

# Corporate Overview



2001 was a challenging year by every account. The prevailing economic uncertainty was heightened by the terrorist attacks on 11th September. Like many other global industries, the footwear industry needed to operate cautiously. Nonetheless, Yue Yuen has continued to demonstrate modest growth, enabling the Group to strengthen its status as the world's largest contract manufacturer of footwear products.

2 ) Turnover for the fiscal year ended 30th September, 2001 totaled US\$1,779.7 million, an increase of 5.2% over the same period in 2000. Net profit rose by 1.2% to US\$212.8 million compared with US\$210.2 million in 2000, while earnings per share for the financial year under review totaled US\$0.302, versus US\$0.297 in 2000. Total production volume increased 10% to 113.5 million pairs from 103.1 million pairs in 2000.



During the year, the Group continued to pursue a multi-faceted growth strategy through a combination of vertical and horizontal expansion.

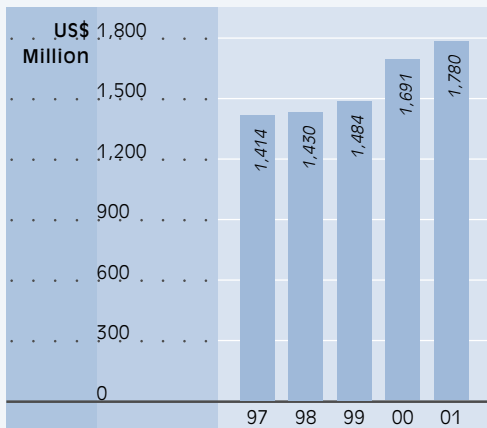
In addition, the Group has been exploring more opportunities in China, including wholesale distribution and retail operations.

The Group is also working on developing systems and technology to provide fully integrated supply chain and logistics solutions to shorten lead time for inbound materials and products outbound, reduce inventory level and logistics costs.

To further its horizontal expansion, the Group also initiated measures to increase production capacity in China, Indonesia and Vietnam. During the year, the Group increased the number of production lines to 227 from 215 in 2000.

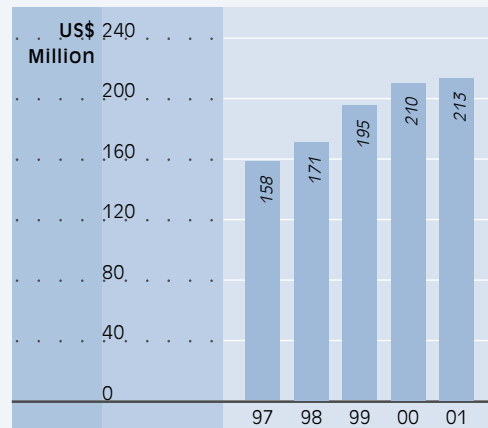
### CONTINUOUS GROWTH

#### Turnover



Consolidated Turnover US\$ million

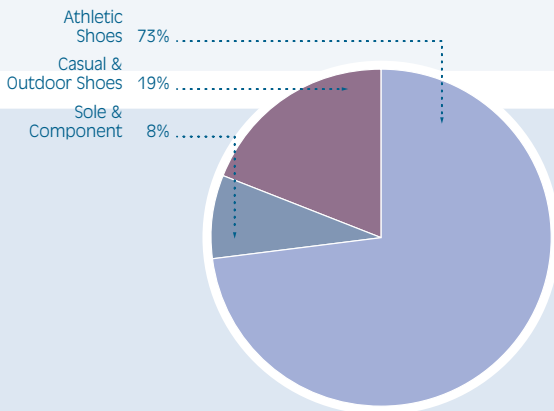
#### Profit



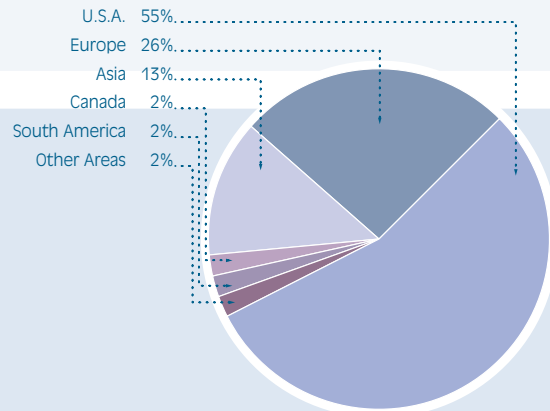
Consolidated Profit US\$ million

### TURNOVER ANALYSIS

#### Turnover by Category



#### Turnover by Geographical Market



Turnover for the year US\$1,780 million