

YUE YUEN (SEHK: 551) AT A GLANCE.....

WORLD'S **LARGEST** BRANDED ATHLETIC
AND CASUAL FOOTWEAR MANUFACTURER

STRIVING TO GROW –
TOP LINE AND BOTTOM LINE

Principal Business Strategies

- Expand horizontally
- Grow vertically
- Pursue business opportunities in China
- Develop logistics services



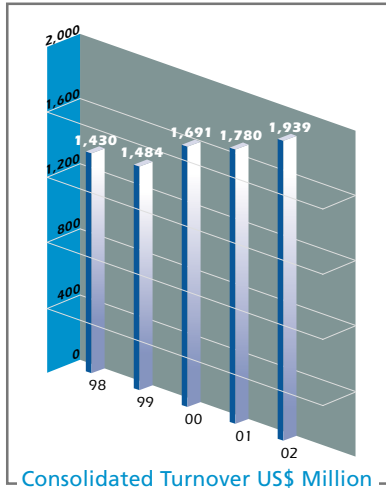
Production Bases In Asia

2002 MAJOR STRATEGIC BUSINESS ACHIEVEMENTS

- **February:** Acquired an indirect interest in Symphony Holdings Limited, a Hong Kong listed company engaged principally in the manufacturing and trading of footwear.
 - Transaction enhances the Group's performance and business opportunities in China.
- **April:** Formed a joint-venture company, SupplyLINE Limited, to act as a Lead Logistics Provider ("LLP") for the footwear, apparel and electronics industries.
 - Further accelerating its upstream and downstream integration, the Group is also developing logistics solutions that shorten lead time for inbound materials and outbound products and reduce inventory levels.
- **November:** Acquired shares in 67 companies engaged in the manufacturing of raw materials, production tools and shoe components for shoe manufacturing from the Group's parent company, Pou Chen Corporation.
 - The acquisition extends the Group's upstream vertical integration, expands its core footwear business, and consolidates its market leadership.

FINANCIAL AND OPERATING HIGHLIGHTS AS OF THE YEAR ENDED 30TH SEPTEMBER

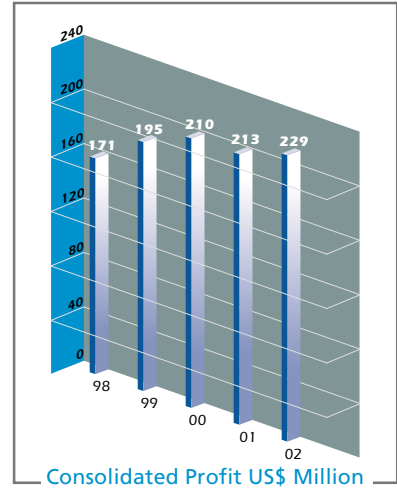
(US\$ millions, except otherwise stated)	2002	2001	% Change
Total Production Volume (million pairs)	130.4	113.5	14.9
Turnover	1,938.6	1,779.7	8.9
Profit from Operations	242.7	234.8	3.4
Net Profit	228.6	212.8	7.4
Total Assets	1,936.0	1,655.2	17.0
Capital Expenditure	97.7	181.9	(46.3)
Cash Flow from Operations	307.6	261.0	17.9
Basic Earnings Per Share (US dollars)	0.323	0.302	7.0
Dividends Per Share			
Interim	HK\$0.40	HK\$0.40	0
Final	HK\$0.75 (proposed)	HK\$0.60	25
Full-Year	HK\$1.15 (proposed)	HK\$1.00	15
Net asset value	1,261.5	1,112.5	13.4
Return on Average Shareholders' Equity (%)	19.3	20.2	(4.5)
Gearing Ratio (%)	33	31	6.5
Net debt to equity ratio (%)	8.6	18.9	(54.5)
Number of Shares Outstanding (30/9)	712,180,953	703,680,953	1.2



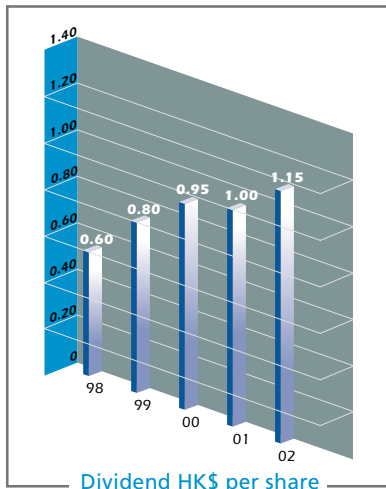
Consolidated Turnover US\$ Million

KEY SHAREHOLDER VALUE DRIVERS

- World's largest branded athletic and casual footwear manufacturer
 - Approximately 16% share of the global market of the branded athletic and casual shoes
 - Principal production facilities in China, Vietnam and Indonesia

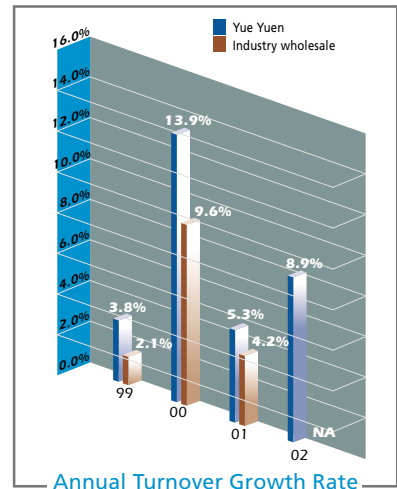


Consolidated Profit US\$ Million



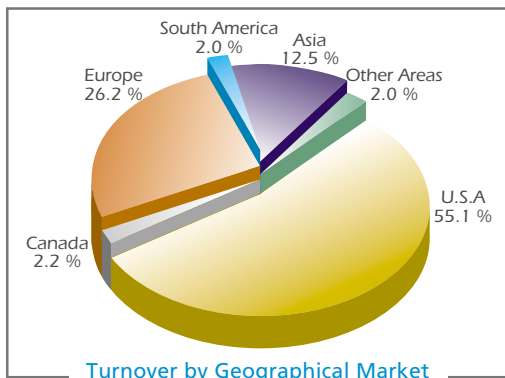
Dividend HK\$ per share

- Proven business model emphasizing strong partnerships with global brand customers
 - Nike, adidas, Reebok, New Balance, Asics, Timberland, Rockport and more
- Yue Yuen's annual turnover growth rate outpacing world's combined branded athletic and casual footwear wholesale market year on year
- Steadily increasing dividend payments

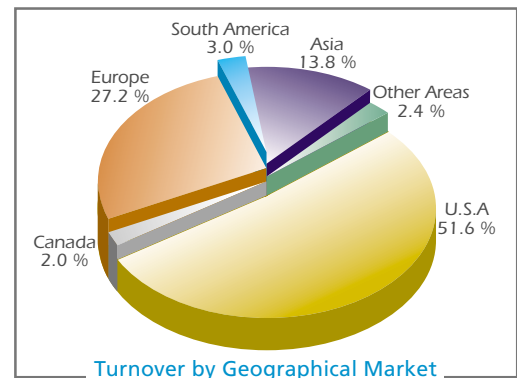


Annual Turnover Growth Rate

MORE DIVERSIFIED DISTRIBUTION TO GLOBAL MARKET



Turnover by Geographical Market
Year 2001



Turnover by Geographical Market
Year 2002