

VTech in the Last Five Years

Consolidated income statement for the years ended 31st March						
	Note	1998 US\$ million	1999 US\$ million	2000 US\$ million	2001 US\$ million	2002 US\$ million
Turnover	(i)	841.7	960.6	1,045.9	1,334.9	959.8
Cost of sales	(ii)	(524.5)	(611.6)	(723.2)	(1,013.6)	(671.0)
Gross profit		317.2	349.0	322.7	321.3	288.8
Selling and distribution costs		(145.1)	(163.5)	(179.7)	(275.2)	(153.8)
Administrative and other operating expenses	(iii) & (iv)	(55.8)	(58.4)	(54.1)	(69.2)	(65.0)
Research and development expenses	(ii)	(30.1)	(40.3)	(42.7)	(66.6)	(33.0)
Loss on disposal of subsidiaries		(6.6)	—	—	—	—
Restructuring and impairment charges		—	—	—	(110.4)	(14.0)
Operating profit/(loss)		79.6	86.8	46.2	(200.1)	23.0
Net finance (costs)/income		1.0	1.1	1.3	(12.5)	(8.6)
Share of results of associates		—	—	(0.1)	(0.5)	(0.5)
Profit/(loss) before taxation		80.6	87.9	47.4	(213.1)	13.9
Taxation	(v)	(11.0)	(5.5)	(2.5)	(1.8)	(2.6)
Profit/(loss) after taxation		69.6	82.4	44.9	(214.9)	11.3
Minority interest		—	(0.1)	(0.1)	(0.1)	(0.1)
Profit/(loss) attributable to shareholders		69.6	82.3	44.8	(215.0)	11.2
Earnings/(loss) per share (in US cents)	(vi) & (vii)	32.3	38.6	21.0	(96.7)	5.0
(i)	Turnover includes the following amounts attributable to discontinued operations:	14.9	—	—	—	—
(ii)	Depreciation on moulds for new products that ultimately go into production for the years ended 31st March 1998 to 31st March 2000 has now been reclassified and included within cost of sales instead of within research and development expenses by the following amounts:	5.3	7.5	7.8	—	—
(iii)	Administrative and other operating expenses have been adjusted for the effect of IAS 19 (revised in 1998) by the following amounts:	0.4	0.6	—	—	—
(iv)	Administrative and other operating expenses have been adjusted for the effect of IAS 40 by the following amounts:	0.2	(0.4)	(0.2)	—	—
(v)	Taxation has been adjusted for the effect of IAS 12 (revised in 1996) by the following amounts:	(0.1)	—	—	—	—
(vi)	The earnings per share for the years ended 31st March 1998 to 31st March 1999 have been adjusted for the scrip dividend issued on 8th February 2000.					
(vii)	The earnings per share for the years ended 31st March 1998 to 31st March 1999 have been adjusted for the effect of IAS 12 (revised in 1996) on the taxation charges and IAS 19 (revised in 1998) on administrative and other operating expenses set out in (iii) & (v) above.					

Consolidated statement of net assets as at 31st March						
Note	1998 US\$ million	1999 US\$ million	2000 US\$ million	2001 US\$ million	2002 US\$ million	
Non-current assets						
Tangible assets	(i)	103.2	100.6	165.9	96.0	58.0
Leasehold land payments	(ii)	7.2	7.1	7.1	7.0	3.1
Negative goodwill		—	—	(32.2)	—	—
Deferred tax assets	(iii)	7.5	5.4	4.3	4.0	4.3
Investments		0.2	0.2	1.8	0.5	0.4
		118.1	113.3	146.9	107.5	65.8
Current assets						
Stocks		119.5	91.9	256.8	187.5	94.4
Assets held for sale		—	—	—	30.4	24.5
Debtors and prepayments	(iv)	119.5	148.0	244.5	255.6	165.3
Taxation recoverable		0.3	2.2	3.1	3.6	3.0
Cash at bank and deposits		55.0	97.3	79.6	56.2	63.3
		294.3	339.4	584.0	533.3	350.5
Current liabilities	(iv) & (v)	(170.8)	(154.6)	(262.0)	(421.7)	(259.7)
Net current assets		123.5	184.8	322.0	111.6	90.8
Total assets less current liabilities		241.6	298.1	468.9	219.1	156.6
Long-term liabilities						
Borrowings		(6.1)	(14.1)	(169.7)	(136.9)	(65.2)
Deferred tax liabilities	(iii)	(1.1)	(1.7)	(1.4)	(1.3)	(1.2)
		(7.2)	(15.8)	(171.1)	(138.2)	(66.4)
Minority interest		(0.9)	(0.7)	(0.8)	(0.9)	(0.8)
Net assets/Shareholders' funds		233.5	281.6	297.0	80.0	89.4
(i)	Tangible assets have been adjusted in accordance with IAS 40 by the following amounts:	(9.4)	(8.5)	(6.9)	(6.8)	—
(ii)	Leasehold land payments have been adjusted in accordance with IAS 40 by the following amounts:	7.2	7.1	7.1	7.0	—
(iii)	Deferred tax assets and liabilities have been adjusted for the effect of IAS 12 (revised in 1996) by the following amounts:					
	Deferred tax assets	7.5	—	—	—	—
	Deferred tax liabilities	(1.1)	—	—	—	—
(iv)	Debtors and prepayments and current liabilities have been adjusted to include pension assets in accordance with IAS 19 (revised in 1998) by the following amounts:					
	Debtors and prepayments	0.7	1.4	—	—	—
	Current liabilities	(0.7)	(0.8)	—	—	—
(v)	Current liabilities have been adjusted to exclude the final dividend proposed in accordance with IAS 10 (revised in 1999) by the following amounts:	21.2	26.5	—	—	—