

The highlight in this difficult year has been the growth of our digital laser imaging services network.

面對時艱，數碼激光沖印服務網絡的擴展步伐更見突出。



The past year was marked by fierce competition in both Hong Kong and China and the fall in the Japanese Yen and Euro currency, which attracted parallel imports and further intensified the competition in both markets. Most of our business segments saw a downturn in performance compared to last year. However, I believe our business has weathered the worst of this competition, and we look forward to getting back on track for steady growth as the China market continues to grow and to open up in the years ahead.

Our total turnover for the year was HK\$1,531 million, compared to HK\$1,514 million last year, and profit attributable to shareholders was HK\$53 million, a decrease of 48.4%. The directors have recommended a dividend of HK1 cent per share for the year.

In spite of tough market conditions, we have successfully built the foundations for the future success during the year under review. The highlight in this difficult year has been the growth of our digital laser imaging services network. The Fujifilm Digital Imaging (FDI) network

在過去一年，集團在中、港兩地的業務均面對激烈競爭，歐、日貨幣貶值吸引水貨進口，令市場競爭更趨嚴峻。然而，儘管集團大部分業務的表現均較去年遜色，但本人深信集團已克服最惡劣的競爭環境，而隨著中國市場於未來數年持續增長和開放，我們預期集團業務將重上升軌、穩步增長。

年內集團的營業總額為港幣十五億三千一百萬元，去年則為港幣十五億一千四百萬元。股東應佔溢利為港幣五千三百萬元，減少百分之四十八點四。董事會建議派發全年股息每股港幣一仙。

儘管市道疲弱，年內集團仍為未來的成功發展奠定穩固根基。面對時艱，富士數碼激光沖印服務網絡的擴展步伐更見突出。富士數碼激光沖印設備已有超過 250 台



In China, our FDI network covers more than 30 major cities, including Beijing, Shanghai, Guangzhou and Chengdu.

在中國，富士數碼激光沖印網絡的覆蓋面超過 30 多個城市，包括北京、上海、廣州及成都等。

now comprises over 250 units in China, Hong Kong and Macau, and is the market leader in digital laser imaging. The cornerstone of the FDI concept is the Frontier Minilab, which is unrivalled in terms of its flexibility as a tool for traditional as well as digital photo-services.

Building on our retail strategy, the Group acquired Fotomax Holdings Limited from Li & Fung (Retailing) Limited in August 2001. Fotomax now operates as an independent retail arm of the Group. The Fotomax chain of high-end outlets includes more than 60 stores in Hong Kong and 10 in Beijing, Shanghai, Guangzhou and Shenzhen. We are confident about the long-term future for this retail arm of the Group, and particularly look forward to the opportunities for expansion in China as consumer spending grows and consumers in the major cities become increasingly sophisticated.

The third significant development of the year was obtaining the right to distribute Fujifilm graphic arts products in Hong Kong, China and Macau in March 2002, enabling us to carry almost the full product line of Fujifilm products. The agreement will be effective from 1 May

在中港澳三地的服務中心投入服務，穩佔數碼激光沖印業的領導地位。集團這項業務以數碼激光沖印系統Frontier為基石。該系統能提供傳統及數碼沖印服務，其性能靈活卓著、無可比擬。

為配合擴展零售業務的策略，集團於二〇〇一年七月向利豐(零售)有限公司收購快圖美控股有限公司。快圖美現為集團旗下獨立運作的零售業務機構，其高級連鎖店網絡在本港共有超過六十間門市，另有十間分店遍佈北京、上海、廣州及深圳。集團深信快圖美極具長遠的發展潛力，而隨著內地消費不斷增長，加上各大城市消費者的要求日益提高，集團將能把握在內地擴展的機會。

年內第三項重大的業務發展，乃於二〇〇二年三月取得富士印刷器材在中港澳三地的分銷權，至此集團已接近取得富士全線產品的經銷權。上述協議於二〇〇二年



Fotomax

Fotomax's success in building a high-end photo processing chain store network will add strength to the Group's efforts to tap into the enormous mainland market.

快圖美

快圖美在建立高質數影像服務連鎖店方面的卓越成就，將會加強集團在國內市場的業務擴展行動。



Fuji Graphic Arts Products Co. Ltd

The acquisition of distribution rights for Fuji Graphic Arts Products signifies the long-standing relationship and trust between Fuji Japan and the Group. We believe this new operation will generate positive revenue for the Group.

富士印刷器材有限公司

取得富士印刷製品這項分銷權正彰顯了日本富士與集團的悠久關係以及對集團的信任。我們深信這項新業務將能為集團提供理想的收入。

2002, and underscores the solid partnership we have with Fujifilm Japan. Sales of graphic arts products account for a significant portion of revenue for Fujifilm Japan's Information Systems Section and we expect this business line to contribute significant additional revenue to the Group in the medium-term. In particular, the development of networked and digitized systems in the printing industry should provide opportunities for growth, especially in China.

Our greatest opportunities in the future still lie in mainland China. We have always said that China's admission to the WTO and an increasingly open market should stimulate further economic growth and demand, and result in easier distribution for photographic products and services. Over the past year we have seen the gradual realization of this promise, but the process will continue to be a slow one. At the same time we have to deal with increased competition, and we have seen intense price competition over the past year as well as competition for distribution channels and customer market share.

In the face of this, it is ever more imperative that we manage the costs of our business effectively. The Group has no bank borrowings and our operations have been streamlined continuously. In April 2002, we implemented a new Enterprise Resources Planning (ERP) system that will enable us to manage the various strands of our business more cost-effectively in the future.

五月一日生效，見證集團與日本富士之間穩固的夥伴關係。印刷器材是日本富士資訊系統部門的重要收入來源，因此我們預期印刷器材經銷業務可於中期內為集團增加可觀的收益。此外，隨著印刷業內網絡技術及數碼系統不斷發展，相對地提供不少增長機會，尤其是在中國內地。

展望未來，中國大陸仍然是集團增長潛力最高的市場。集團一直表示，中國加入世貿以及內地市場加速開放，將進一步刺激經濟增長及消費需求，因而促進沖印產品和服務的分銷業務。去年，集團的看法逐漸得到事實印證，但這個發展過程將會保持緩慢。同時，集團必須應付日益加劇的競爭，去年除價格競爭激烈，分銷渠道及市場佔有率方面的競爭亦見加劇。

面對當前挑戰，有效控制經營成本更見重要。集團並無向銀行借貸，而且不斷精簡業務運作。於二〇〇二年四月，集團推行嶄新的企業資源計劃系統(Enterprise Resources Planning)，務求全面提升業務的成本效益。

隨著歐日匯價回升，集團預期水貨進口的情況將於來年得到改善。

As the Japanese Yen and the Euro have begun to appreciate again, the pressure of parallel imports is also likely to improve in the current fiscal year.

Encouragingly, domestic tourism in China has shown steady growth since 1990. In 2000, there were 740 million domestic tourists, compared to 639 million in 1996, and their average spending power has increased too, from RMB\$256 in 1996, to RMB\$ 426 in 2000. Whether people are visiting scenic spots in China, or traveling to Hong Kong and Macau, we look forward to providing products and services that enable them to capture their holiday memories in all three places.

The success of our business depends on three very important partnerships, with Fujifilm Japan, with the members of our Fujifilm Digital Imaging Service and Fujifilm Image Service schemes, and with our hard-working team of employees. Our partnership with Fujifilm dates back over 34 years, and was further strengthened this year by the additional distribution agreement for Fujifilm graphic arts products. Our network of members is growing steadily, and we have invested time, energy and money to ensure their needs are well met. I would like to extend my thanks to all three of our groups of partners for their dedication and hard work during a challenging year.

Dr Dennis Sun Tai Lun

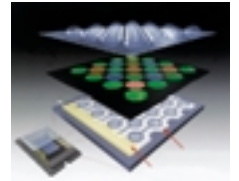
Chairman and Managing Director

另一方面，中國的本地旅遊業自一九九〇年以來一直穩定增長。二〇〇〇年，中國內地遊客達七億四千萬人，較一九九六年的六億三千九百萬人有所增加。他們的人均消費額亦錄得可觀增長，由一九九六年的人民幣二百五十六元，上升至二〇〇〇年的人民幣四百二十六元。不論這些遊客是在國內遊覽，還是前來港澳地區觀光，集團均期望能提供合適的產品和服務，讓他們捕捉在中港澳三地旅遊的美好回憶。

集團的成功有賴與三方面維繫非常重要的夥伴關係，其中包括日本富士、富士影像服務及富士數碼激光沖印網絡成員，以及一班勤奮的員工。集團與日本富士的夥伴關係已維持超過三十四年，今年更透過簽訂富士印刷制品的分銷協議，進一步加強合作。另一方面，沖印服務網絡的成員數目亦穩定增長，集團已投入大量時間、人力和物力，確保全面照顧各成員的需要。對於這些夥伴在過去一年克服種種挑戰，專心致志、努力不懈，本人謹致衷心謝意。

孫大倫博士

主席兼董事總經理



Fujifilm's 3rd Generation Super CCD System

The 3rd generation Super CCD system further expands the possibilities of FinePix digital cameras through the outstanding ultra-high 1600 ISO sensitivity and high-quality VGA-sized movie recording.

富士第三代超級CCD系統
 第三代超級CCD系統具備ISO 1600超高感光度及優質VGA短片的拍攝功能，進一步提升FinePix數碼相機的性能。

The Frontier 330 was launched in December 2001,
and has been well-received by the market

Frontier 330自二〇〇一年十二月
推出以來，一直深受市場歡迎

富士數碼 激光沖印

Fujifilm Digital Imaging

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