Eichhof Holding Ltd.

ANNUAL REPORT 2003

Analogous translation of the original German version of «Geschäftsbericht 2003».
In case of differences of interpretation arising in comparison to the German version, the wording of the original German version is valid.

Eichhof Holding Ltd

ANNUAL REPORT 2003

Financial year from October 1, 2002, through September 30, 2003

The Eichhof Group raised sales and significantly increased operating profit and net income again in fiscal 2002/2003 compared with the prior year. Its rigorous efforts over the last two years to adapt the two divisions to the changing economic environment and of the structural changes aimed at increasing productivity showed first results. During this period, a series of measures were implemented with a view to simplifying business processes and improving both customer focus and efficiency. At the same time, the Group extended its market presence, streamlined its product range, optimized its distribution structures and increased its innovative strength. The result is very gratifying: the Eichhof Group improved profitability in every field of activity, although restructuring costs diminished the result again and the targets set for the financial result were missed due to the difficult situation in international financial markets.

The beverages division once again strengthened its position as Switzerland's largest independent brewery during the year under review, despite tough international competition. Datacolor, comprising all color division activities, has also strengthened its market position in its sectors, particularly in the growth region of Asia. With its worldleading monitor and printer calibration system, the start-up company ColorVision remains Datacolor's growth engine.

With the substantial structural and organizational adjustments completed across the Eichhof Group, management's top priority is to concentrate on driving growth in both divisions. The additional human and financial resources required for this are in place, and attractive, new products are about to be launched. In order to position itself closer to the customer in the rapidly growing Asian market and profit from the enormous cost advantages in this region, Datacolor is relocating large parts of its production to the Chinese market and, at the same time, substantially strengthening its sales and marketing organization in this area.

With its efficient organization, its strong position in the core markets and an innovative, established product range, the Eichhof Group is well placed to generate a sustained rise in sales and earnings subject to a continuing economic recovery.

On behalf of the Board of Directors, I would like to thank all members of staff for continuing to prove their high commitment to the Eichhof Group. I would also like to thank our customers and partners for their valuable collaboration and our shareholders for the trust they have placed in us over many years.

Eichhof Holding Ltd.

Werner Dubach
Chairman of the Board of Directors

Key Figures

in Mio. CHF	2003	2002	2001	2000	1999
Gross sales	283,3	281,4	289,1	276,3	254,2
Change relative to previous year in %	0,7%	-2,7%	4,6%	8,7%	-8,5%
Beverages Division	200,8	196,4	197,1	178,8	161,5
Change relative to previous year in %	2,2%	-0,4%	10,2%	10,7%	-8,7%
Color Division	79,9	80,4	89,4	94,9	90,3
Change relative to previous year in %	-0,6%	-10,1%	-5,8%	5,1%	-8,8%
Real Estate	2,7	4,6 [1]	2,6	2,6	2,4
Change relative to previous year in %	-41,1%	76,9%	0,0%	8,3%	20,0%
Net sales, consolidated	258,2	256,6	266,4	256,3	234,6
Change relative to previous year in %	0,6%	-3,7%	3,9%	9,2%	-8,9%
Turnover (as a % of average net operating assets)	1,4	1,4	1,2	1,2	1,2
EBITDA	30,1	26,1	17,7	26,6	30,6
Change relative to previous year in %	15,1%	47,5%	-33,5%	-13,2%	24,6%
as a % of net sales	11,6%	10,2%	6,6%	10,4%	13,1%
EBIT	12,9	8,2	3,4	14,8	18,6
Change relative to previous year in %	57,8%	140,7%	-77,0%	-20,4%	6,3%
as a % of net sales	5,0%	3,2%	1,3%	5,8%	7,9%
as a % of average net operating assets	6,9%	4,3%	1,5%	6,6%	9,4%
Net profit	8,1	4,6	4,2	6,5	14,2
Change relative to previous year in %	75,5%	9,5%	-34,5%	-54,4%	-16,2%
as a % of net sales	3,1%	1,8%	1,6%	2,5%	6,0%
as a % of average equity	8,2%	4,2%	3,6%	5,5%	12,1%

[1] inlcudes gain on disposal of investment property of TCHF 1 973

Key Figures Eichhof Group

in Mio. CHF	2003	2002	2001	2000	1999
Cash flow from operating activities	37,0	21,3	7,0	16,5	7,1
Change relative to previous year in %	74,0%	203,8%	-57,6%	132,4%	-77,5%
as a % of net sales	14,3%	8,3%	2,6%	6,4%	3,0%
Net investments in non-current assets	12,7	11,5	9,9	-36,1	14,7
Change relative to previous year in %	10,5%	16,2%	-127,4%	-345,6%	-59,8%
as a % of net sales	34,3%	54,1%	141,4%	-218,8%	207,0%
Free cash flow	24,3	9,8	-2,9	52,6	-7,6
Change relative to previous year in %	148,9%	-436,7%	-105,5%	-792,1%	52,0%
as a % of net sales	9,4%	3,8%	-1,1%	20,5%	-3,2%
Total assets	263,0	293,4	318,1	388,5	325,9
Equity	90,8	107,9	113,1	119,9	116,5
as a % of assets	34,5%	36,8%	35,6%	30,9%	35,7%
Average net operating assets	186,6	188,1	220,9	222,7	197,9
Net debt	81,4	79,3	81,6	68,8	82,9
Gearing [1]	0,90	0,73	0,72	0,57	0,71
EBIT/Interest	2,7	1,5	0,5	2,3	3,5
Number of employees as of 30.09.	654	676	724	750	725
Personnel expenses	64,3	70,9	72,7	69,8	65,0
Number of shares [2]	174 956	185 939	186 084	184 625	190 026
Earnings per share [2]	46,5	24,9	22,7	35,0	74,5
Distribution in %	60,2	102,2	210,5	213,3	47,8
Yield in %	4,0	4,0	5,5	5,9	2,6

[1] Net debt (financial liabilities less cash and cash equivalents and current financial assets) as a % of equity
[2] calculated by the weighted average number of shares outstanding (issued shares less own shares)

Corporate Structure

Eichhof Holding AG, Luzern
Board of Directors

Eichhof Holding
Werner Dubach, CEO
Roland Kleeb, CFO
Franziska Weissen, Assistant
Strategy, Planning, Finance, Controlling

Real Estate
Christof Scherer, Architect

Beverages Division
Marcel Erne, CEO
Eichhof brand-name beers, wine, spirits
International premium beers, non-alcoholic beverages

- **Eichhof Getränke AG**
  Luzern/CH
- **Brauerei Eichhof AG**
  Luzern/CH
- **Bier-Import AG**
  Zürich/CH
- **Kellerei St. Georg**
  Luzern/CH

Color Division
Terry L. Downes, CEO
Color management and color communication,
Laboratory color instruments

- **Datacolor Holding AG**
  - **Datacolor International Ltd.**
    Altrincham/GB
  - **Datacolor AG**
    Dietlikon/CH
  - L **Applied Color Systems Inc.**
    Lawrenceville/USA
  - **Colorvision Administrative AG**
    Luzern/CH
  - **Datacolor Asia Pacific Pte Ltd.**
    Hong Kong/China

Management Structure

Eichhof Holding AG

		Board Member since	Term expires at General Shareholders' Meeting in
Board of Directors	Werner Dubach, Chairman and CEO, CH Diploma Degree in Chemistry ETH Zurich, MBA Wharton School U.P. Member of the Board Conzzeta Holding, Zurich	1981	2004
	Peter Beglinger, CH Dr. iur., University of Zurich Attorney-at-Law/Law office in Zurich President of the Board Altin AG, Baar	1992	2005
	Thomas P. Frutig, CH Swiss Certified Accountant Marc Rich + Co. Holding AG, CEO Chairman REG Real Estate Group, Zurich	1996	2005

Robert F. Spoerry Thomas P. Frutig Werner Dubach Peter Beglinger Hans Peter Wehrli

	Robert F. Spoerry, CH Diploma Degree in ME ETH Zurich, MBA U. Chicago Chairman, President and CEO Mettler-Toledo Int. Inc., Greifensee Member of the Board, Conzzeta Holding, Zurich; Member of the Board, Schaffner Holding AG, Luterbach	1995	2004
	Hans Peter Wehrli, CH Ph.D. in Business Administration University of Zurich Prof. and Dean Faculty of Business Administration University of Zurich Chairman, Belimo Holding AG, Wetzikon; Member of the Board, Swiss Prime Site AG, Olten	2001	2006

Election and term of office

Members of the Board of Directors are elected by the Annual General Meeting of Shareholders for a term of three years. Newly elected members complete the terms of their predecessors. Members may remain in office indefinitely.

Duties and meetings

The Board of Directors is the supreme executive authority of the holding company. It adopts resolutions which determine the company's fundamental direction and oversees the work of senior management.

The Board of Directors meets as often as business requires, but no less than four times per year. Committee meetings are held additionally.

Definition of areas of responsibility and information instruments

The Board of Directors is responsible for determining strategy, the Executive Committee for implementing it. The company's Articles of Association govern the division of responsibility between the Board of Directors and the Executive Committee. The Executive Committee reports monthly to the Board of Directors on current business affairs and quarterly on the balance sheet and income statement.

Committees

The Board of Directors has established committees to support its work. The primary role of these committees is to prepare transactions and oversee the implementation of Board resolutions. Furthermore, the Board of Directors may delegate the final handling of certain transactions to the committees, provided that delegation of such tasks is not prohibited by law. At present the Board has established two committees, the Finance Committee and the Human Resources and Compensation Committee.

Finance Committee: Thomas P. Frutig (Chairman), Werner Dubach, Roland Kleeb

HR and Compensation Committee: Dr. Peter Beglinger (Chairman), Werner Dubach, Thomas P. Frutig

Cross-involvements

There are no cross-involvements.

Business Units

Holding **Management**

Werner Dubach, CEO, CH
Dipl. Ing. Chem. ETH Zurich, MBA Wharton School U.P.
Member of the Board, Conzzeta Holding, Zurich

Roland Kleeb, CFO, CH
BS of Economics (FH), Swiss Certified Fiduciary

Christof Scherer, Real Estate, CH
Architect HTL

Franziska Weissen, Assistant, CH

Roland Kleeb Franziska Weissen Werner Dubach Christof Scherer

Auditors

Eichhof Holding AG's Group and statutory auditor is KPMG Fides Peat, Lucerne. Both mandates were granted by the Eichhof Holding AG Annual General Meeting of Shareholders for one year. The mandate was first given to KPMG in 1992. The head auditor has held that position since fiscal 2001–2002. The amount of the audit fee paid in the period under review amounts to TCHF 625. KPMG is also paid TCHF 252 for tax consulting.

Beverages Division

Executive Committee

Marcel Erne, Chief Executive Officer, CH
MS of Economics (University of St. Gallen)
Member of the Board, SUVA, Luzern

Alex Eigenmann, Marketing/Sales, International Branded Beers, CH
BS of Economics (FH)

Erich Fuchs, Marketing/Sales Beverage Service Eichhof, CH
BS of Economics (FH)

Andreas Gerichhausen, Technique, D
Diploma Degree in Economical Engineering

Alex Eigenmann Andreas Gerichhausen Rolf Nüesch Marcel Erne Erich Fuchs Hans Jud

Rolf Nüesch, Finance and Controlling, CH
Swiss Chartered Public Accountant/Controller

Hans Jud, Logistics, CH

Color Division

Executive Committee

Terry L. Downes, President and Chief Executive Officer, USA
BS of Chemistry; MBA Ryder University

Hans R. Ita, CFO, CH
BS of Economics (HWV)

Gary Brennan, Human Resources, USA
BS of Business Administration

Brian Levey, Business Unit ColorVision, USA
BS of Chemistry

Gary Brennan | Steve Shaw | David E. Slocum | Terry L. Downes | Hans R. Ita | Brian Levey

Steve Shaw, Business Unit Textile Solutions, Taiwan
BA of Social Science, Ph.D. Textile Management

David E. Slocum, Development and Manufacturing, USA
BS of Management

Other activities and functions

The members of the Executive Committee have no permanent management and consulting functions for significant interest groups and hold neither administrative nor political offices.

Management contracts

There are no management contracts.

Compensation, shareholdings and loans

Board of Directors
Cash compensation paid to the members of Eichhof Holding AG's Board of Directors in fiscal 2002–2003 amounted to TCHF 143. Board members also received 260 stock options.

The highest total compensation paid to a single member of the Board of Directors totaled TCHF 558 and was made to the Chairman of the Board for his activities in the Board of Directors and as Chief Executive Officer. In addition, the Chairman of the Board was issued 860 stock options in the year under review.

Executive Committee
The fourteen members of the Executive Committee received total fixed salaries of CHF 2,48 million, variable bonuses of CHF 0,68 million and 1'060 stock options in the 2002–2003 fiscal year.

Shareholdings and options
As at the end of September 2003, members of the Board of Directors held 51'825 registered shares and 1'180 Eichhof Holding AG share options, and Executive Committee members held 505 registered shares and 4'540 Eichhof Holding AG share options. The share options vest in three years and convey the right to purchase registered shares in a ratio of 1:1 (See Financial Report, page 56 for details note 3.18).

Loans granted by governing bodies
There are no outstanding loans granted by the governing bodies.

Compensation for former members of governing bodies
No compensation was paid to former members of governing bodies.

Additional fees and remunerations
No additional fees or remunerations are paid to the Board of Directors or closely linked parties in an amount equal to or greater than the regular compensation for the given board member.

Information for Investors

Legal status of share-holders	Shareholders in Swiss public limited companies are granted extensive statutory participation and protection rights. The shareholding provisions of these participation rights are further supplemented by the company Articles of Association. These ensure – that, pursuant to the Code of Obligations, the Annual General Meeting of Shareholders may be convoked by a one-time announcement in the Swiss Official Commercial Gazette (Schweizerisches Handelsamtsblatt) or by a written invitation for orientation purposes to the registered shareholders, – that an item may be added to the agenda of the Annual General Meeting of Shareholders until no later than 40 days before the date of the meeting, – that every shareholder may, besides the independent proxy provided for by law, allow his or her shares to be represented at the Annual General Meeting by a shareholder with a written proxy form.
Share listing	Eichhof Holding AG's shares (security number 853.104) are listed on SWX Swiss Exchange. Share capital amounts to CHF 177'491.- distributed over 177'491 registered shares with a par value of CHF 1.- each. A conditional capital of CHF 8'800.– was approved by Annual general Meeting.
Registration and voting rights limitations	Registration of purchasers in Eichhof Holding AG's share register is not bound by any conditions. Every shareholder registered with voting rights in the share register is entitled to vote. No new entries in the share register are made within 30 days of the Annual General Meeting of Shareholders. There are no limitations on voting rights.
Duty to make an offer	The company's Articles contain no provisions regarding a duty to make an offer.
Clauses on change of control	There is no clause on change of control.
Cross-shareholdings	There are no cross-shareholdings.
Shareholdings in com-panies	There are no shareholdings in listed companies. Percentage shareholdings in unlisted companies are given on page 58.
Significant shareholders	See Eichhof Holding AG Financial Report, page 66.
Information policy	Eichhof Holding AG publishes a semiannual report and a comprehensive annual report in accordance with International Financial Reporting Standards (IFRS). Additionally, shareholders and the capital market are kept informed of current changes and developments through press releases. As a company listed on SWX Swiss Exchange, Eichhof Holding AG is especially cognizant of its duty to disclose events relevant to its share price (ad hoc publicity/disclosure of price-sensitive information). The website www.eichhof.com is available for further information on the corporation.

The renovated Eichhof commercial building and restaurant is ideally located

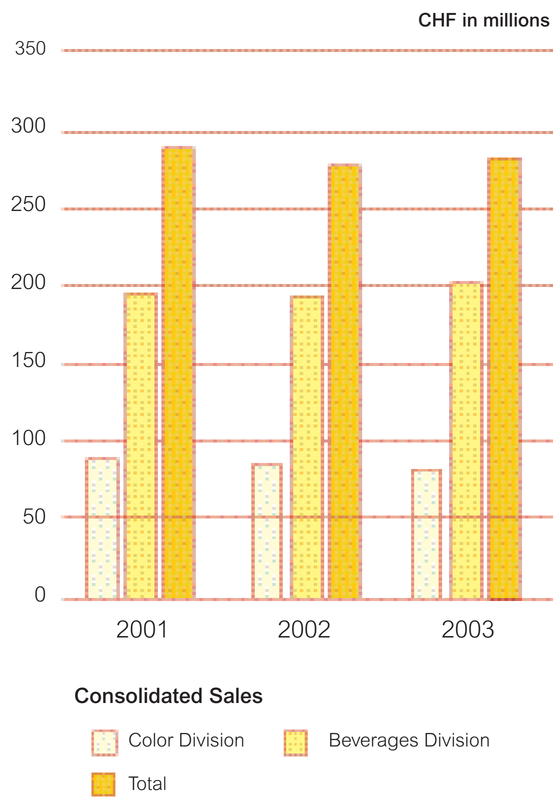
The Eichhof Group

Greatly improved efficiency leads to a marked rise in earnings
In fiscal 2002/2003 (October 1 through September 30), the Eichhof Group generated gross sales of CHF 283.3 million (2001/2002: CHF 281.4 million). Year on year, operating earnings before depreciation and amortization (EBITDA) rose 15.1% to CHF 30.1 million (CHF 26.1 million) and operating earnings (EBIT) 57.8% to CHF 12.9 million (CHF 8.2 million). The consolidated net profit rose 75.5% to CHF 8.1 million (CHF 4.6), amounting to CHF 46.5 (CHF 24.9) per registered share. Cash flow was 74% higher year on year at CHF 37.0 million (CHF 21.3 million) and free cash flow rose sharply to CHF 24.3 million (CHF 9.8 million).

The gratifying increase in profitability verifies the success of the measures introduced just over two years ago and implemented rigorously with a view to improving cost efficiency and thus increasing margins in both divisions.

Beverages Division
The Beverages Division increased sales by 2.2% to CHF 200.8 million, EBITDA by a disproportionately high 15% to CHF 19.9 million (CHF 17.4 million) and EBIT by 26% to CHF 11.7 million (CHF 9.3 million). That Eichhof lager beer and Eichhof specialty beers increased their share of the Swiss beer market again during the year under review is a very welcome development. The Beverages Division continued to invest in improving cost effectiveness in the increasingly important area of logistics and in optimizing its product range. 'Eichhof Lemon' was developed for the growing market for beer mixers, 'Eichhof Spiess' was rigorously targeted at trend-conscious draft beer customers, and 'Eichhof – das Leichte', a low-alcohol beer, will meet new customer requirements when the lower legal limit for drivers of 0.5‰ alcohol level is introduced. 'The Beer Company' held on to its strong position in the market for international premium and specialty beers and Kellerei St. Georg continued to build market share, increasing sales by 11%.

Color Division
The profitability of the Color Division activities that comprise Datacolor also increased significantly during the year under review. With sales on a par with the previous year at CHF 79.9 million, EBITDA rose 80.4% to CHF 10.3 million (CHF 5.7 million) and EBIT CHF 4.3 million to CHF 2.9 million. The ColorVision business with its innovative color calibration products for computer peripherals (monitors, printers), which has been built up over the last three years, increased sales in local currency terms by almost 30% and, at CHF 7.8 million (CHF 6.2 million), contributed 8% of Datacolor's sales. Datacolor continued to make targeted invest-



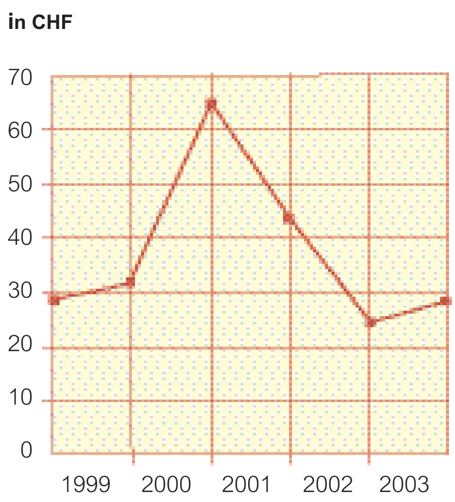
Consolidated Sales

ments in product and market development during the year, investing in particular in a production site and additional sales capacity in China.

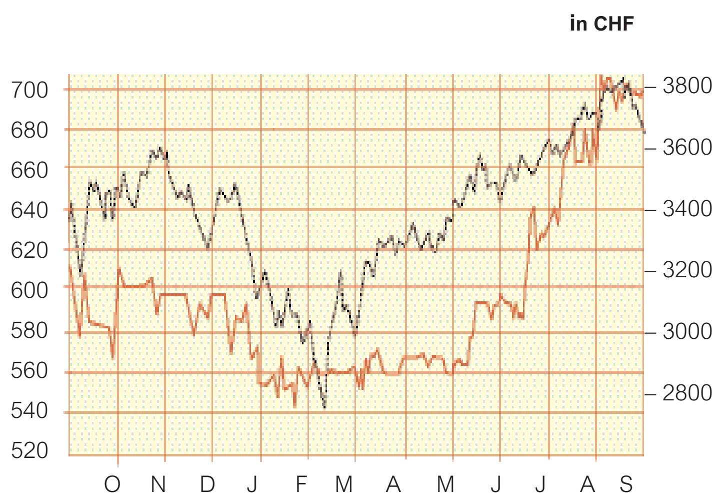
Real estate: investment to strongly increase profitability

The properties have a total value of CHF 58.8 million. As in the previous year, the investment properties are reported at market value in accordance with IAS 40. The discounted cash flow method was used for revenue-earning properties, while development projects and reserve lands were valued at acquisition cost. At CHF 2.7 million (CHF 2.6 million), real estate revenues remained steady notwithstanding the sale of a property in Zug. Vacancy levels fell 2 percentage points to 8% despite the difficult market for commercial properties. There was a slight increase in maintenance and management costs to CHF 0.7 million (CHF 0.4 million) due to various development and construction projects.

The design plan for the properties at Pilatusplatz in Lucerne was approved by the city authorities after several years of preparations. Designed by a team working under the well-known Zurich architect Theo Hotz in close cooperation with the Lucerne building authorities, the project involves the construction of a nine-storey building with a total of 5,000 sq. metres of floor space. Sales space is planned for the ground floor while office space and apartments are planned for the upper floors. Eichhof Holding is in contact with interested investors to carry out this project, CHF 2.6 million was invested in conversions, complete renovations and in preparing former industrial properties for sale. The work on the plans for the development of the reserve land on Obergrundstrasse and the former Grosshof industrial estate, which is being carried out in cooperation with authorities in the City of Lucerne, the Municipality of Kriens and the Canton of Lucerne, has also reached a stage where it has become possible to contact investors and parties interesting in using the sites. There are also plans to invest CHF 10 million in replacing the existing 70-year-old brewhouse and to reallocate the existing production building. The commissioning of the new, fully-automatic, state-of-the-art brewing facilities in March 2004 will mark the end of a period of extensive modernization.



Dividend per Share



Development of Stock Price 2002/2003

—— Eichhof Name ..... SPI-Index

The innovative spirit: "Eichhof Lemon", a beer mixer, and the redesigned Eichhof Spiess, along with the low-alcohol "Eichhof Das Leichte"

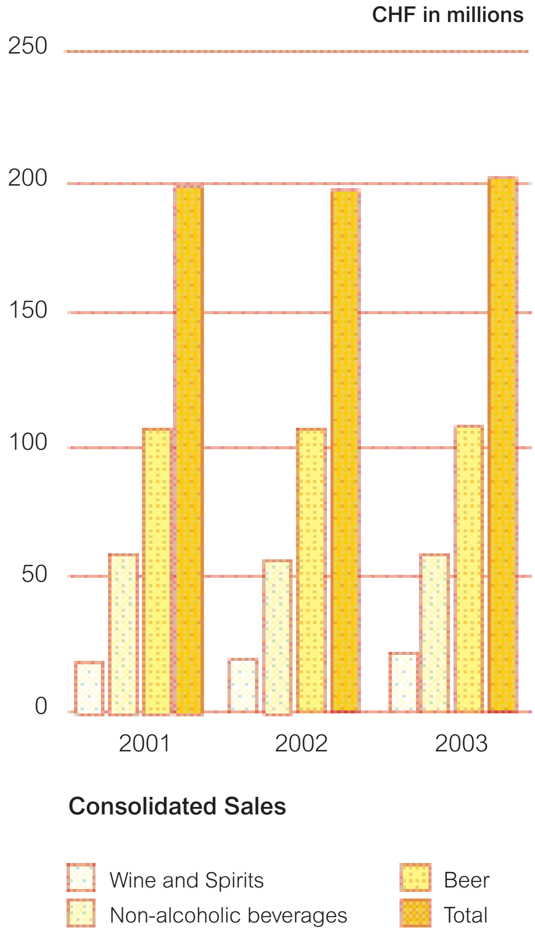
The new, elegant Eichhof labels reflect pleasure and beer culture

Finances: Total assets further reduced
Consolidated total assets declined during the year to CHF 263.0 million (CHF 293.4 million). The fall of CHF 30.4 million is due mainly to the share buy-back program (CHF 18.1 million), the reduction in nominal capital (CHF 3.9 million) and tighter control of net working capital. Year on year, net debt increased slightly to CHF 81.4 million (CHF 79.3 million) and the net-debt-to-equity ratio (gearing) increased to 90% due to the share buy-back program. Despite the CHF 22 million payout to shareholders, the equity ratio stood at 34.5% (36.8%) again on the reporting date.

Both inventories and trade accounts receivable have been reduced by stringent cash management. Cash and cash equivalents and current financial assets totalled CHF 24.2 million (CHF 36.0 million) as of September 30, 2003, comprising sight deposits at banks, stocks and bonds. Interest income and income from securities increased to CHF 1.5 million (CHF 0.8 million) and, with the retirement of more bank debt, interest expense declined to CHF 5.9 million (CHF 15.3 million). Currency hedging was undertaken for materials contracts. Positive exchange rate effects on the balance sheet and financing structure amounted to CHF 0.9 million (-0.4 million).

Eichhof Holding AG financial statements
Eichhof Holding AG earned a profit of CHF 0.3 million (CHF 4.8 million) in fiscal 2002/2003. With an equity ratio of 28.5% and high liquidity, its balance sheet remains solid.

Outlook
The Eichhof Group is on a strong financial basis. Having successfully streamlined its organizational structure and processes and introduced a rigorous system of cost management, it also enjoys good profitability. The Beverages Division continues to expand into the Zurich, Mittelland and Berne area. Opportunities are being examined in other regions as well. Datacolor will concentrate on extending its position in Asia, especially China, with its own production site and sales office. The Eichhof Group's color metrics subsidiary is deriving increasing benefit from the trend among globally active customers to shift their production activities to this rapidly growing region. Datacolor is taking advantage of its leading position in the textiles industry and will strive to extend its market position in sectors using pigments, such as the automotive industry and entertainment electronics. Its strong financial position and profit-earning capacity give the Eichhof Group the scope it needs to achieve its high, long-term growth targets and, provided there is a sustained economic recovery, to continue growing sales and earnings.



Consolidated Sales

Beverages Division

Record summer pushes up beverage sales in Switzerland

After several years of contraction, the Swiss beer market returned to growth in the 2002/2003 brewing year with sales rising 4.2% to 4.3 million hectoliters. Per capita beer consumption rose 1.6 liters to 58.2 liters. This gratifying trend was due to the record summer of 2003. Following a downward trend in the first eight months, the period of hot weather pushed up beverage sales markedly between June and September, particularly in the retail sector. Mineral waters and beers in cans and non-returnable bottles for home consumption recorded the highest rates of growth. Again, the restaurant trade suffered as a result of unfavorable consumer sentiment and weakness in the tourist industry during the year under review. Moreover, the summer's record temperatures led to a noticeable fall in sales at restaurtants without outdoor space. Correspondingly, sales of Swiss brand-name beers in the restaurant trade were barely on a par with the previous year.

Further qualitative growth for Eichhof's Beverages Division

In fiscal 2002/2003, the Eichhof Group's Beverages Division grew sales 2% to CHF 200.8 million (2001/2002: CHF 196.4 million). EBITDA rose at a disproportionately high 15% to CHF 19.9 million (CHF 17.4 million) and, at CHF 11.7 million (CHF 9.3 million), EBIT exceeded the prior-year figure by a strong 26%. The sustained improvement in profitability is primarily the result of rigorously implemented measures aimed at simplifying organization, streamlining the structure and dropping products and sales channels whose contribution margin is inadequate. Eichhof lager beer and Eichhof specialty beers contributed significantly to this gratifying trend. Thus, in the year under review, Eichhof continued to extend its share of the Swiss beer market, particularly in comparison with its main competitors. Of the international premium beers distributed by Eichhof, 'Löwenbräu München' was the star performer. With growth in excess of 30%, it clearly outperformed the market for imported beers, which grew 3%. 'Clausthaler' held on to its leading position as Switzerland's mostsold non-alcoholic beer again. Sales of 'Pilsner Urquell' also rose during the year under review. There was a slight fall in sales of 'Miller Genuine Draft', brewed and bottled under license at the Eichhof brewery, and of imported beers such as 'Foster's' and 'Grolsch'. However, as a result of more intensive marketing efforts and an increase in the number of distributors, the volume of imported beers, strongly aimed at the restaurant trade, remained constant overall despite a very difficult market situation. The trend was also gratifying at Kellerei St. Georg, where sales rose 11% to CHF 24.4 million (CHF 22 million).

The core sales area
Eichhof means genuine beer culture

As Switzerland's leading independent brewery, Eichhof promotes a genuine and varied beer culture. During the year under review, it gained new customers from both the restaurant and retail sectors in its core region, in the strategically important Zurich/Mittelland growth region and in Ticino as well. The Eichhof brewery continues to extend its attractive range of specialty beers and lager beer by adding innovative and attractive new products. In November 2003, Eichhof launched the trendy new 'Eichhof Lemon', a beer aimed at the growing market for beer mixers, at the International Exhibition for Industrial and Institutional Catering, Hotels and Restaurants (IGEHO). The popular 'Eichhof Spiess', a mild draft beer, was given a make-over and it now appears in a see-through white-glass bottle to make it more appealing to trend-conscious draft beer customers. 'Eichhof – Das Leichte', a low-alcohol beer, will complement the Eichhof range in time for the introduction of a legal limit for drivers of 0.5‰ alcohol level.

Bright, fun and eye-catching:
the new packaging of the Eichhof range with its unified design

A complete assortment of beverages
Eichhof Getränke AG offers its customer a complete assortment of beverages that is both broad and up-to-date. It includes the popular Eichhof beers, the exclusively distributed international beers, natural mineral waters, soft drinks, an interesting range of popular wines from every major wine-producing region and a balanced range of high-quality spirits. With a customer-focused delivery service and strong regional roots, beverage activities are tailored to the needs of the restaurant trade, independent retailers and beverage dealers, and private customers.

Efficient proprietary logistics organization
A deciding factor in the Eichhof Group's success is its restructured, highperformance logistics organization. With modern distribution centers in Lucerne, Bellinzona, Belp, Erstfeld and Zurich, it enables Eichhof to deliver an extensive range of products to customers quickly and efficiently. The high quality of the service is monitored by regular customer satisfaction analyses and is adapted to changing needs.

The national market

Higher-than-average growth for international beers
International beers well-positioned in the Swiss retail market also profited from the ideal weather conditions during summer 2003. The volume of international beers sold was boosted quite significantly as a result of substantial efforts by the two foreign brewery groups that dominate the Swiss market to promote their international premium brands brewed under license in Switzerland. This was partly to the disadvantage of Swiss brand-name beers, however. Sales of inexpensive, mostly canned international commodity beers also rose sharply, supported by extremely aggressive pricing and marketing activities in the retail sector's discount channels. Sales of international brand-name beers developed less successfully in the restaurant trade, where they continue to face intense pressure from the 'alcopops' popular among younger consumers.

Good position asserted
The exclusive range of international premium and specialty beers distributed across Switzerland by 'The Beer Company' in cooperation with Eichhof Getränke AG asserted its good position in the market during the year under review. Development in the individual markets varied, however. 'Clausthaler', Switzerland's leading non-alcoholic beer, bottled in Lucerne, held on to its leading position again. Plans to introduce a lower legal limit for Swiss drivers of 0.5‰ alcohol level are expected to give 'Clausthaler' a considerable boost. The surge in growth of around 30% for the popular beer 'Löwenbräu München' was a highlight of the year under review. The gratifying rise in sales is due mainly to a substantial expansion of distribution, particularly in the retail sector. Strongly positioned in the restaurant trade as a trendy beer and brewed and bottled under license by the Eichhof brewery, 'Miller Genuine Draft' was unable to match the record set the year before. Although 'Miller Genuine Draft' is firmly positioned in the retail sector as well, sales fell slightly during the year under review, mainly as a result of the difficult situation in the restaurant trade. Sales of the renowned, international brand-name beers 'Foster's', 'Pilsner Urquell', 'Grolsch', 'VB' and 'Salitos' and the cider beverage 'Strongbow' were in line with the general market trend.

International and exclusively distributed beer brands such as Miller Genuine Draft round off Eichhof's range of beers

Kellerei St. Georg

Wines and spirits

286 million liters of wine were drunk in Switzerland in 2002/2003, which means consumption fell slightly. Swiss white and red wines lost market share, while demand for international wines, particularly those from Italy and Spain, continued to increase. Demand in the restaurant trade continued to shift towards wines offering good value for money during the year under review. With the entry into the market of more new dealers (currently around 2,500), all fighting for market share, competition has further intensified. Moreover, large distributors in the retail sector are enticing customers into their outlets with attractive special offers, thereby adding to the pressure on prices. In the restaurant trade, restrained consumer sentiment and, to some extent, the hot summer weather caused wine consumption to fall further. In the spirits market, demand among mainly younger consumers for trendy blends remained strong while sales of traditional spirits continued to fall slightly.

Kellerei St. Georg continues its successful growth strategy

With Wehrli Weine, Münsingen, fully integrated into the existing network, the wine and spirits trading activities comprising Kellerei St. Georg were extended to the Greater Berne area during the year under review, as set out in the company’s strategy. With its range ideally tailored to the needs of the restaurant trade, Kellerei St. Georg extended its market position in every other area as well. Kellerei St. Georg’s diverse range, which includes renowned brand names such as 'Hess', 'Casa Lapostolle', 'Bodegas Lan', 'Tenuta Caparzo', 'Caputo', 'Montresor', 'Emery', 'Gialdi', 'Massy' etc. was expanded during the year under review to include some attractive products, primarily trendy, value-for-money wines from little-known regions of southern Italy. For distribution, Kellerei St. Georg uses the efficient Eichhof logistics organization so that it can guarantee its customers a faster delivery service tailored to their individual needs. With its own beverage stores at eleven attractive locations across German-speaking Switzerland, Kellerei St. Georg also offers private and professional customers an extensive range of wines and spirits, a wide choice of domestic and foreign beers, mineral waters and soft drinks. Customer focus, competent advice from proven wine specialists, an attractive selection of inexpensive wines and spirits and a wide range of services are the success factors that will enable Kellerei St. Georg to sustain its dynamic growth.

Beverage Shops Kellerei St. Georg

Eichhof's Kellerei St. George offers top-quality wines from around the world with top-quality advice

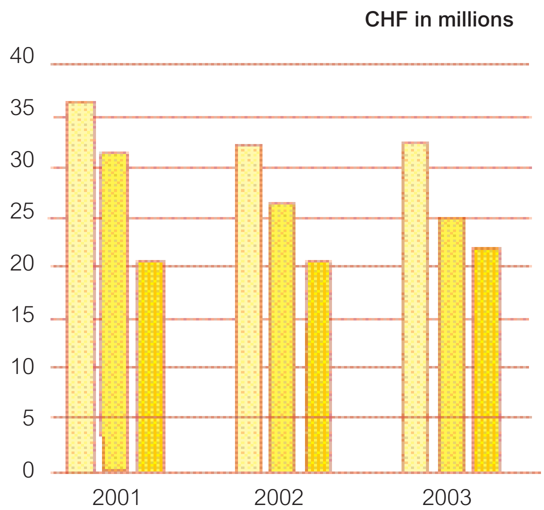
Together with the Spyder calibration system, the newly developed and convenient
Print Fix provides excellent support for color management

Color Division

In fiscal 2002/2003, the Color Division activities comprising Datacolor generated sales which, at CHF 79.9 million (CHF 80.4 million), were on a par with the previous year. Adjusted for exchange rate variances, sales rose 8.8%. Earnings before interest, tax, depreciation and amortization (EBITDA) rose 80.4% to CHF 10.3 million (CHF 5.7 million), which translates into a margin of 13% (7.2%). EBIT also rose sharply, to CHF 2.9 million (CHF - 1.3 million).

Demand for efficient color management solutions continues to increase

Customers increasingly need to reduce the time lag between product development and market launch. At the same time, quality requirements are becoming ever more exacting. If color is an important aspect of the product, then successful color management is essential in ensuring efficiency at every stage of the process, from development through to production. Datacolor offers its customers complete solutions for costefficient color management in today's complex global economy. In choosing these solutions, they profit from Datacolor's indepth knowledge of customer processes, proven Datacolor software and hardware solutions for sophisticated color management and state-of-the-art technology.



Sales Breakdown by Country Group

Datacolor solutions are used worldwide by manufacturers of brand-name items, retailers and industrial producers for a wide range of applications. With eleven offices, 231 employees in 24 countries and its global distribution network, Datacolor is able to provide software and hardware solutions, training, service and support around the globe.

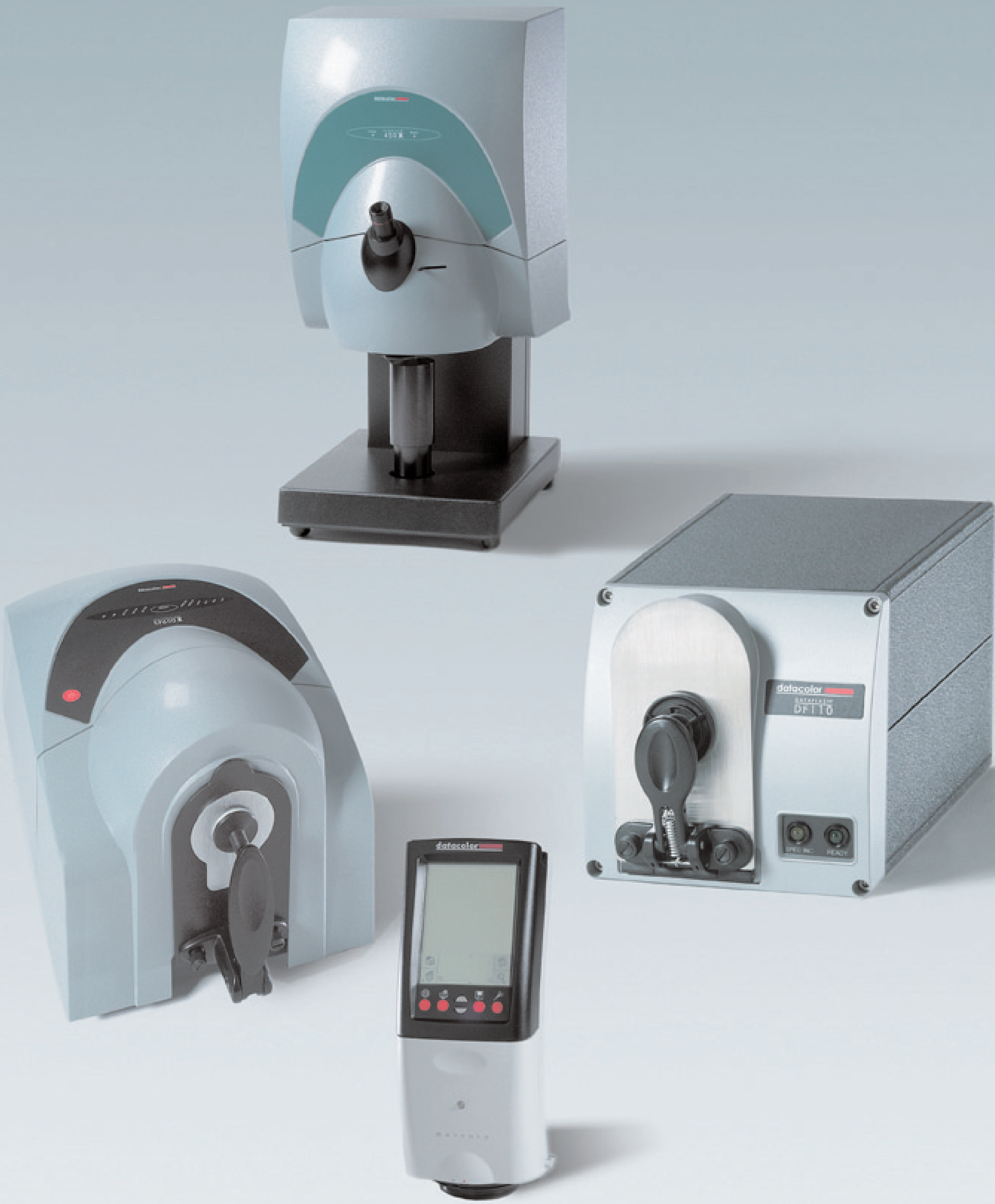
ColorVision growth continues

Accurate color measurement, communication and reproduction are essential if professionals in imaging and photography, design, animation and printing are to satisfy their discerning customers. The rapid switch to digital workflows presents professional users with completely new challenges in ensuring efficient color management. With ColorVision products, they are able to rise successfully to these challenges. ColorVision's unique, patented 'Spyder' enables users to easily calibrate computer monitors and color printers and thus accurately reproduce colors.

ColorVision increased sales to CHF 7.8 million (CHF 6.2 million) during the year under review. Adjusted for exchange rate variances, this translates into a rise of 25.8%. ColorVision therefore contributed 8% of DataColor's sales in only its third business year. High-performance call centers in every major center in Europe and the USA and an efficient, multilingual website (www.colorvision.com) ensure that customers have constant access to high-quality service and support. Through its close cooperation with Pantone, Inc., a world leader in the definition of color standards, ColorVision also has the potential to reach design customers, for whom exact color definition, communication and reproduction are of vital importance. ColorVision is also well positioned to benefit from the rapid switch to digital cameras. Its attractive product range offers both discerning hobby and professional photographers color management solutions that are good value for money and easy to use.

Breaking new ground: Datacolor is developing a modern production and sales organization in the fast-growing Chinese market


TOP
SPEED II
AHIBA NUANCE
AHIBA NUANCE



Datacolor's family of spectrophotometers solve complex color measurement problems
also in the automotive and consumer electronics industries

Prepared for the challenges in global color management
What ever the industry – automotive, clothing, entertainment electronics, construction materials, packaging or something else besides – the ability to reproduce color at the right price, at the right time and in the right place is an increasingly decisive factor in any competitor's success. With production processes now spanning the globe, ensuring that color is communicated efficiently and reproduced accurately is becoming an increasingly complex business. Datacolor's customers benefit from a wide range of products and solutions which, through accurate color management in decentralized structures, give them the competitive edge they need.

Datacolor's Color Information Management System (CIMS) uses the Internet to link brands and retailers, who specify color, with their suppliers, who must meet these specifications. With instruments to measure color, software to communicate, match and test color, and laboratory equipment to make color samples, Datacolor offers an extensive range of solutions for the entire supply chain.

With more and more global businesses relocating their production activities to Asia, Datacolor increased sales in its most important Asian markets by more than 20% during the year under review. And with CIMS becoming the standard color management solution in the global textiles industry, demand in the Asian market for Datacolor solutions increased markedly, particularly demand for its high-performance SF 600X spectrophotometer for color measurement, its Colorite software for color communication and the Ahiba sample dyeing machines.

In the paint and coatings industry, Datacolor grew sales of retail paint color matching systems by more than 10%. This positive trend is largely attributable to the new, compact DF 110 spectrophotometer, developed specifically for use at point of sale. Other innovations include the unique FX10 multiangle spectrophotometer, designed for the highly complex measurement of the new special effects pigments used increasingly in the automotive and entertainment electronics industries.

Investment for long-term growth
During the year under review, Datacolor invested in additional production and sales capacity in China. With a new office and its own sales center in Shanghai, Datacolor will be able to benefit from favorable production conditions in China and generate sustained sales growth in this rapidly expanding market.

A global market structure organized around three business areas – textiles, pigments (paints, printing inks, coatings and plastics) and ColorVision – ensures that Datacolor is well placed to respond quickly to changing and new market conditions. Datacolor's global activities are managed and controlled through a lean and centralized administration at head office in Lawrenceville, NJ USA. A technological leader with a proven product range, an excellent base in the strategically important growth market of China and a high-performance global distribution network, the Eichhof Group's Color Division is well placed to further extend its position as a leading player, supplying with color communication and quality control systems for use in processes where color plays an important role.

Financial Report

Financial year from October 1, 2002, through
September 30, 2003

Consolidated Income Statement

in TCHF		2002/2003		2001/2002	
Gross sales		**283 346**		**281 405**	
Sales deductions		-25 149		-24 813	
Net sales		**258 197**	100,0%	**256 592**	100,0%
Changes in inventories		-2 950		255	
Costs for material and goods		-110 522		-108 130	
Gross margin		**144 725**	56,1%	**148 717**	58,0%
Personnel expenses	3.2	-64 344		-70 925	
Sales & administration expenses	3.3	-38 356		-39 639	
Other operating expenses		-11 963		-12 046	
EBITDA		**30 062**	11,6%	**26 107**	10,2%
Depreciation of fixed assets	3.10	-11 258		-13 136	
Amortization of intangible assets	3.11	-5 889		-4 787	
EBIT		**12 915**	5,0%	**8 184**	3,2%
Financial income	3.4	4 710		4 815	
Financial expenses	3.4	-8 927		-11 884	
Profit before income taxes		**8 698**	3,4%	**1 115**	0,4%
Income taxes	3.5	-569		3 517	
Net profit		**8 129**	3,1%	**4 632**	1,8%

		CHF	CHF
Earnings per share	3.19		
– non diluted		46,46	24,91
– diluted		46,36	24,87

Consolidated Balance Sheet

in TCHF		30.09.03		30.09.02	
Assets					
Cash and cash equivalents	3.6	8 889		17 615	
Financial assets	3.12	15 280		18 373	
Accounts receivable	3.7	45 297		47 670	
Other accounts receivable	3.8	5 915		8 039	
Inventories	3.9	24 770		28 933	
Prepaid expenses		2 310		3 383	
Current assets		**102 461**	39,0%	**124 013**	42,3%
Fixed assets	3.10	109 718		112 869	
Intangible assets	3.11	20 639		26 699	
Financial assets	3.12	29 173		29 313	
Deferred tax assets	3.5	1 003		458	
Non-current assets		**160 533**	61,0%	**169 339**	57,7%
Assets		**262 994**	100,0%	**293 352**	100,0%
Liabilities and shareholders' equity					
Accounts payable		15 809		16 921	
Financial liabilities	3.13	5 940		54	
Current tax liabilities		6 625		6 794	
Other liabilities	3.14	10 640		12 065	
Accrued liabilities		11 680		12 230	
Current liabilities		**50 694**	19,3%	**48 064**	16,4%
Financial liabilities	3.13	99 653		115 281	
Other liabilities	3.14	5 870		6 038	
Provisions	3.15	752		507	
Deferred tax liabilities	3.5	15 193		15 517	
Non-current liabilities		**121 468**	46,2%	**137 343**	46,8%
Liabilities		**172 162**	65,5%	**185 407**	63,2%
Share capital		177		4 929	
Own shares		-14		-292	
Capital reserves		7 545		7 977	
Retained earnings		83 124		95 331	
Shareholders' equity		**90 832**	34,5%	**107 945**	36,8%
Liabilities and shareholders' equity		**262 994**	100,0%	**293 352**	100,0%

Consolidated Cash Flow Statement

in TCHF		2002/2003	2001/2002
Profit before income taxes		**8 698**	**1 115**
Depreciation of fixed assets	3.10	11 258	13 136
Amortization of intangible assets	3.11	5 889	4 787
Non-cash sales deductions		3 329	4 284
Loss / (Gain) on disposal of assets		57	-2 133
Changes in provisions		245	-83
Interest expense net		4 355	4 762
Income from securities		-1 237	-250
Interest paid		-4 835	-5 165
Income taxes paid		-590	-1 127
Other non-cash positions		-219	1 208
Cash flow before working capital changes		**26 950**	**20 534**
Changes in accounts receivable		2 373	-780
Changes in other accounts receivable and prepaid expenses		6 783	3 137
Changes in inventories		4 163	1 589
Changes in accounts payable		-1 112	568
Changes in other liabilities and accrued liabilities		-2 143	-3 781
Cash flow from operating activities		**37 014**	**21 267**
Investments in fixed assets	3.10	-9 201	-9 316
Investments in intangible assets	3.11	-425	-1 401
Investments in financial assets		-4 726	-4 472
Divestments of fixed assets		169	2 439
Interest and dividends received		1 475	1 247
Cash flow from investing activities		**-12 708**	**-11 503**
Decrease of financial liabilities		-9 573	-12 593
Purchase of own shares		-899	-1 184
Sale of own shares		18	0
Share repurchase program		-18 131	0
Reimbursement of par value		-3 910	-5 569
Dividends paid		0	-2 375
Cash flow from financing activities		**-32 495**	**-21 721**
Changes in cash and cash equivalents		**-8 189**	**-11 957**
Cash and cash equivalents at beginning of the year		17 615	29 417
Effect of foreign currency translation on opening balances		-537	155
Cash and cash equivalents at end of the year	3.6	**8 889**	**17 615**
EBITDA		30 062	26 107
Free cash flow (cash flow from operating activities less cash flow from investing activities excluding acquisitions)		24 306	9 764

Consolidated Statement of Changes in Equity

in TCHF

	Share capital	**Own shares**	**Capital reserves**	Retained earnings	Accu-mulated translation differences	**Total retained earnings**	**Total share-holders' equity**
Balance at 01.10.2001 before restatement	**11 660**	**-1 365**	**9 072**	90 825	2 946	**93 771**	**113 138**
Restatement IAS 39				53		**53**	**53**
Balance at 01.10.2001 after restatement	**11 660**	**-1 365**	**9 072**	90 878	2 946	**93 824**	**113 191**
Dividends				-2 375		**-2 375**	**-2 375**
Reimbursement of par value	**-5 915**	**346**				**0**	**-5 569**
Sale of own shares **-816**	**816**				**0**	**0**	
Purchase of own shares		**-89**	**-1 095**			**0**	**-1 184**
Translation differences					-750	**-750**	**-750**
Net profit				4 632		**4 632**	**4 632**
Balance at 30.09.2002	**4 929**	**-292**	**7 977**	93 135	2 196	**95 331**	**107 945**
Balance at 01.10.2002	**4 929**	**-292**	**7 977**	93 135	2 196	**95 331**	**107 945**
Share repurchase program	**-492**		**-432**	-17 207		**-17 207**	**-18 131**
Reimbursement of par value	**-4 260**	**350**				**0**	**-3 910**
Purchase of own shares		**-90**		-809		**-809**	**-899**
Sale of own shares		**18**				**0**	**18**
Translation differences					-2 320	**-2 320**	**-2 320**
Net profit				8 129		**8 129**	**8 129**
Balance at 30.09.2003	**177**	**-14**	**7 545**	83 248	-124	**83 124**	**90 832**

The share capital as of September 30, 2003, consists of 177 491 registered shares of CHF 1 par value each.

Total consolidated equity is reduced by TCHF 10 142 (previous year: TCHF 7 001) due to own share held.

For further details regarding equity see note 5 on page 63 of Eichhof Holding Ltd.

Notes to the Consolidated Financial Statements

1 Accounting principles

1.1 General

Eichhof Holding Ltd. is a Swiss limited company, domiciled in Lucerne (Obergrundstrasse 110). It is the parent company of the Eichhof Group, the number one independent brewery and one of the biggest beverages distributors in Switzerland, and of the Datacolor Group, a leading provider of color measurement systems. In addition to its Swiss operations, the Eichhof Group also does business through its Datacolor Group in Europe, North America, and Asia. The Eichhof Group employs 654 (previous year: 676) persons.

1.2 Basis of preparation

The consolidated financial statements of Eichhof Group comply with International Financial Reporting Standards (IFRS) and are in accordance with Swiss law.

The consolidated financial statements are prepared on an historical cost basis, except for the measurement at fair value of derivative financial instruments and available for sale or held for trading financial assets. Expenses and revenues are recognized on an accrual basis.

1.3 Use of estimates

In preparing the financial statements in accordance with IFRS certain assumptions have to be made which affect the reported values of assets and liabilities, the income statement and the disclosure of contingent liabilities. The assumptions are based on forecasts and estimates at the time the financial statements are prepared. Actual outcome can differ from those estimates.

1.4 Scope of consolidation

General

The consolidated financial statements include the financial statements of Eichhof Holding Ltd. and its subsidiaries that are controlled by Eichhof Holding Ltd.. Control is presumed to exist when Eichhof Holding Ltd. owns, directly or indirectly through subsidiaries, more than one half of the voting power of an enterprise or otherwise exercises management control.

The closing date for the financial statements of Eichhof Holding Ltd. and all its subsidiaries is September 30.

There are no associated companies or joint ventures.

Changes in the scope of consolidation

Beverages Division:
Kellerei St. Georg Ltd. was merged into Eichhof Getränke Ltd. in the reporting period. Additionally, the assets and liabilities of the wine retailer Wehrli + Co. Ltd. were acquired.

Color Division:
International Colour Management Plc. and Texicon Ltd. were liquidated. Datacolor (Europe) Service Ltd. merged into Datacolor Ltd.. In China, Datacolor Technology (Suzhou) Co. was established.

These changes had no material effect on the consolidated financial statements. A summary of shareholdings is given on page 58.

1.5 Principles of consolidation

The assets and liabilities included in the consolidated financial statements are measured according to uniform principles.

Intragroup balances and intragroup transactions and resulting unrealized profits are eliminated upon consolidation.

1.6 Foreign currency translation

The financial statements of foreign subsidiaries are prepared in their respective local currency and translated into Swiss francs (reporting currency) for consolidation purposes.

Assets and liabilities of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The income statements of foreign subsidiaries are translated at weighted average exchange rates for the year. The resulting exchange differences are posted directly to equity.

In the financial statements of the local subsidiaries transactions in foreign currencies are recorded at the rate ruling at the date of transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All resulting differences are recognized as exchange gains or losses in the income statement of the local subsidiary.

1.7 Segment reporting

Segment information is based on two segment formats: the primary format reflects the business segments whereas the secondary format presents the geographical segments. Segment reporting based on business segments represents the Group’s structure with independent management of the Divisions.

2 Valuation principles

2.1 Gross revenue and realization of proceeds

Gross sales include all invoiced sales and services to third parties. Sales are recognized when the economic benefits associated with the transaction will flow to the company and the amount of the revenue can be measured reliably.

Sales deductions include sales taxes and discounts; the latter category also includes amortization of loans to secure distribution channels.

2.2 Management share option plan

Options for purchase of Eichhof registered shares are granted as part of performance-based variable compensation for certain management personnel and members of the Board of Directors. The options carry the right to purchase one share per option, vest in three years, and expire in six years. The exercise price is determined in advance in accordance with the Black-Scholes-formula.

The market value of the option is recorded on an accrual basis as a personnel expense at the time of issuance.

2.3 Taxes

Income taxes are recognized according to economic criteria on an accrual basis. Deferred income taxes are provided, using the “comprehensive balance sheet liability-method”, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. They are measured at the current tax rates. No deferred income taxes are recorded in respect of temporary differences associated with investments in subsidiaries, as it is assumed that such differences will have no tax consequences in the foreseeable future.

Tax loss carry-forwards are only recognized as deferred tax assets when it can be reasonably assumed that future taxable income will be sufficient to secure tax advantage by offsetting losses.

If no dividend payments are planned, withholding taxes and other taxes on potential later dividends are not recognized, since retained earnings are generally reinvested.

2.4 Research and development

Software development expenses incurred are only capitalized on an individual project basis if such outlay is likely to be covered by corresponding future income. Research costs are expensed as incurred.
Capitalized software development expenditures include material and payroll expenses, depreciation of equipment and machinery and the overhead costs directly attributable.

2.5 Borrowing costs

Borrowing costs, incurring during the construction of fixed assets, are recognized as an expense.

2.6 Impairment of assets

The carrying amounts of non-current assets are reviewed for impairment at each balance sheet date whether there is any indication that an asset may be impaired. If any indication exists the recoverable amount is estimated. If the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amounts. Impairment losses are recognized in the income statement. The recoverable amount is the higher of the asset’s net selling price and its value in use. The net selling price is the amount obtainable from the sale of an asset in an arm’s length transaction between independent parties less the cost of disposal. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

2.7 Employee benefit liabilities

Eichhof Group companies have different employee benefit plans in accordance with local regulations and customs in the relevant countries. These plans comprise financially independent funds and foundations which are organized on a defined contribution or defined benefit basis and cover the majority of employees. They provide benefits in case of death, disability, retirement, or termination of employment. They may be financed through a combination of employee and employer contributions or through employer contributions alone.

Assets covering existing and future benefit obligations for insured parties in the Beverages Division are held in the Eichhof Pension Fund, an autonomous, independent foundation organized under the Occupational Pension Act (BVG). The Eichhof Group also has one employer foundations in Switzerland which is likewise governed by the provisions of the BVG.

Defined contribution plans

The Color Division's benefit plans are organized through external savings banks. The Eichhof Group is not subject to further obligations beyond ongoing contributions owed and recognized.

Defined benefit plans

Actuarial calculations using the projected unit credit method are carried out to define the present value of the expected obligation for Swiss employee pension plans classified as defined benefit plans. All significant pension fund obligations and the assets covering them are assessed annually, all others on a regular basis. The latest actuarial calculations were carried out as of September 30, 2003, by external experts.

Benefit expenses resulting from employee services in the current period (current service costs) are recognized in the income statement. Benefit expenses associated with employee services in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits (past service costs) are recognized on a straight-line basis over the average period until the benefits become vested. Actuarial gains and losses are recognized as income or expense when the cumulative unrecognized actuarial gains or losses for each individual plan exceed 10% of the higher of defined benefit obligation and the fair value of plan assets. These gains or losses are recognized over the expected average remaining working periods of the employees participating in the plans. Unrecognized actuarial gains and losses are reflected in the balance sheet.

Prepaid employee benefits (employer's contribution reserves) are reported as non-current financial assets. Other employee benefit surpluses are only capitalized if available to the Group as future contribution repayments or reductions.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash, bank accounts, demand deposits, money market instruments as well as short-term deposits with an initial term not exceeding 3 months.

2.9 Current financial assets and liabilities

Current financial assets are investments which are classified as held for trading and comprise marketable, easily realized securities and derivative financial instruments. They are measured at fair value. Not realized gains or losses on investments held for trading are recognized in financial result. Current financial liabilities include bank payables, which are recorded at nominal value, and derivative financial instruments, which are recorded at fair value. Not realized gains or losses are included in financial result.

2.10 Accounts receivable

Accounts receivable are recognized and carried at nominal values less necessary allowances for individual accounts as well as an overall allowance based on aging.

2.11 Inventories

Inventories are measured at the lower of acquisition or production cost or net realizable value, using the weighted average cost formula.

2.12 Fixed assets

Fixed assets including investment property are reported at acquisition cost less accumulated depreciation and any impairment in value. Land is depreciated only if periodic appraisals reveal a sustained impairment in value. Expenditures which increase the useful life of an asset are capitalized. Fixed assets are depreciated on a straight-line basis according to economic criteria corresponding to the estimated useful lives of the assets as set forth in the principles of valuation. Essentially, these are:

Buildings	30–40 years
Machinery and equipment	3–20 years
Vehicles	5–12 years

2.13 Intangible assets

Intangible assets such as software development costs, goodwill, trademarks, licenses, and patents are capitalized at acquisition or production cost and amortized on a straight-line basis over their estimated useful life, not exceeding 20 years. Impairments are recognized as necessary.

2.14 Non-current financial assets

Non-current financial assets consist of investments available-for-sale, prepaid employee benefits and non-current loans. Investments available-for-sale are measured at fair value. Not realized gains or losses are included in financial result. Prepaid employee benefits consist mainly of employer's contribution reserves and are recorded at nominal value. The third-party loans are intended to secure distribution channels for the Beverages Division. They are amortized in line with sales and are recognized as deductions from revenues.

2.15 Non-current financial liabilities

Debenture bonds and other interest-bearing loans are measured at amortized cost using the effective interest rate method. Amortized cost was calculated by taking into account any issue costs. Gains and losses through the amortization process are recognized in financial result.

2.16 Provisions

Provisions are recognized for present obligations with uncertain timing or amounts as a result of a past event and for which a future outflow of resources is probable. The amount is based on the best possible estimate of the expected outflow of resources.

2.17 Own shares

Own shares are reported at par value and presented as a deduction from equity. Cost incurred or considerations received in excess of par value are recognized in capital reserves.

Notes to the Consolidated Financial Statement

The figures below are stated in thousands of Swiss Francs (TCHF) unless otherwise indicated.

3.1 Segment information

Business segments	2002/2003	as % of total	2001/2002	as % of total
Net sales with third parties	**258 197**	100,0%	**256 592**	100,0%
Beverages Division	176 491	68,4%	172 436	67,2%
Color Division	79 060	30,6%	79 500	31,0%
Real Estate	2 646	1,0%	4 656 [1]	1,8%
Other	0	0,0%	0	0,0%

[1] inlcudes gain on disposal of investment property of TCHF 1 973

	2002/2003	as % of sales	2001/2002	as % of sales
EBITDA	**30 062**	11,6%	**26 107**	10,2%
Beverages Division	19 937	11,3%	17 398	10,1%
Color Division	10 285	13,0%	5 738	7,2%
Real Estate	1 985	75,0%	4 144	89,0%
Other	-2 145	n/a	-1 173	n/a

	2002/2003	as % of sales	2001/2002	as % of sales
EBIT	**12 915**	5,0%	**8 184**	3,2%
Beverages Division	11 696	6,6%	9 265	5,4%
Color Division	2 851	3,6%	-1 268	-1,6%
Real Estate	1 048	39,6%	1 847	39,7%
Other	-2 680	n/a	-1 660	n/a

	2002/2003	as % of sales	2001/2002	as % of sales
Depreciation of fixed assets and intangible assets	**16 147**	6,3%	**16 567**	6,5%
Beverages Division	8 242	4,7%	8 132	4,7%
Color Division	6 433	8,1%	7 006	8,8%
Real Estate	937	35,4%	815	17,5%
Other	535	n/a	614	n/a

	2002/2003	as % of sales	2001/2002	as % of sales
Impairment	**1 000**	0,4%	**1 356**	0,5%
Beverages Division	0	0,0%	0	0,0%
Color Division	1 000	1,3%	0	0,0%
Real Estate	0	0,0%	1 356	29,1%
Other	0	n/a	0	n/a

Business segments

	2002/2003	as % of total	2001/2002	as % of total
Gross investments in fixed assets	**14 352**	100,0%	**15 189**	100,0%
Beverages Division	10 469	72,9%	9 123	60,1%
Color Division	1 081	7,5%	2 401	15,8%
Real Estate	2 656	18,6%	3 294	21,7%
Other	146	1,0%	371	2,4%

	2002/2003	as % of total	2001/2002	as % of total
Personnel – Number of employees as of September 30	**654**	100,0%	**676**	100,0%
Beverages Division	416	63,6%	437	64,6%
Color Division	231	35,3%	232	34,4%
Real Estate	2	0,3%	2	0,3%
Other	5	0,8%	5	0,7%

Operating capital employed by division

as of September 30, 2003	**Assets**	**Liabilities**	**Net**
Beverages Division	128 898	66 435	62 463
Color Division	53 695	52 836	859
Real Estate	46 068	0	46 068
Other	34 333	52 891	-18 558
Total	**262 994**	**172 162**	**90 832**

as of September 30, 2002	**Assets**	**Liabilities**	**Net**
Beverages Division	132 805	67 622	65 183
Color Division	69 954	69 885	69
Real Estate	44 701	0	44 701
Other	45 892	47 900	-2 008
Total	**293 352**	**185 407**	**107 945**

Return on average operating capital employed

	2002/2003	**2001/2002**
Beverages Division	18,3%	13,9%
Color Division	614,4%	n/a
Real Estate	2,3%	4,1%

The figures of the holding company, financial activities, and consolidation effects are included in the position "Other".

The products and business activities of the three divisions are described in the report on the business year. The Eichhof group accounts for intra-division sales and transfers as if the sales or transfers were to third parties at current market prices. There are no material inter-division sales.

Geographical segments	2002/2003		2001/2002	
		as % of total		as % of total
Net sales with third parties	**258 197**	100,0%	**256 592**	100,0%
Europe	210 848	81,7%	208 594	81,3%
America	25 216	9,8%	27 147	10,6%
Asia/Pacific	22 133	8,5%	20 851	8,1%
		as % of sales		as % of sales
Assets	**262 994**	100%	**293 352**	100%
Europe	238 355	90,6%	260 399	88,7%
America	20 147	7,7%	27 157	9,3%
Asia/Pacific	4 492	1,7%	5 796	2,0%
		as % of total		as % of total
Gross investments in fixed assets	**14 352**	100%	**15 189**	100%
Europe	13 554	94,4%	14 067	92,6%
America	720	5,0%	1 091	7,2%
Asia/Pacific	78	0,6%	31	0,2%
		as % of total		as % of total
Personnel - Number of employees as of September 30	**654**	100%	**676**	100%
Europe	486	74,3%	519	76,8%
America	143	21,9%	130	19,2%
Asia/Pacific	25	3,8%	27	4,0%

3.2 Personnel expenses

		2002/2003	2001/2002
Wages and salaries		51 909	58 253
Social security costs		4 336	3 458
Pension costs			
– for defined benefit plans	3.16	3 165	2 304
– for defined contribution plans	3.16	2 093	4 080
Other personnel expenses		2 841	2 830
Personnel expenses		**64 344**	**70 925**

One-time income from settlements of plans in the amount of TCHF 452 incurred in 2001/2002. In contrast to this, an expense of TCHF 1 044 was recorded due to the amortization of the funding deficit over the expected average remaining working periods of the employees in the reporting period.

3.3 Sales and administration expenses

	2002/2003	2001/2002
Sales expenses	26 585	27 991
Administration expenses	11 771	11 648
Sales and administration expenses	**38 356**	**39 639**

3.4 Financial result

	2002/2003	2001/2002
Interest income	314	568
Income from securities	1 237	250
Exchange gains	3 159	3 997
Financial income	**4 710**	**4 815**
Interest expenses	-4 838	-5 330
Expenditure relating to securities	-1 703	-1 951
Exchange losses	-2 217	-4 442
Amortization of issue costs	-169	-161
Financial expenses	**-8 927**	**-11 884**
Financial result, net	**-4 217**	**-7 069**

3.5 Income taxes

	2002/2003	2001/2002
Current income taxes	-1 438	-1 466
Deferred income taxes	869	4 983
Effective tax (expense) / income	**-569**	**3 517**

The effective tax expense, calculated by multiplying the local statutory tax rate with local taxable profit or loss, differs from expected tax expense as follows:

	2002/2003	2001/2002
Profit before income taxes	**8 698**	**1 115**
Expected taxes (24%; previous year 22%)	-2 088	-245
Effect on deferred tax liabilities due to changes in income tax rates	-117	6 186
Recognition of tax losses not capitalized	2 151	999
Other effects	-515	-3 423
Effective tax (expense) / income	**-569**	**3 517**

The income tax rate applicable was changed from a group-wide to an country-specific tax rate in the previous period. This reduced the deferred tax liabilities and led to a recognition of a non-reoccuring tax income.

Changes in deferred taxes were calculated as follows:

	2003	2002
Deferred tax assets		
– As of October 1	458	560
– Discharges / (Charges) to income statement	545	-102
Deferred tax assets as of September 30	**1 003**	**458**

Deferred tax liabilities	2003	2002
– As of October 1	15 517	20 602
– Discharges to income statement	-324	-5 085
Deferred tax liabilities as of September 30	**15 193**	**15 517**

The deferred taxes are attributable to the following balance sheet items:

	2003	2002
Losses available for offseting against future taxable income	433	116
Inventories	220	143
Intangible assets	0	199
Other assets	350	0
Deferred tax assets as of September 30	**1 003**	**458**

	2003	2002
Inventories	2 098	2 328
Tangible fixed assets	8 543	9 465
Other assets	3 846	3 243
Liabilties	706	481
Deferred tax liabilities as of September 30	**15 193**	**15 517**

The Eichhof Group has total tax losses carried forward whose potential tax effect is roughly CHF 8.8 million (previous year: CHF11.0 million), of which TCHF 433 (previous year: TCHF 116) were capitalized as deferred tax assets. These tax losses carried forward can potentially be used in Switzerland for seven years and abroad partly unrestrictedly.

Tax losses may be offset:		30.09.03	30.09.02
	2003	0	7 232
	2004	1 844	1 844
	2005	0	0
	2006	0	0
	2007	7 510	7 510
	more than five years	33 022	35 927
Total tax losses carried forward available for offseting		**42 376**	**52 513**

3.6	Cash and cash equivalents	30.09.03	30.09.02
	Cash in hand, postal accounts	1 281	183
	Cash at bank	7 608	17 432
	Cash and cash equivalents	**8 889**	**17 615**

No acquisitions / divestments of subsidiaries took place in the reporting and in the previous period.

Material non-cash transactions refer to the amortization of loans, intended to secure distribution channels, as sales deductions.

3.7	Accounts receivable	30.09.03		30.09.02	
	Gross trade accounts receivable	49 026	100%	49 809	100%
	Allowances	-3 729	-8%	-2 139	-4%
	Net accounts receivable	**45 297**	**92%**	**47 670**	**96%**

3.8	Other accounts receivable	30.09.03	30.09.02
	Other accounts receivable due from		
	– third parties	1 246	1 509
	– government	1 479	351
	– pension funds	3 041	6 052
	Prepayments to third parties	149	127
	Other accounts receivable	**5 915**	**8 039**

Eichhof Holding Ltd. gave an unsecured, always repayable loan of TCHF 3 000 (previous year TCHF 6 000) to the pension fund at market terms for partial financing of real estate.

3.9	Inventories	30.09.03		30.09.02	
	Raw materials	672	2%	819	3%
	Work-in-progress	379	1%	398	1%
	Semi-finished and finished goods	11 753	40%	13 810	42%
	Trading goods	16 772	57%	17 646	54%
	Gross inventories	**29 576**	**100%**	**32 673**	**100%**
	Allowances	-4 806	-16%	-3 740	-11%
	Net inventories	**24 770**	**84%**	**28 933**	**89%**

3.10 Changes to fixed assets

Acquisition or production costs	Machinery, equipment, vehicles	Land and buildings Operating property	Investment property	Total fixed assets
as of 01.10.2001	**150 420**	**83 158**	**62 341**	**295 919**
Additions	5 564	458	3 294	9 316
Disposals	-11 937	-1 002	0	-12 939
Translation differences	-987	-949	0	-1 936
as of 30.09.2002	**143 060**	**81 665**	**65 635**	**290 360**
Additions	4 380	2 165	2 656	9 201
Disposals	-1 981	-108	0	-2 089
Translation differences	-1 388	-1 296	0	-2 684
as of 30.09.2003	**144 071**	**82 426**	**68 291**	**294 788**
Accumulated depreciation				
as of 01.10.2001	**116 651**	**42 396**	**19 073**	**178 120**
Additions	8 732	2 190	858	11 780
Impairment	0	0	1 356	1 356
Disposals	-11 766	-867	0	-12 633
Translation differences	-681	-451	0	-1 132
as of 30.09.2002	**112 936**	**43 268**	**21 287**	**177 491**
Additions	8 517	1 805	936	11 258
Disposals	-1 809	-54	0	-1 863
Translation differences	-1 138	-678	0	-1 816
as of 30.09.2003	**118 506**	**44 341**	**22 223**	**185 070**
Net carrying amount				
as of 30.09.2002	**30 124**	**38 397**	**44 348**	**112 869**
as of 30.09.2003	**25 565**	**38 085**	**46 068**	**109 718**
Insurance values as of 30.09.2003	**95 743**	**87 332**	**50 128**	**233 203**
Net carrying amount of fixed assets under finance leases as of 30.09.2003				**0**

Market values of investment properties were determined based on valuations performed by independent experts and amount to CHF 58.8 million (previous year 53.9 milliion). According to the valuations in the previous year an impairment loss of TCHF 1 356 had to be recognized for one Swiss investment property. Income from investment property amounts to TCHF 2 715 (previous year: TCHF 2 620), expenses for investment property amount to TCHF 730 (previous year: TCHF 363).

In the reporting period, the result on disposal of fixed assets amounts to TCHF -57 (previous year: TCHF 2 133).

3.11 Changes to intangible assets

Acquisition or production costs	Capitalized software development costs	Goodwill	Trade marks, licenses, patents	Total
as of 01.10.2001	**10 934**	**2 499**	**21 243**	**34 676**
Additions	1 401	0	0	1 401
Disposals	0	0	0	0
Translation differences	-660	0	0	-660
as of 30.09.2002	**11 675**	**2 499**	**21 243**	**35 417**
Additions	425	0	0	425
Disposals	0	0	0	0
Translation differences	-856	0	-226	-1 082
as of 30.09.2003	**11 244**	**2 499**	**21 017**	**34 760**
Accumulated depreciation				
as of 01.10.2001	**1 782**	**250**	**2 117**	**4 149**
Additions	2 503	250	2 034	4 787
Translation differences	-171	0	-47	-218
as of 30.09.2002	**4 114**	**500**	**4 104**	**8 718**
Additions	2 740	249	1 900	4 889
Impairment	0	0	1 000	1 000
Translation differences	-268	0	-218	-486
as of 30.09.2003	**6 586**	**749**	**6 786**	**14 121**
Net carrying amount				
as of 30.09.2002	**7 561**	**1 999**	**17 139**	**26 699**
as of 30.09.2003	**4 658**	**1 750**	**14 231**	**20 639**

Out of the total of TCHF 5 098 (previous year: TCHF 6 446) spent on software development costs, a sum of TCHF 425 (previous year: TCHF 1 401) was capitalized.

In the Color Division an additional impairment for patents and licenses in the amount of TCHF 1 000 had to be recorded due to conservative estimates of future cash flows and due to exchange rate risks.

3.12 Financial assets

	30.09.03	30.09.02
Marketable securities	15 041	18 373
Derivative financial instruments	239	0
Current financial assets	**15 280**	**18 373**
Investments in third parties	135	628
Prepaid employee benefits	2 403	3 447
Non-current loans to third parties	26 635	25 238
Non-current financial assets	**29 173**	**29 313**
Financial assets	**44 453**	**47 686**

Non-current loans to third parties mainly comprise interest-free loans for long-term securing of distribution channels for the Beverages Division. See note 3.16 regarding the prepaid employee benefits.

3.13 Financial liabilities	30.09.03	30.09.02
Bank overdrafts	5 940	4
Derivative financial instruments	0	50
Current financial liabilities	**5 940**	**54**
Non-current bank liabilities	0	14 886
Debenture bonds*	99 653	100 395
Non-current financial liabilities	**99 653**	**115 281**
Financial liabilities	**105 593**	**115 335**

* For details see notes on Eichhof Holding Ltd. on page 62.

			30.09.03
	Up to 1 year	Up to 5 years	Total
Bank liabilities	5 940	0	5 940
Debenture bonds	0	99 653	99 653
Financial liabilities	**5 940**	**99 653**	**105 593**

Credit lines and bank liabilities include agreements between subsidiaries and their local banks.

	30.09.03	30.09.02
Credit lines available	30 200	51 886
Credit lines not drawn on	24 260	36 996

There are no material debt covenants. All credit terms entered into in order to maintain the credit lines were met at the balance sheet date.

3.14 Other liabilities	30.09.03	30.09.02
Other current liabilities towards		
– third parties	8 510	8 495
– government	631	833
– pension funds	26	16
Prepayments from third parties	1 473	2 721
Other current liabilities	**10 640**	**12 065**
Other non-current liabilities	**5 870**	**6 038**
Other liabilities	**16 510**	**18 103**

Other non-current liabilties towards third parties include "Deposits on containers".

3.15 Provisions

	Warranties	Other	Total
as of 01.10.2001	473	117	590
Utilized	-22	-3	-25
Dissolved	0	-58	-58
Translation differences	0	0	0
as of 30.09.2002	**451**	**56**	**507**
Additions	282	239	521
Utilized	0	-3	-3
Dissolved	-214	-20	-234
Translation differences	-46	7	-39
as of 30.09.2003	**473**	**279**	**752**

Provisions for warranty claims refer to the Color Division. It is expected that most of these costs will incur within the first year after the delivery of the product.

3.16 Employee benefits

Defined benefit plans

Net benefit expenses	**2002/2003**	**2001/2002**
Current service cost	4 342	4 299
Interest cost on benefit obligation	3 971	4 173
Expected return on plan assets	-4 501	-4 771
Effect of curtailments / settlements	-339	-452
Amortization of transition cost	350	22
Amortization of losses	890	624
Employee contributions	-1 548	-1 591
Expense recognized in the income statement	**3 165**	**2 304**
Actual return on plan assets	6 739	-3 458

Net prepaid employee benefits	**30.09.03**	**30.09.02**
Present value of funded obligations	104 794	110 151
Market value of plan assets	-95 027	-91 084
Funding deficit	**9 767**	**19 067**
Present value of unfunded obligations	291	279
Unrecognized actuarial losses	-12 312	-27 418
Unrecognized transition cost	-149	-162
Unrecognized funding deficit (Art. 58, IAS 19)	0	4 787
Prepaid employee benefits	**-2 403**	**-3 447**

Movement in the net prepaid employee benefits

	2002/2003	2001/2002
Prepaid employee benefits as of October 1	-3 447	-3 188
Net expense recognized in the income statement	3 165	2 304
Employer's contributions	-2 138	-2 136
Unrecognized funding deficit (Art. 58, IAS 19)	0	-424
Translation differences	17	-3
Prepaid employee benefits as of September 30	**-2 403**	**-3 447**

The decrease of prepaid employee benefits is mainly due to the lower effective return on assets and the resulting amortizations.

The prepaid employee benefits of TCHF 2 403 are due to Swiss pension plans. These plans are legally independent foundations, the Group is not liable for. The needed coverage is established according to national legislation, where contributions paid until the balance sheet date and the corresponding interest are included. Future salary and pension increases though, in contrary to IAS 19, are excluded. The Swiss pension plans are covered by 100% as of January 1, 2003.

According to Swiss law, prepayments reported on the balance sheet cannot be reimbursed to the company, but in some pension schemes they are used to finance employer contributions to individual benefit plans.

The decrease of the unrecognized actuarial losses was the result of a return on assets exceeding expectations, of the amortization included in the current expense and of an actuarial gain due to an adjustement of the assumption of the future rate of pension increases.

The plan assets also include 2 660 (previous year: 4 000) shares of Eichhof Holding Ltd. at fair value of TCHF 1 862 as of September 30, 2003 (previous year: TCHF 2 400). The weighted actuarial assumptions can be summarized as follows:

	30.09.03	30.09.02
Discount rate	3,70%	3,72%
Expected long-term rate of return on assets	4,98%	4,98%
Expected rate of salary increases	2,00%	2,00%

Defined contribution plans

The company maintains various defined contribution plans for which expenses for 2002/2003 amount to TCHF 2 093 (previous year: TCHF 4 080).

3.17 Financial instruments

Risk management and risk hedging instruments and off-balance-sheet risks

The Group's operating activities are exposed to a certain level of interest rate, foreign currency and credit risks. Individual categories of risks are continuously monitored and adjusted in relation to the overall risk exposure of the Group.

To hedge foreign currency and interest rate risks and to improve the yield on financial assets the Eichhof Group uses currency futures, option contracts and other financial instruments.

Management of interest rate risks

The Group is exposed to interest rate fluctuations due to movements in financial markets. In order to hedge those risks, interest swaps may be entered.

Management of foreign currency risks

A significant portion of the Group's cash flows is denominated in foreign currencies. The Group attempts to minimize currency exposure by matching operating income and operating expenses in foreign currency. Any residual risk is hedged in accordance with financial risk policy.

Hedging instruments include standardized foreign currency futures and options denominated in various major currencies, generally with maturities of less than 12 months.

Management of credit risks

Credit risks comprise of the credit and default risks associated with marketable securities and claims as well as of derivative financial instruments and money market contracts.

The credit risk is minimized by only purchasing marketable securities of companies with high ratings. Default risk for derivative financial instruments and money market contracts is reduced by entering into transactions only with banks or other financial institutions with a high rating at the time of closing. The credit risks are continually monitored and kept within defined parameters.

Due to its large geographic diversification and number of customers, the Group is not exposed to material concentrations of credit risks.

Derivative financial instruments

At the balance sheet date, outstanding foreign currency futures transactions amount to TCHF 16 290 (previous year TCHF 8 024) with maturities through the end of 30.04.2004. The related derivative financial instruments were recognised in current financial assets and liabilities at fair values. Hedge Accounting according to IAS 39 was not applied in the reporting and previous year. On September 30, 2003, there were no currency options outstanding.

Fair values

The carrying values of cash and cash equivalents, trade accounts reveivable and current liabilities approximate the fair values according to IFRS. Current financial assets and derivative financial instruments were measured at fair values.

3.18 Management share option plan

Options to subscribe Eichhof registered shares are granted to members of the Board of Directors and of the management as part of their performance-related variable salaries. The options carry the right to purchase one share per option, vest in three years, and expire in six years. They have a predetermined exercise price calculated according to the Black-Scholes-formula. The excercise prices have been changed due to the reduction of the par value as of May, 2003. For the possible excercise of the options a conditioned share capital of maximally CHF 8 800 exists at par value of CHF 1.

Year issued	Quantity of options issued 30.09.2003	Exercise price (CHF)	Expiration of blocking period	Expiration of exercise period	Quantity of options exercised 30.09.2003	Quantity of options repurchased 30.09.2003
per October 1:						
1998	980	1 050,00	01 10.01	01.10.04	0	380
1999	1 560	680,00	01.10.02	01.10.05	0	320
2000	1 380	730,00	01.10.03	01.10.06	0	120
2001	1 400	280,00	01.10.04	01.10.07	0	100
2002	1 340	205,00	01.10.05	01.10.08	0	0
Total	**6 660**				**0**	**920**

No options were converted in the reporting and in the previous period.

3.19 Earnings per share (EPS)

Earnings per share were calculated by dividing the net profit attributable to ordinary shareholders by the average number of ordinary shares outstanding during the year (issued shares less own shares).

Diluted earnings per share were calculated by dividing the net profit attributable to ordinary shareholders by the average number of ordinary shares outstanding during the year adjusted for the effects arising as a result of issuing own shares reserved for the management share option plan.

	2002/2003	**2001/2002**
Net profit per income statement in TCHF	8 129	4 632
Average number of shares outstanding	174 956	185 939
Basic earnings per share in CHF	46,46	24,91
Effect of dilution: Number of share options	388	338
Adjusted average number of shares		
For diluted earnings per share	175 344	186 277
Diluted earnings per share in CHF	46,36	24,87

3.20 Related parties

Related parties are members of the Board of Directors, the management and important shareholders. As in the previous year, no claims or liabilities exist between the company and its related parties.

Additionally, no transactions took place except for those in the normal course of business (e.g. salary, dividends, etc.) in the reporting and in the previous year.

3.21 Leasing liabilities

As in the previous year, no finance lease contracts exist at the balance sheet date.

The following overview shows future liabilities arising from non-capitalized operating lease contracts:

	30.09.03	**30.09.02**
Due in reporting period + 1 year	674	933
Due in reporting period + 2 year	241	309
Due in reporting period + 3 year	180	45
Due in reporting period + > 3 year	13	6
Non-capitalized operating leasing liabilities	**1 108**	**1 293**

3.22 Contingent liabilities

There were no sureties, guarantee obligations or pledges in favor of third parties either in the reporting period or in the previous year.

The company is involved in legal disputes, lawsuits and court cases in the ordinary course of business. As far as the company can assure such legal claims are not currently expected to have a significant impact on its financial situation or operating result on a scale greater than its existing provisions.

3.23 Securing of own liabilities

No assets were charged to secure own liabilties in the reporting and in the previous period.

3.24 Commitment to capital expenditure

As of September 30, 2003, no commitments to capital expenditure exist.

3.25 Post balance sheet events

The Group Financial Statements were approved for publication by the Board of Directors on November 17, 2003. They must still be approved by the shareholders at the Annual General Meeting.

No significant events have occurred since the balance sheet date and up to November 17, 2003, which might have any influence on the information presented in the 2002/2003 annual report or which might need to be disclosed here.

3.26 Foreign exchange rates

Currency	Unit	Year-end rates for balance sheet 30.09.03	30.09.02	Average rates for income statement 2002/2003	2001/2002
USD	1	1,3200	1,4886	1,3900	1,6001
EUR	1	1,5400	1,4639	1,5000	1,4695
GBP	1	2,1900	2,3299	2,2200	2,3574
HKD	1	0,1710	0,1909	1,1600	0,2052

3.27 Subsidiary companies

Company	Location	Currency	Share capital in 1 000s	Holdings in %
Beverages Division				
Brauerei Eichhof*	CH-Lucerne	CHF	15 000	100
Eichhof Getränke AG*	CH-Lucerne	CHF	10 000	100
Bier-Import AG*	CH-Zurich	CHF	500	100
MABAG AG*	CH-Lucerne	CHF	100	100
Lufrisca AG	CH-Lucerne	CHF	100	100
Der fliegende Harass AG	CH-Zurich	CHF	50	100
Ulmer & Knecht AG	CH-Zurich	CHF	392	100
Color Division				
Datacolor Holding AG*	CH-Lucerne	CHF	7 725	100
CV US Inc.*	USA-Ohio	USD	0	100
Colorvision Administrative AG	CH-Lucerne	CHF	3 000	100
Datacolor AG	CH-Dietlikon	CHF	4 000	100
Datacolor International France SA	F-Montreuil	EUR	274	100
Datacolor GmbH	D-Marl	EUR	256	100
Datacolor Asia Pacific Pte. Ltd.	Singapore	SGD	3 000	100
Datacolor Asia Pacific (HK) Ltd.	Hong Kong	HKD	10	100
Applied Color Systems Inc.	USA-Lawrenceville	USD	35 808	100
Colorvision Inc.	USA-Delaware	USD	0	100
Datacolor International Ltd.	GB-Altrincham	GBP	7 500	100
Datacolor Technology (Suzhou) Co.	China	USD	102	100

* These companies are held directly by Eichhof Holding Ltd.

Report of the Group Auditors

to the General Meeting of Eichhof Holding Ltd., Lucerne

As Group auditors, we have audited the consolidated financial statements (income statement, balance sheet, cash flow statement, statement of changes in equity, and notes, as set out on pages 35 to 58) of Eichhof Holding Ltd. for the year ended September 30, 2003.

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 with the International Standards on Auditing (ISA), which 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 Financial Reporting Standards (IFRS) and comply with Swiss law.

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

KPMG Fides Peat

KPMG

Markus Forrer
Swiss Certified Accountant
Auditor in Charge

Sandro Mascarucci
Swiss Certified Accountant

Lucerne, November 17, 2003

Income Statement

in TCHF	2002/2003	2001/2002
Financial income	7 440	24 900
Financial expenses	-5 875	-19 990
Administrative expenses	-1 141	-230
Income taxes	-117	91
Net profit	**307**	**4 771**
Retained earnings carried forward	11 539	6 768
Retained earnings	**11 846**	**11 539**

Balance Sheet

in TCHF		30.09.03		30.09.02	
Assets					
Cash and cash equivalents		1 169		4 082	
Current financial assets		14 434		19 532	
Other accounts receivable	1	23 062		31 312	
Prepaid expenses		183		118	
Current assets		**38 848**	26,7%	**55 044**	33,0%
Non-current financial investments	2	106 563		111 691	
Non-current assets		**106 563**	73,3%	**111 691**	67,0%
Assets		**145 411**	100,0%	**166 735**	100,0%
Liabilities and shareholders' equity					
Other current liabilities	3	2 482		2 278	
Accrued liabilities		1 550		1 428	
Current liabilities		**4 032**	2,8%	**3 706**	2,2%
Non-current financial liabilities	4	100 000		100 000	
Non-current liabilities		**100 000**	68,7%	**100 000**	60,0%
Liabilities		**104 032**	71,5%	**103 706**	62,2%
Share capital		177		4 929	
Legal reserves		18 579		18 428	
Special reserves		10 777		28 133	
Retained earnings		11 846		11 539	
Shareholders' equity	5	**41 379**	28,5%	**63 029**	37,8%
Liabilities and shareholders' equity		**145 411**	100,0%	**166 735**	100,0%

Notes

Additional information on the financial statements for the year ended September 30, 2003

The values below are in thousands of Swiss francs (TCHF) unless otherwise indicated.

1	Other accounts receivable	30.09.03	30.09.02
	Other accounts receivable		
	– third parties	3 000	6 128
	– group companies	20 062	25 184
	Other accounts receivable	**23 062**	**31 312**

2	Non-current financial investments	30.09.03	30.09.02
	– Investments	67 421	67 421
	– Own shares	10 142	7 001
	– Loans to group companies	28 700	36 800
	– Issue costs of debenture bonds	300	469
	Non-current financial investments	**106 563**	**111 691**

Loans granted to group companies serve to finance them and are given on a long-term basis.

3	Other current liabilities	30.09.03	30.09.02
	Other current liabilities		
	– third parties	2 331	2 129
	– group companies	151	149
	Other current liabilities	**2 482**	**2 278**

4	Non-current financial liabilities	30.09.03	30.09.02
	– Debenture bonds	100 000	100 000
	Non-current financial liabilities	**100 000**	**100 000**

Eichhof Holding Ltd. has the following outstanding bonds:

CHF 60 million bond at 4 1/4%, 1997–2005, due April 1, 2005
CHF 40 million bond at 4%, 1998–2006, due March 30, 2006

5 Shareholders' equity

Share capital

The share capital of Eichhof Holding Ltd. of CHF 177 491 (previous year: CHF 4 928 900) is fully paid-in and consists of 177 491 registered shares with a par value of CHF 1, each (previous year: 197 156 registered shares with a par value of CHF 25 each). In the reporting period 19 665 shares were bought back and eliminated. Additionally, the par value of the share was reduced from CHF 25 to CHF 1. The resulting effects were recorded in the special reserves.

The shares are listed on the Zurich Stock Exchange under issue number 853 104.

Own shares

Eichhof Holding Ltd. holds a total of 14 488 (previous year: 11 669) of own shares, carried at TCHF 10 142. The voting rights for these shares are suspended. A reserve for own shares has been duly formed for these shares.

	2002/2003			2001/2002		
	Par value TCHF	Book value TCHF	Number	Par value TCHF	Book value TCHF	Number
Balance at 01.10.	292	7 001	11 669	1 365	8 396	24 831
+ Shares purchased						
At par of CHF 55.00				85	1 100	1 534
At par of CHF 25.00	90	2 166	3 631	4	100	148
At par of CHF 1.00	0	66	114			
– Shares sold						
At par of CHF 25.00	-18	-417	-720			
At par of CHF 1.00	0	-113	-206			
Elimination of reserved own shares				-816	-816	-14 844
+/- Adjustment for repayment of par value	-350	-350		-346	-346	
+/- Market value adjustment		1 789			-1 433	
Balance at 30.09.	14	10 142	14 488	292	7 001	11 669

The share capital entitled to a dividend amounts to CHF 177 491.

Legal reserves	**30.09.03**	**30.09.02**
– General reserves	2 332	2 332
– Reserves for own shares	16 247	16 096
Legal reserves	**18 579**	**18 428**

Major sharholders: see investor’s information, page 66.

6 Pledges and guarantees in favour of third parties

On September 30, 2003, Eichhof Holding Ltd. had provided pledges to a maximum amount of TUSD 10 000 (previous year: TUSD 10 000) on behalf of group companies, of which TUSD 4 500 (previous year: TUSD 10 000) were drawn on at the balance sheet date.

Proposal of the Board of Directors

Proposal for Appropriation of retained earnings

Retained earnings		
Profit 2002 /2003	CHF	307 860
Retained earnings carried forward	CHF	11 538 961
Retained earnings	**CHF**	**11 846 821**

The Board of Directors proposes the retained earnings to be distributed as follows:

Dividend on dividend-entitled capital of CHF 177 491	CHF	4 969 748
Retained earnings carried forward	CHF	6 877 073
Retained earnings to be carried forward	**CHF**	**11 846 821**

The dividend of CHF 4 969 748 corresponds to a gross dividend of CHF 28.– per dividend-entitled share at par value of CHF 1.–. If this earnings appropriation proposal is accepted, the date of payment will be Tuesday, February 3, 2004.

Report of the Statutory Auditors

to the General Meeting of Eichhof Holding Ltd., Lucerne

As statutory auditors, we have audited the accounting records and the financial statements (income statement, balance sheet, and notes, as set out on pages 60 to 64) of Eichhof Holding Ltd. for the year ended September 30, 2003.

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 retained earnings comply with Swiss law and the company's articles of incorporation.

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

KPMG Fides Peat

KPMG

Markus Forrer
Swiss Certified Accountant
Auditor in Charge

Sandro Mascarucci
Swiss Certified Accountant

Lucerne, November 17, 2003

Investors' Information

Stock exchange information	
Expected ex-date 2004	03.02.04
Security ID	853.104
ISIN	CH0008531045
Reuters	EINZn.S
Bloomberg	EI/N
Investdata	EIN

Capital structure	
Share capital in CHF	177 491
Conditional share capital in CHF	8 800
Number of registered shares	177 491
Nominal value per share in CHF	1
Registration restrictions	none
Voting restrictions	none
Opting out / opting up	none

Major shareholders (in%)	30.09.2003	30.09.2002
Dubach family	29,0	28,6
Keller family	8,2	8,1
Marc Rich Group	10,9	8,8

Shareholders' structure (in%)	30.09.2003	30.09.2002
Major shareholders	48,1	45,5
Private investors	72,2	73,6
Corporate investors	27,8	26,4
thereof institutional investors	3,8	4,3
Shares at disposal	11,4	17,2

Spread of shares as of 30.09.2003			
Number of shares			
1	–	100	3 060
101	–	1 000	65
1001	–	5 000	4
5001	–	10 000	0
>10 000			*4
Gesamt			3 133

*incl. own shares of Eichhof Holding Ltd.

Share price data in CHF	2003		2002	
First trading day	600	(01.10.2002)	760	(01.10.2001)
Low	515	(10.03.2003)	600	(30.09.2002)
High	705	(18.09.2003)	837	(14.11.2001)
Last trading day	700	(30.09.2003)	600	(30.09.2002)
Average	708		582	
Market capitalisation in TCHF as of 30.09.	124,2		118,3	

Per share data *	2003	2002	2001	2000	1999
Group net income, CHF	46,5	24,9	22,7	35,0	74,5
Cash flow from operating activities	211,6	114,4	37,8	89,6	37,3
Shareholders' equity	519,2	580,5	608,0	649,2	613,1
Dividend in CHF	28,0	0	12,0	20,0	32,0
Reimbursement of par value in CHF	0	24,0	30,0	45,0	0
Total distribution in CHF	28,0	24,0	42,0	65,0	32,0
Yield in %	4,0%	4,0%	5,5%	5,9%	2,6%

* calculated by the weighted average number of shares outstanding (issued shares less own shares) and consolidated figures

Headquarter Holding
Eichhof Holding Ltd.
Obergrundstrasse 110
CH-6002 Luzern
Tel. +41 41 319 12 42
Fax +41 41 319 12 60
www.eichhof.com

Beverages Division

Brauerei Eichhof
Obergrundstrasse 110
CH-6002 Luzern
Tel. +41 41 319 11 11
Fax +41 41 319 12 06
www.eichhof.ch

Eichhof Getränke
Obergrundstrasse 110
CH-6002 Luzern
Tel. +41 41 319 12 12
Fax +41 41 319 12 06
www.eichhof.ch

Kellerei St. Georg
Obergrundstrasse 110
CH-6002 Luzern
Tel. +41 41 319 19 19
Fax +41 41 319 14 41
www.kellerei-st-georg.ch

The Beer Company
Förrlibuckstrasse 178
CH-8005 Zürich
Tel. +41 41 319 13 13
Fax +41 41 319 10 33
www.thebeercompany.ch

Color Division

Headquarter
Datacolor International
Applied Color Systems Inc.
5 Princess Road
Lawrenceville NJ, USA
Tel. +1 609 924 21 89
Fax +1 609 895 74 72
www.datacolor.com

Europe
Datacolor AG
Brandbachstrasse 10
CH-8305 Dietlikon
Tel. +41 1 835 37 11
Fax +41 1 835 38 35
www.datacolor.com

Asia
Datacolor Asia Pacific Pte Limited
150 Cecil Street # 07-02
AXA Life Building
Singapore 069543
Tel. +65 225 81 83
Fax +65 225 87 30
www.datacolor.com