000 investments include the acquisition of Ascor Inc. (CHF 8.4m). Thus, investments less acquisitions amounted to CHF 19.6m in fiscal 2001 and CHF 14.1m in fiscal 2000, which represents an increase of CHF 5.5m or 39.0%.

17.2. Secondary segment information by region

Sales revenues by location of purchasing party	2001		2000		change %
	CHF 1,000	%	CHF 1,000	%	
Europe ¹⁾	129,406	65.7	137,460	64.8	-5.9
North and South America	57,350	29.1	58,764	27.8	-2.4
Asia/Pacific	10,177	5.2	15,756	7.4	-35.4
Total	196,933	100.0	211,980	100.0	-7.1

Sales revenues by location of service provider	2001		2000		change %
	CHF 1,000	%	CHF 1,000	%	
Europe ¹⁾	132,935	67.5	154,723	73.0	-14.1
North and South America	55,382	28.1	53,231	25.1	4.0
Asia/Pacific	8,616	4.4	4,026	1.9	114.0
Total	196,933	100.0	211,980	100.0	-7.1

Assets by location of service provider	31.12.01		31.12.00		change %
	CHF 1,000	%	CHF 1,000	%	
Europe ¹⁾	146,182	70.1	156,133	77.5	-6.4
North and South America	56,491	27.1	41,498	20.6	36.1
Asia/Pacific	5,978	2.8	3,785	1.9	57.9
Total	208,651	100.0	201,416	100.0	3.6

Investments by location of service provider	2001		2000		change %
	CHF 1,000	%	CHF 1,000	%	
Europe ¹⁾	16,360	53.3	11,630	51.6	40.7
North and South America	14,264	46.4	10,833	48.1	31.7
Asia/Pacific	81	0.3	74	0.3	9.5
Total	30,705	100.0	22,537	100.0	36.2

¹⁾ Incl. Africa**18. Other operating income**

	2001 CHF 1,000	2000 CHF 1,000
Other income (dispatch and packaging, rental and other income)	2,318	2,784
Valued exchange-rate gains/losses (trade receivables)	-19	-887
Total	2,299	1,897

19. Personnel expenses

	2001	2000
	CHF 1,000	CHF 1,000
Wages and salaries	55,614	53,597
Employee benefits	9,865	8,618
Other personnel costs (training)	1,934	2,462
Total	67,413	64,677

Further details on employee benefits are contained in Note 8.

19.1. Stock option plan of the Komax Group

The executive share ownership scheme for directors and management of the Komax Group includes a stock option plan. The option plan was introduced in 1998. One option gives the right to purchase 1 Komax Holding AG share and has a life of 5 years.

The options are subject to a fixed exercise price and a 3-year holding period. The number of options awarded is based on individual performance and merit.

	2001	Weighted average exercise price	2000	Weighted average exercise price
	No.	CHF	No.	CHF
Outstanding at beginning of year	150,000	77.76	100,000	59.91
Granted	50,000	156.12	50,000	113.46
Exercised	-38,900	52.91	0	0.00
Forfeited	0	0.00	0	0.00
Outstanding at end of year	161,100	108.08	150,000	77.76

The following table summarizes information on exercised options as of December 31, 2001:

Exercise price	Number	Outstanding options Average remaining period until expiry	Weighted average exercise price	Number	Capital increase by means of options exercised
CHF	No.	Years	CHF	No.	CHF
52.91	50,000	1	52.91	38,900	2,058,199
66.90	50,000	2	0	0	0
113.60	50,000	3	0	0	0
156.12	50,000	4	0	0	0
52.91-156.12	200,000	1-4	52.91	38,900	2,058,199

19.2. Breakdown of employees by country and area of activity

2001	CH ¹⁾	EU ²⁾	America ³⁾	Asia ⁴⁾	Africa ⁵⁾	Total
Production	218	30	40	0	0	288
Research and development	79	15	1	0	0	95
Engineering	51	8	20	0	0	79
Marketing and sales	71	37	54	8	3	173
Administration ⁶⁾	31	16	13	2	1	63
Total headcount at Dec. 31, 2001	450	106	128	10	4	698

2000	CH ¹⁾	EU ²⁾	America ³⁾	Asia ⁴⁾	Africa	Total
Production	239	37	26	0	–	302
Research and development	76	17	1	0	–	94
Engineering	56	6	10	0	–	72
Marketing and sales	73	37	52	5	–	167
Administration ⁶⁾	30	14	10	2	–	56
Total headcount at Dec. 31, 2000	474	111	99	7	–	691

¹⁾ Komax AG, Sibos AG

²⁾ Komax companies in the EU: Germany, France, Portugal

³⁾ Komax and Sibos companies in North and South America

⁴⁾ Komax companies in Asia: Singapore and Japan

⁵⁾ Komax companies in Africa: South Africa, Morocco

⁶⁾ Incl. Management/IT

To facilitate comparison with the reporting year, the breakdown of the prior-year has been adjusted.

19.3. Average number of employees 2001/2000

The average number of employees in 2001 was 714, compared with 661 a year earlier. As a result of the acquisition of Prime Automation Inc, headcount increased by 37 as per January 1, 2001. The average headcount on this date was therefore higher than the arithmetic average on December 31, 2000 and December 31, 2001.

20. Outside services for development expenditure

This item in the income statement only shows the external development expenditure, incl. building of prototypes, amounting to CHF 4.0m (2001) and CHF 3.3m (2000). The aggregate development expenses for new and further development of Komax products contain personnel expenses, cost of materials and costs for external development orders. These amount to CHF 16.5m, equivalent to 8.4% of net sales revenue compared with CHF 15.8m or 7.5% in the previous year.

21. Financial result

Financial income	2001	2000
	CHF 1,000	CHF 1,000
Interest income	623	650
Securities income	231	336
Exchange-rate gains on foreign currencies	4,199	2,989
Total financial income	5,053	3,975
Financial expense	2001	2000
	CHF 1,000	CHF 1,000
Interest expense	2,054	1,466
Other financial expense	261	19
Exchange-rate losses on foreign currencies	5,282	3,289
Total financial expense	7,597	4,774
Total financial result	-2,544	-799

22. Taxes

	2001	2000
	CHF 1,000	CHF 1,000
Current income taxes	5,411	6,459
Deferred taxes	-3,218	-618
Total	2,193	5,841

Analysis of the tax rate

The following main elements explain the difference between the expected Group tax rate (the weighted average tax rates based on the profit before tax of each Group company) and the effective tax rate:

	2001	2000
	%	%
Expected tax rate (weighted average tax rate)	20.0	22.5
Effect of weighted tax rate within the Komax Group	-5.4	-3.2
Effect of tax loss carry-overs	-0.5	-0.3
Effect of changes in deferred taxes (tax rate)	-0.5	-0.4
Others	-0.0	-0.4
Effective tax rate	13.6	18.2

23. Earnings per share (EPS)

	2001 CHF	2000 CHF
Group profit	13,941,000	26,277,000
Weighted average number of outstanding shares	3,116,776	3,093,377
Basic earnings per share	4.47	8.49

	2001 CHF	2000 CHF
Group profit	13,941,000	26,277,000
Weighted average number of outstanding shares	3,116,776	3,093,377
Adjustment for dilutive effect of share options	161,100	150,000
Weighted average number of shares for calculating diluted earnings per share	3,277,876	3,243,377
Diluted earnings per share	4.25	8.10

24. Acquisitions**24.1. Acquisition Prime Automation Inc. 2001**

01.01.01
CHF 1,000

Cash and cash equivalents	1,203
Receivables, inventories	5,279
Tangible assets	314
Liabilities	-4,585
Financial loans	-123
Net assets acquired ¹⁾	2,088
Goodwill	10,172
Purchase price ²⁾	12,260
Cash and cash equivalents acquired ³⁾	-1,203
Net cash flow	11,057

¹⁾ The net assets acquired were calculated according to the valuation principles of the Komax Group.

²⁾ Of which CHF 3.6m were paid for with Komax Holding AG shares.

³⁾ A component of the funds reported in the consolidated cash flow statement 2001.

24.2. Acquisition Ascor Inc. 2000

30.09.00
CHF 1,000

Cash and cash equivalents	638
Receivables, inventories	1,600
Tangible assets	210
Liabilities	-909
Financial loans	-144
Net assets acquired ¹⁾	1,395
Goodwill	7,658
Purchase price ²⁾	9,053
Cash and cash equivalents acquired ³⁾	-638
Net cash Flow	8,415

¹⁾ The net assets acquired were calculated according to the valuation principles of the Komax Group.

²⁾ Of which CHF 1.7m were paid for with Komax Holding AG shares.

³⁾ A component of the funds reported in the consolidated cash flow statement 2000.

25. Funds, cash flow statement**Proof of change in funds**

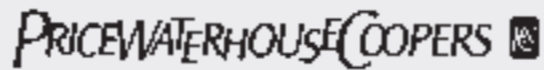
	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Demand deposits and call money	17,422	17,293
Time deposits	3,571	1,539
Total cash and time deposits (funds)	20,993	18,832
Increase (+) decrease (-) in funds	2,161	5,187

Post balance-sheet events

No material events occurred between the balance-sheet date and the adoption by the Board of Directors of the consolidated financial statements on March 20, 2002 which might adversely affect the information content of the 2001 annual accounts or which would require disclosure.

Transactions with related parties

Transactions with related parties were performed in line with market conditions. Directors' emoluments amounted to CHF 0.22m for 2001 and CHF 0.24m for 2000 (incl. social security contributions).



PriceWaterhouseCoopers AG
St. Leonhardstrasse 27
Postfach 33
4002 Basel
Schweiz
Telefon +41 (0) 79 31 31 11
Telefax +41 (0) 79 31 31 33

Report of the group auditors
to the general meeting of
Komax Holding AG
Dienkon

As auditors of the group, we have audited the consolidated financial statements (balance sheet, income statement, cash flow statement, statement of shareholders' equity and notes) of the Komax group for the year ended 31 December 2001.

These consolidated financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession and in accordance with the International Standards on Auditing issued by the International Federation of Accountants (IFAC). These standards require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the International Accounting Standards (IAS) and comply with the Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

PriceWaterhouseCoopers AG

A. Baar

P. Seiler

Basel, 20 March 2002

Balance sheets

Assets	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Current assets		
Cash and cash equivalents	125	478
Treasury shares	2,164	380
Other receivables from third parties	127	6,131
Other receivables from Group	4,412	4,639
Other receivables	4,539	10,770
Financial loans Group	8,379	16,029
Accrued income/prepaid expenses	17	69
Total current assets	15,224	27,726
Fixed assets		
Investments in subsidiaries	83,156	77,783
Participation loans	11,714	8,451
Financial loans Group	22,765	9,602
Patents	3,088	3,493
Total fixed assets	120,723	99,329
Total assets	135,947	127,055

Liabilities and shareholders' equity	31.12.01	31.12.00
	CHF 1,000	CHF 1,000
Short-term liabilities		
Other liabilities to third parties	132	359
Other liabilities to the Group	8,042	1,253
Bank loans	0	4,500
Total short-term liabilities	8,174	6,112
Long-term liabilities		
Bank loans	21,930	14,140
Financial loans Group	0	17,000
Accrued expenses/deferred income	486	261
Provisions	50	576
Total long-term liabilities	22,466	31,977
Total liabilities	30,640	38,089
Shareholders' equity		
Share capital	31,389	31,000
Premium	24,299	22,630
General statutory reserves	100	100
Reserves for treasury shares	2,164	380
Free reserves	25,215	16,000
Retained earnings	2,216	2,532
Profit for the financial year	19,924	16,324
Total shareholders' equity	105,307	88,966
Total liabilities and shareholders' equity	135,947	127,055

Income statements

	2001	2000
	CHF 1,000	CHF 1,000
Income		
Dividend income	20,390	17,527
Services for Group companies	3,328	4,073
Financial income	1,782	1,255
Total income	25,500	22,855
Expenditure		
Administrative expense	1,948	1,850
Financial expense	1,830	2,688
Value adjustments and amortizations	405	1,289
Other expenditure	688	602
Total expenditure	4,871	6,429
Profit before tax	20,629	16,426
Tax	705	102
Profit after tax	19,924	16,324

Remarks concerning the financial statements of Komax Holding AG

Balance sheet

1. Assets

The year under review saw the establishment of Komax South Africa in Port Elizabeth and Komax Morocco in Casablanca. It also saw the takeover of the US company Prime Automation Inc. in Rockford. Prime is involved in assembly automation and was therefore incorporated into the sub-holding company Sibos Holding Corporation.

The CHF 8.8m increase in the balance-sheet item "Loans" is primarily due to the acquisition of Prime Automation Inc. by Sibos Holding Corp. Sibos AG is also constructing a new building and investments were made by various subsidiaries. The acquisition and the investments by subsidiaries were largely financed by loans granted by Komax Holding AG.

The item "Other receivables from third parties" has fallen sharply in comparison with 2000. The reason for this is that in 2000 this item included withholding tax balances from the dividend payment of Komax AG. In the year under review, a new rule allowed all of the dividend to be transferred to Komax Holding AG and allowed the withholding tax to be reported to the Swiss federal tax authorities.

2. Liabilities

With the dividend payment of Komax AG, it was possible to repay the loan of CHF 17m granted by this company.

CHF 3.3m in additional borrowings were taken up to ensure the financing of subsidiaries. In addition, borrowings vis-à-vis Komax AG rose by CHF 6.8m. The remaining financing requirement was covered by internally generated funds.

The self-financing ratio increased by 7.5% points, from 70% in 2000 to 77.5% in 2001.

The reserves for treasury shares were adjusted from CHF 0,380m in the previous year to CHF 2.164m to reflect holdings at December 31, 2001.

Income Statement

3. Income

The dividend income of Komax Holding AG came from Komax AG and Komax Germany.

The item "Services for Group companies" consists mainly of remuneration for management services rendered by the Group Management.

The item "Financial income" includes interest on loans granted to Group companies and realized gains from securities sales.

4. Expenditure

Administrative expenditure consists of costs charged for own Group services which accrued directly to Komax AG. Group services primarily comprise management services in the areas of marketing, distribution, finance and information technology.

Financial expenditure contains interest on loans payable to third parties and Group companies as well as valued and realized exchange rate losses. The decrease of CHF 0.9m from CHF 2.7m to CHF 1.8m is partly attributable to exchange rate gains resulting from the lower USD in the case of bank loans and partly to higher EUR positions in Group loans. The interest charge was the same as in the previous year.

5. Taxes

The taxes of CHF 0.7m are made up of the provisional calculations of CHF 0.2m for 2000 and 2001 and the final calculations of CHF 0.5m for 1995 – 1998.

Notes to the 2001 financial statements

1. Contingent liabilities

	31.12.01 CHF 1,000	31.12.00 CHF 1,000
Guarantees (in favor of subsidiaries)		
in CHF	19,500	26,400
in USD	3,260	3,380
Total	22,760	29,780

2. Direct and indirect equity participations

Firm	Reg. office	Nature of business	Share capital	Interest¹⁾
Komax AG	Dierikon, Switzerland	Development, manufacture and sale of wire-processing machines	CHF 5,000,000	100%
Technology Trading Company (TTC)	Dierikon, Switzerland	Trading company	CHF 100,000	100%
Komax Corporation	Buffalo Grove, USA	Manufacture (assembly) and sale of wire- processing machines	USD 1,000,000	100%
Komax Portuguesa S.A.	S. Domingos de Rana, Portugal	Manufacture (assembly) and sale of wire- processing machines	EUR 1,500,000	100%
Komax France Sarl.	Epinay-sur- Seine, France	Development, manufacture and sale of wire-processing machines	EUR 1,500,000	100%
Komax Deutschland GmbH	Nuremberg, Germany	Sale of wire-processing machines	EUR 400,000	100%
Komax Singapore Pte. Ltd.	Singapore	Sale of wire-processing machines	SGD 100,000	100%
Komax Comercial do Brasil Ltda.	Sao Paulo, Brazil	Sale of wire-processing machines	BRL 200,000	100%
Komax Japan K.K.	Tokio, Japan	Sale of wire-processing machines	JPY 80,000,000	100%
Komax SA Pty. Ltd.	Port Elizabeth, South Africa	Sale of wire-processing machines	ZAR 400,000	100%
Komax Maroc Sarl.	Casablanca, Morocco	Sale of wire-processing machines	MAD 100,000	100%
Sibos AG	Urdorf, Switzerland	Development, manufacture and sale of systems for rationalizing production and assembly processes	CHF 5,000,000	100%
Sieba AG	Urdorf, Switzerland	Holding company	CHF 500,000	100%

Sibos Holding Corp.	Buffalo Grove, Illinois, USA	Holding company	USD	200,000	100%
Sibos Corp. ²⁾	Buffalo Grove, Illinois, USA	Sales of systems for rationalizing production and assembly processes	USD	200,000	100%
Sibos Ascor Inc. ²⁾	York, Pennsylvania, USA	Development, manufacture and sales of systems for rationalizing production and assembly processes	USD	150	100%
Sibos Prime Inc. ²⁾	Rockford, Illinois, USA	Development, manufacture and sales of systems for rationalizing production and assembly processes	USD	10,000	100%

¹⁾ Overall interest held within Group. ²⁾ Subsidiaries of Sibos Holding Corp.

3. Conditional capital

Under the current Articles of Association, as of December 31, 2001 the conditional capital consists of 250,000 registered shares created for executive and employee share ownership schemes. Under the Komax Group's executive share ownership plan, 200,000 options had been issued up to December 31, 2001 and in 2001 38,900 options were converted to shares for the first time. Shares issued as a result of the exercise of options are entitled to dividends from the date of issue.

4. Treasury shares

Change 2001	01.01.01	Increase	Decrease	31.12.01
Initial holdings	2,729			
Purchase (ø CHF 103.96 / share)		61,139		
Sale (ø CHF 135.81 / share)			33,868	
End-of-period holdings				30,000
Total	2,729	61,139	33,868	30,000

Change 2000	01.01.00	Increase	Decrease	31.12.00
Initial holdings ¹⁾	6,450			
Purchase (ø CHF 144.67 / share)		8,930		
Sale (ø CHF 140.48 / share)			12,651	
End-of-period holdings				2,729
Total	6,450	8,930	12,651	2,729

¹⁾ To facilitate comparison, all totals and movements are based on the number of shares following the stock split on May 24, 2000.

5. Major shareholders**at December 31, 2001**

Shareholder/shareholder group	No. of shares	Interest
Max Koch, Meggen	435,970	13.9%
Micro Value, Zurich	275,000	8.8%
Julius Baer, Multistock SICAV, Luxembourg	260,330	8.3%
Management team of Komax Group (incl. middle management)	251,700	8.0%

at December 31, 2000

Shareholder / shareholder group	No. of shares	Interest
Max Koch, Meggen	436,470	14.1%
Management team of Komax Group (incl. middle management)	321,200	10.4%
The Madrano Trust, Bermuda	312,000	10.1%
Micro Value, Zurich	262,000	8.4%
Julius Baer, Multistock SICAV, Luxembourg	253,360	8.2%

There are no other items that need to be reported under Sections 663b and 663c of the Companies Act.

Proposal for the appropriation of profit

Proposal for the appropriation of profit

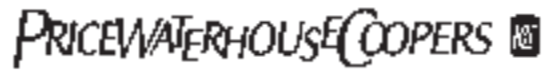
	31.12.01	31.12.00
	in whole francs	in whole francs
Balance carried forward from previous year ¹⁾	2,215,906	2,531,855
Profit for year	19,923,890	16,324,460
Total	22,139,796	18,856,315

The Board of Directors proposes the following appropriation

Dividend	3,199,310	5,580,000
Allocation to free reserves	18,000,000	11,000,000
Profit carried forward	940,486	2,276,315
Total	22,139,796	18,856,315

¹⁾ Previous year's balance carried forward less dividend payments of CHF 60,409.- for options converted to shares before the dividend payment date.

The dividend proposed by the Board of Directors was calculated on the basis of the number of shares entitled to dividends at the time when the decision was taken by the Board of Directors. As a result of the exercising of options there may be a further increase in the number of shares entitled to dividends by the time the General Meeting is held on May 15, 2002. For the same reason, the dividend actually paid out the previous year amounts to CHF 5,640,409.-.



PricewaterhouseCoopers AG
St. Albanenstrasse 27
Postfach 5417
8002 Basel
Switzerland
Telefon +41 79 31 11
Telefax +41 79 31 11 11

Report of the statutory auditors
to the general meeting of
Komax Holding AG
Dierikon

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes) of Komax Holding AG for the year ended 31 December 2001.

These financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with the law and the Swiss company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

A. Baur

P. Seiler

Basel, 29 March 2002

Information for investors

Contact address

Komax Holding AG
Nicole Kuster-Stadler
Industriestrasse 6
CH-6036 Dierikon-Lucerne
Phone 0041 41 455 0 616
Fax 0041 41 450 1 024
nicole.kuster@komax.ch

Financial calendar

Annual Press Conference/ Analysts' presentation	April 9, 2002
Annual General Meeting	May 15, 2002
Shareholders' Letter half-year results	September 2002
Preview of results for 2002	January 2003
Annual Press Conference/ Analysts' presentation	April 8, 2003
Annual General Meeting	May 14, 2003

Ticker symbols

Swiss Securities No.	1,070,215
Telekurs	KOMN
Reuters	KOMn.S

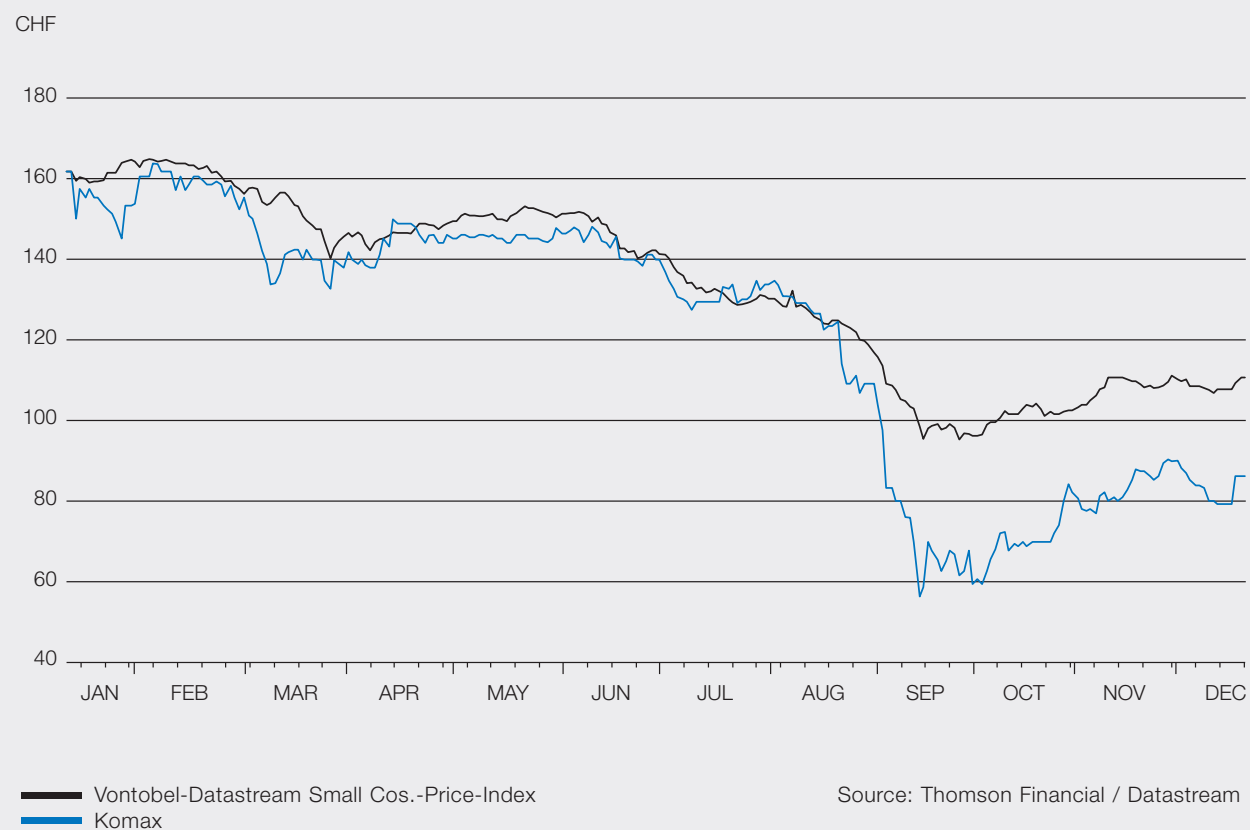
Key figures

		2001 ¹⁾	2000 ¹⁾
Share capital on 31.12.	CHF 1,000	31,389	31,000
No. of shares on 31.12.	No.	3,138,900	3,100,000
Par value per share	CHF	10	10
Stock-market capitalization on 31.12.	CHF 1,000	276,223	499,100
- in % of net sales	%	140.3	235.9
- in % of shareholders' equity	%	232.6	450.7
Basic earnings per share	CHF	4.47	8.49
Operating profit plus depreciation (EBITDA) per share	CHF	8.47	12.58
Dividend per share	CHF	1.00 ²⁾	1.80
Equity per share	CHF	38.10	35.80
P/E (price/earnings ratio) on 31.12.		19,7	19,0
Dividend yield	%	1.14	1.12
Operating profit plus depreciation (EBITDA) in % of net sales	%	13.4	18.4
Operating profit (EBITA) in % of net sales	%	10.2	15.8
Operating profit (EBIT) in % of net sales	%	9.5	15.6
Group profit after tax (EAT) in % of net sales	%	7.1	12.4
Shareholders' equity in % of total assets on 31.12.	%	56.9	55.0
Free cash flow before investments in participations	CHF 1,000	2,894	8,596
Free cash flow after investments in participations	CHF 1,000	-8,163	181
Net indebtedness (-) / net assets (+) on 31.12.	CHF 1,000	-26,884	-9,207

¹⁾ The financial statements were prepared in accordance with IAS (International Accounting Standards).

²⁾ Proposal of the Board of Directors of Komax Holding AG.

Share price performance Jan. 1, 2001 – Dec. 31, 2001



Issue price	June 11, 1997	CHF	43.50 ¹⁾
Market price	on December 31, 2001	CHF	88.—
	high 2001	CHF	163.—
	low 2001	CHF	59.—
	on March 26, 2002	CHF	83.—

¹⁾ 10-for-1 share split on May 24, 2000. To facilitate comparison with the reporting year, the issue price has been adjusted.

On December 31, 2001, the following shareholders held interests in Komax Holding AG:

	No. of shares	%
Max Koch, Meggen	435,970	13.9
Micro Value, Zurich	275,000	8.8
Julius Bär, Multistock SICAV, Luxembourg	260,330	8.3
Management team of Komax Group (incl. middle management)	251,700	8.0
Public shareholders	1,915,900	61.0

Five-year overview of share ratios

		2001	2000 ¹⁾	1999	1998	1997 ²⁾
Share capital on 31.12.	CHF 1,000	31,389	31,000	31,000	31,000	31,000
Number of shares on 31.12.	No.	3,138,900	3,100,000	310,000	310,000	310,000
Average number of shares	No.	3,116,776	3,093,377	310,000	310,000	278,890
Basic earnings per share ³⁾	CHF	4.47	8.49	7.18	5.25	4.09
EBITDA per share ³⁾	CHF	8.47	12.58	10.61	8.57	8.48
EBITA per share ³⁾	CHF	6.44	10.84	9.08	7.38	7.04
EBIT per share ³⁾	CHF	6.00	10.64	8.92	7.21	7.04
Equity per share ³⁾	CHF	38.10	35.80	29.13	22.72	20.34
Dividend ³⁾	CHF	1.00 ⁴⁾	1.80	1.50	1.10	0.80
High ³⁾	CHF	163.—	176.—	108.90	84.50	58.30
Low ³⁾	CHF	59.—	102.60	61.10	52.20	48.—
Closing price on 31.12. ³⁾	CHF	88.—	161.—	106.—	69.—	52.—
Average daily trading volume	No.	2,346	2,570	595	955	1,383

¹⁾ 10-for-1 share split on May 24, 2000.

²⁾ IPO in June 1997 with simultaneous capital increase of CHF 7.0m par.

³⁾ 10-for-1 share split on May 24, 2000. To facilitate comparison with the reporting year, the prior-year figures has been adjusted.

⁴⁾ Proposal of the Board of Directors of Komax Holding AG.

Additional information

Registration of shares, voting rights and obligation to submit purchase offer

In principle, anyone acquiring Komax shares is entered in the share register of Komax Holding AG. The person acquiring the shares is listed as a shareholder with voting rights up to a maximum of 5% of the total number of shares published in the Commercial Register. Any person owning more than 5% of the published shares will be entered as a shareholder without voting rights for the portion in excess of 5% (Articles of Association of Komax Holding AG, Art. 6.4ff).

Accordingly, individual shareholders may not represent more than 5% of the total number of shares published in the Commercial Register at General Meetings (Articles of Association of Komax Holding AG, Art. 10.3). If a shareholder reaches or exceeds the threshold of 33 $\frac{1}{3}$ %, he is required to submit an offer to all shareholders for the purchase of their shares (Art. 32. Federal Stock Exchange and Securities Trading Act).

Background information on shares

Komax Holding AG has a single class of stock: registered shares with a par value of CHF 10.—. These shares are listed on the SWX Swiss Exchange under the securities identification no. 1,070,215.

Dividend

The amount distributed to shareholders in the form of dividends depends on the general course of business and financial results of the company as well as on other relevant factors. The Board of Directors sets the dividend policy to reflect the development of Group profits. The target payout ratio is between 20% and 25%.

Financial communication

Komax Holding AG publishes comprehensive financial results twice a year for the first half and for the full year. The company is committed to swift, transparent and simultaneous information for all stakeholder groups. The consolidated financial statements are prepared in conformity with IAS standards to meet the needs for detailed financial information of an increasingly international shareholder base. Shareholders and the financial markets are additionally regularly briefed on important changes and developments affecting the company.

