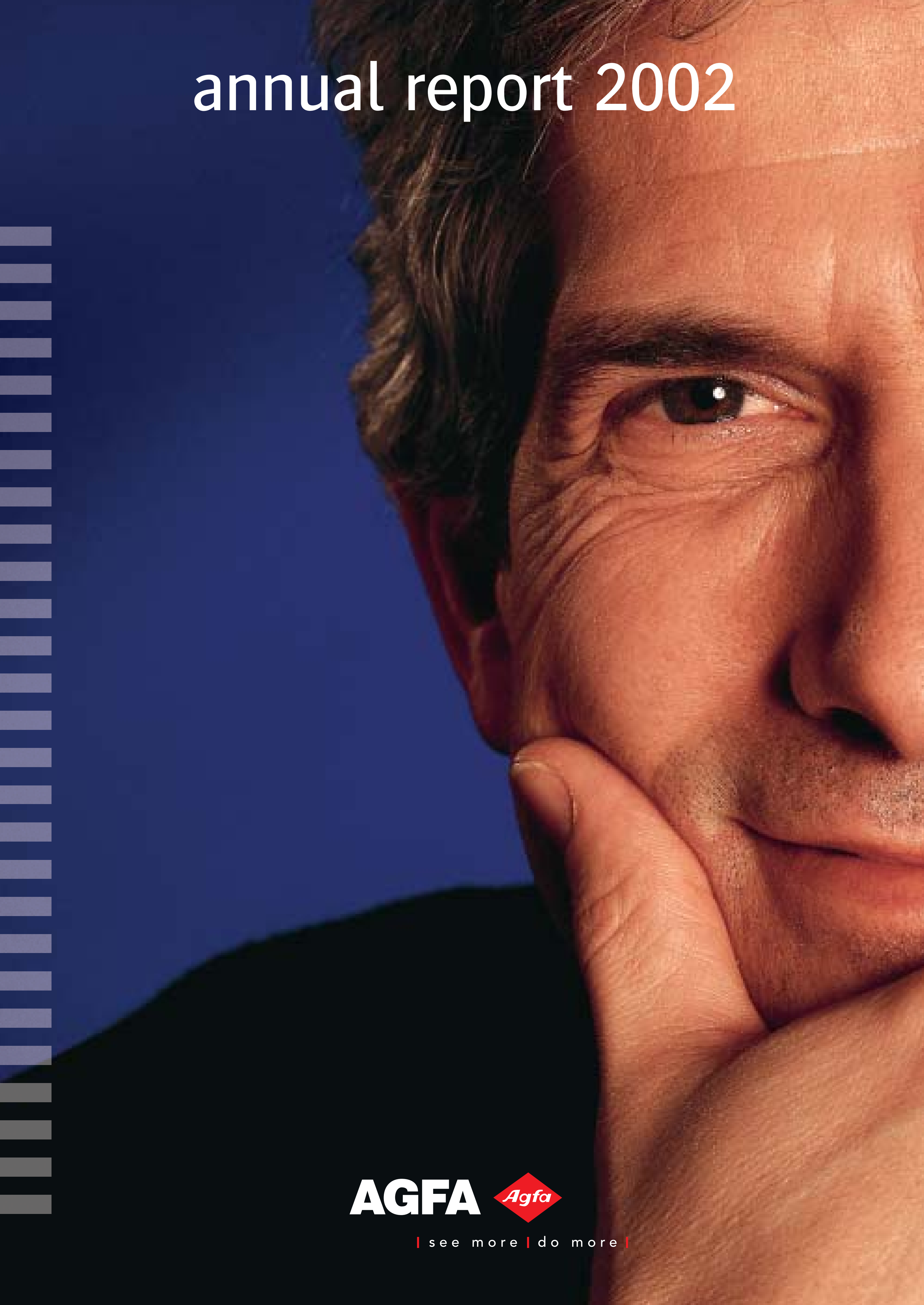
annual report 2002



AGFA

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Key figures

MILLION EUROS

	2002	2001	2000	1999
Net sales	4,683	4,911	5,260	4,731
change	(4.6)%	(6.6)%	11.2%	8.5%
Operating result[1]	471	260	527	364
Restructuring expenses and non-recurring results	(78)	(524)	(126)	(273)
Non-operating result	(97)	(120)	(130)	(73)
Income tax	(99)	133	(96)	(7)
Share of results of associated companies[2]	(3)	(37)	(6)	3
Net result	194	(288)	169	14
Cash flow				
Gross operating cash flow	482	226	526	300
Net operating cash flow	611	738	436	377
Balance sheet				
Shareholders' equity	1,383	1,267	1,570	1,439
Net financial debt	573	842	1,147	1,091
Net working capital[3]	1,598	1,672	1,869	1,460
Total assets	4,159	4,527	5,070	4,854
Sales by Business Segment				
Graphic Systems	1,813	1,890	2,065	1,945
Share of Group sales	38.7%	38.5%	39.3%	41.1%
Technical Imaging	1,822	1,823	1,708	1,352
Share of Group sales	38.9%	37.1%	32.5%	28.6%
Consumer Imaging	1,048	1,198	1,487	1,434
Share of Group sales	22.4%	24.4%	28.3%	30.3%
Sales 'New Digital Solutions'	1,710	1,372	1,146	712
Share of Group sales	36.5%	27.9%	21.8%	15.0%
Research and Development expenses	248	231	224	241
Share of Group sales	5.3%	4.7%	4.3%	5.1%
Employees[4]	19,341	21,038	21,946	22,635

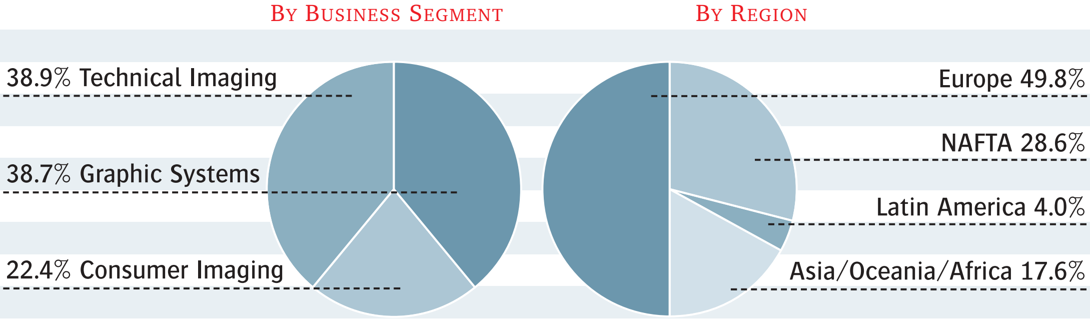
(1) before restructuring and non-recurring items

(2) including minority interest

(3) current assets minus current liabilities

(4) full time equivalent permanent employees on December 31, 2002

Share of Group Sales 2002



Company Profile

Agfa at a glance

The Agfa-Gevaert Group develops, produces and distributes an extensive range of analogue and digital imaging systems, services and products, mainly for the graphic industry, the healthcare sector, photography, non-destructive testing of materials and industrial imaging.

The company's head office and parent company are located in Mortsel, Belgium. The largest production and research centres are located in Belgium, Germany and the United States.

The operational activities are incorporated in 3 business segments that are divided into 5 business groups.

Business segments

Graphic Systems
Graphic Systems provides an extensive range of prepress systems and consumables for the graphic industry. Agfa is the worldwide number one in prepress solutions and a leading player in the newspaper, packaging and commercial printing markets.

Technical Imaging
Technical Imaging comprises three business groups:
HealthCare, Non-Destructive Testing and Industrial Imaging.

• HealthCare
In the healthcare market, Agfa supplies analogue and digital imaging solutions and an innovative range of diagnosis and communication systems, including computed radiography and digital networks for hospitals. Agfa's equipment, consumables and services are targeted to different hospital departments and comprise comprehensive information systems tailored to the needs of each hospital.

• Non-Destructive Testing (NDT)
Non-Destructive Testing (NDT) guarantees safety, performance and quality. Agfa supplies analogue and digital X-ray film systems and ultrasonic inspection systems that check the structure and tolerance of materials without damaging or deforming them. They are used mainly in aviation, the automobile and railway industry, the energy sector and the petrochemical industry.

• Industrial Imaging
Industrial Imaging is active in several different fields. It provides document management solutions via microfilm and digital systems. Industrial Imaging's portfolio also contains high-security identification documents as well as various types of film for the movie sector and semi-finished products for electroluminescent lighting and displays.

Consumer Imaging
Consumer Imaging provides photographic products for the consumer market and consumables and equipment for photofinishing labs. Agfa plays a central role in the taking, developing and printing of photographs and is world leader in high-speed photo printers for industrial finishing as well as in private label film.

Letter to the shareholders

Dear shareholders and friends,

2002 was a very challenging year for our Group. The external circumstances remained difficult as the economic conditions showed further weakness, especially in Europe. Moreover, the depreciation of the dollar during the second half of the year affected our turnover because around one third of our total sales are realised in dollar or dollar-related currencies. Total sales consequently decreased 4.6 percent.

In these generally depressed markets, Agfa was able to show very substantial progress in each and every financial indicator. The further improvement in the quality of some of our products and services as well as the beneficial impact of the Horizon Plan explain this satisfactory trend.

Operating profit before restructuring costs increased about 80%. Net profit exceeded 190 million Euros, a level never reached before. The goal to reduce working capital by 500 million Euros by end 2003 was already exceeded by mid 2002. At year end the total reduction of inventories and trade receivables already totalled 760 million Euros and in the coming years Agfa will further reduce the working capital. In parallel with all this, net financial debt decreased, the balance sheet structure improved and cash flows were significantly up.

In another field, Agfa also faced great changes. In the middle of 2002, Bayer decided to sell its 30 percent stake in Agfa in a private placement. In spite of turbulent stock market circumstances at the time, the shares were placed immediately and almost without affecting the share price, thus illustrating the confidence of the financial markets in our ability to further improve our performance. We are pleased that as a result of this, we were able to welcome four new large shareholders: Highfields Capital Management, based in Boston, who declared ownership of almost 10 percent of our shares, Och-Ziff Capital Management and Fidelity Investments, both based in the US and the UK, owning each respectively around 8 and 5 percent of the company and Deutsche Bank, which holds 4 percent.

This important change in our shareholder structure also affected the composition of the Board of Directors. Messrs Kühn and Oels, both representing Bayer, resigned in June. Mr Müller, Chairman of Commerzbank asked to be relieved from his responsibilities as from the Annual Meeting of Shareholders of April 2003. Finally, Mr André Bergen, Chief Financial and Administration Officer and Executive Director, will take up important new professional responsibilities as CEO of KBC Bank.

Pol Bamelis Ludo Verhoeven

The Annual Meeting of Shareholders will therefore be asked to approve the appointment of four new Directors: Marc Gedopt, who will succeed André Bergen, Christian Leysen, representing Gevaert and two independent directors: Monte Haymon and John Buttrick. Our Board of Directors will consequently include members of Belgian, German and American nationality reflecting the fact that Agfa is a truly international company.

Looking ahead, the economic and political perspectives still seem clouded by a lot of uncertainties.
A further deterioration of worldwide economies would certainly also affect Agfa. On the other hand, we will unabatedly continue to implement the Horizon Plan, which runs until the end of 2003 and will again deliver substantial savings. We are also convinced – even after Horizon – that we will be able to continue to improve our company's financial performance and quality. We have therefore already started to develop a new program to stimulate growth and improve quality considerably.

In the beginning of 2003 we announced that we accepted the proposal of GE Aircraft Engines to acquire our Non-Destructive Testing business group. As a result, in the future we will have a more focused portfolio of activities and will be able to use the proceeds to advance in our strategy of expansion.

To illustrate our confidence in the future, we are pleased to announce that we will ask the Annual Meeting of Shareholders to approve the increase of the gross dividend per share from 23 to 50 Eurocents.

Pol Bamelis
Chairman of the Board of Directors

Ludo Verhoeven
Chairman of the Board of
Management and CEO

Board of Management
(February 25, 2003 – from left to right)

Jesper O. Möller, responsible for the Business Group Consumer Imaging and for the regions Asia Pacific and Latin America.

Albert Follens, responsible for the Business Groups Non-Destructive Testing and Industrial Imaging, Intellectual Property, Production Photochemicals, Research and Development, Corporate Environment, Procurement and Logistics.

André Bergen, Chief Financial and Administration Officer, responsible for the region Europe, Corporate Finance, Corporate Legal, Human Resources and IT.

Ludo Verhoeven, Chairman of the Board of Management and Chief Executive Officer and responsible for Corporate Communication, Process Office and Internal Audit.

Marc Elsermans†, responsible for the Business Group Graphic Systems.

John Glass, responsible for the Business Group HealthCare and for the NAFTA region.

(†) Marc Elsermans, highly appreciated by customers and colleagues, unexpectedly passed away on March 3, 2003.

Management report

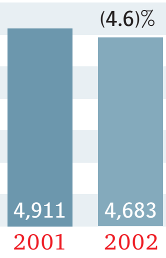
Words in italic are explained in the Glossary (page 92).

For Agfa-Gevaert, 2002 was characterised on the one hand by the persistently sluggish worldwide economy and the weak dollar, which both affected revenues, and on the other hand, by the substantial improvement of the company's financial performance. The operating result and net profit increased significantly, while working capital and net financial debt were sharply reduced. Finally, net operating cash flow remained at a high level.
The further improvement in the quality of some of Agfa's products and services, and the beneficial impact of the Horizon plan are the main reasons for this substantial progress.

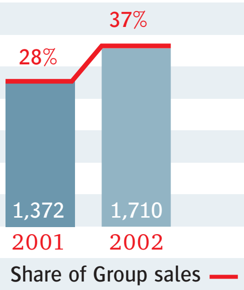
The Horizon plan was launched in 2001 with the goal of sustainably improving the company's profitability, to release funds necessary for future growth and to make Agfa a more transparent, more efficient and flexible organisation.
It runs until the end of 2003 and includes more than 100 separate projects, covering the different business groups as well as the shared services and administrative departments. It aims at cost savings of approximately 550 million Euros per year from 2004, through - among other items - a staff reduction of 4,000 full-time equivalent positions.

Such a vast program with its many changes in systems and workflows necessarily entails additional risk during the transition phase. Agfa was also confronted with this and during the closure of the financial year posted a number of revaluations of inventories and costs. This, together with the effects of the production interruptions at year end, the introduction of a stricter policy towards provisioning bad debt and a technical issue related to the revaluation of forward contracts to purchase raw materials, explain why the results of the fourth quarter of 2002 were lagging behind those of the previous quarters. Pursuant to this, Agfa has taken measures to speed up the implementation of programs in accounting and management information systems to further diminish risk and to improve forecasting capacity.

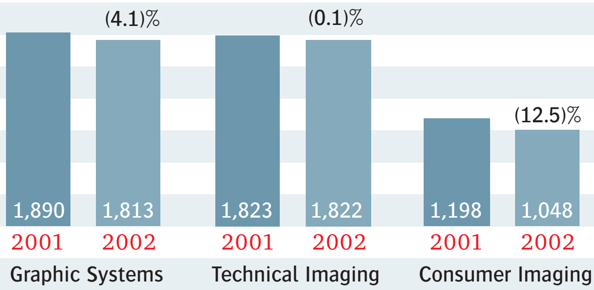
Group Sales 2002
MILLION EUROS



Sales 'New Digital Solutions'
MILLION EUROS



Sales 2002 by Business Segment
MILLION EUROS



Although the last quarter results seem to put something of a damper on the excellent performance of the rest of the year, Agfa is convinced that the benefits of the Horizon Plan will be fully realised and that the company's financial performance and quality will be further improved in 2003.

Early in 2003, Agfa announced its decision to accept the offer of GE Aircraft Engines, a division of the General Electric Company (USA), to acquire the Non-Destructive Testing Business Group for a price of 405 million Euros. Although Agfa did not put this business up for sale, the price offered and GE's commitment to the further development of this business, its customers and its employees, convinced Agfa to accept GE's proposal. The transaction will be completed following receipt of regulatory approval.

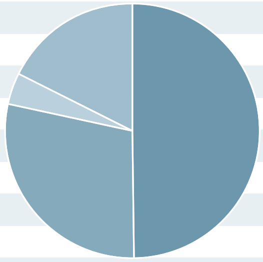
Sales

Agfa's turnover fell by 4.6% in 2002. Excluding the sales of digital cameras and scanners (CDI) discontinued at the beginning of 2002, the decrease was limited to only 2.8%.
The main reasons for the fall were the continuing weakness of the overall economy and the strength of the Euro, primarily in the second half of 2002.
The transition towards digital imaging continued. In 2002, the turnover of Agfa's 'new digital solutions' rose again by 24.7%.

In 2002, Technical Imaging's turnover amounted to 1,822 million Euros, almost the same level as in 2001. Graphic Systems (-4.1%) and Consumer Imaging (-12.5% including CDI and –5.2% excluding CDI) posted a larger decrease as these are more sensitive to the business cycle. Technical Imaging's share of total Group sales grew from 37.1% in 2001 to 38.9% in 2002, and thus exceeded - for the first time - Graphic System's share in turnover which amounted to 38.7% at the end of 2002 (2001: 38.5%). In 2002, Consumer Imaging accounted for 22.4% (2001: 24.4%) of total Group turnover.

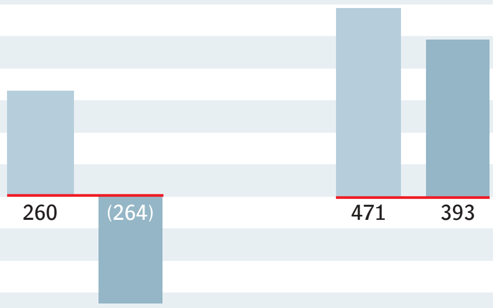
Share of Group sales 2002

By Region



Operating result before and after restructuring

(Million Euros)



The regions' share of Group sales remained virtually stable.
Only turnover in Latin America (4% of total revenues) fell back significantly by 19.1%, a consequence of the generally poor economic situation in this region combined with the negative influence of exchange rates.
In spite of the currency trend, turnover in Europe slipped by 5.6%, more than the 3.9% drop in the NAFTA region. This is explained by strong sales in Consumer Imaging in North America while the European photo market was particularly affected by low travel and reduced holidays. Sales in the rest of the world rose by 1.1% and reached 17.6% of the total.

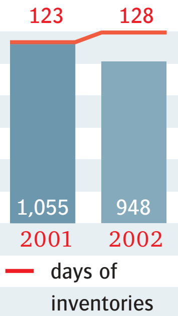
Result

Agfa was able to sharply boost its productivity in 2002.
The gross profit margin increased substantially from 36.5% in 2001 to 42.2% in 2002, while sales and general administration costs were reduced by 7.9%.

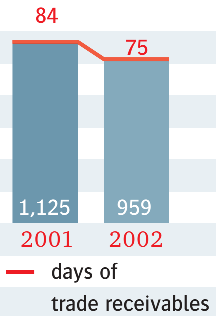
The operating result before restructuring costs and non-recurrent items consequently rose sharply from 260 million Euros in 2001 to 471 million Euros in 2002.
The return on sales in 2002 amounted to 10.1% (previous year 5.3%). The restructuring costs associated with the Horizon plan amounted to 550 million Euros. Of this sum, 440 million Euros were already booked in 2001, while the remaining 110 were charged to 2002.
During 2002, 6 million Euros of additional restructuring charges were booked for non-Horizon projects. On the other hand, non-recurring income for a total of 38 million Euros was realised mainly thanks to the sale of real estate.
The operating result, after restructuring costs and non-recurring items, therefore reached 393 million Euros (previous year -264 million Euros).

Key Figures Balance sheet		
(Million Euros)	2002	2001
Non-current assets	1,174	1,233
Inventories	948	1,055
Trade receivables	959	1,125
Other current assets	635	581
Cash and cash equivalents	145	224
Deferred charges and taxes	298	309
Total assets	**4,159**	**4,527**

Working capital
Inventories
(Million Euros)



Working capital
Trade Receivables
(Million Euros)



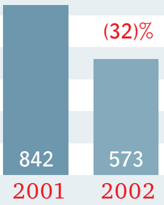
The reduction in net financial debt, which went hand in hand with the improvement in the result and the decrease of working capital also led to lower financial charges. The non-operating result consequently fell from minus 120 million Euros to minus 97 million Euros and income before taxes rose to 296 million Euros. After deduction of taxes, minority interest and the share of results of associated companies, a net result of 194 million Euros was achieved in 2002 (previous year: -288 million Euros).

Horizon on track

One of the larger Horizon projects implemented in 2002 concerned the streamlining of Agfa's fragmented printing *plate* manufacturing. The project entails making the various European plants specialise in well-defined product lines or serve a specific geographic market.
This includes the transfer of all *Lithostar* plate production from Wiesbaden (Germany) to Pont-à-Marcq (France), a step which was partially completed in 2002.
Another important project concerned the consolidation of Agfa's global production units for medical *x-ray* film, which reflects the market shift from medical film screen systems to dry *hardcopy* systems and the need to increase production efficiency worldwide. As a result, production in Brevard, North Carolina was terminated at the end of 2002.

Simplifying Agfa's complex flow of goods and invoices is also one of the priorities of the Horizon plan. By creating a centralised invoicing unit in Europe and organising direct delivery from the factory to the customer, these flows are made more efficient and less expensive. This model was introduced in Denmark in April 2002 and is now operational in Benelux, the United Kingdom, Scandinavia and Italy. The rest of Europe will follow in 2003.

Net Financial Debt
(Million Euros)



The Apollo project was launched in Graphic Systems to increase the sales efficiency. Starting from an enhanced customer segmentation, a more targeted sales approach was developed. Within the European region alone this resulted in a significant improvement in profitability. It was consequently decided to start similar projects in the other regions and in the other business groups.

Balance sheet

At the end of 2002, total assets amounted to 4,159 million Euros, compared with 4,527 million Euros in the previous year.

Non-current assets

Non-current assets decreased 4.8% to total 1,174 million Euros.
Intangible assets increased 53 million Euros to a large extent because of the acquisition of Mitra at the beginning of the year. Property, plant and equipment on the other hand decreased 108 million Euros as a result of the depreciation of the dollar and of sales of real estate.

Working capital

Current assets amounted to 2,717 million Euros, a fall of 289 million, thanks to the successful efforts to reduce working capital.

Agfa had set itself ambitious targets for reducing its working capital by a total of 500 million Euros by the end of 2003. After the successful reduction of stocks and trade receivables in 2001, the Group recorded further progress and has already exceeded this goal by the end of June 2002. Consequently, Agfa increased its target and aimed to reduce its working capital with a total of 750 million Euros compared to mid 2001, the reference point.
At the end of 2002, this target was also already exceeded, partially thanks to the depreciation of the dollar. Inventories amounted to 948 million, a decrease of 107 million Euros compared to end 2001.

Trade receivables fell again by 166 million in comparison with the end of 2001 and stand at 959 million Euros.
Since June 2001, a total reduction of 760 million Euros has been recorded for the sum of inventories and trade receivables.

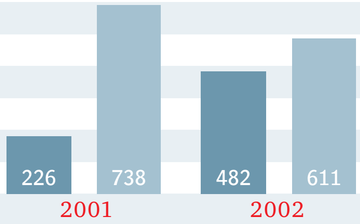
Financial debt

Thanks to the substantial improvement in operating results and the significant reduction in working capital, net financial debt decreased by 269 million Euros to 573 million Euros at the end of the year.

Shareholders´ equity

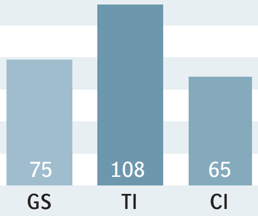
At the end of 2002 shareholders' equity amounted to 1,383 million Euros against 1,267 million the previous year.

Operating Cash Flow
(Million Euros)

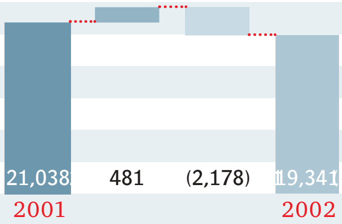


Operating cash flow - gross
Operating cash flow - net

R&D 2002
By business Segment
(Million Euros)



Number of employees
in full-time position (end of year)



Acquisitions and consolidation perimeter
Horizon 2002

Cash Flow statement

The gross operating cash flow totals 482 million Euros and the net operating cash flow, which takes account of the variations in working capital, stands at 611 million against respectively 226 million and 738 million Euros in 2001.

Investments

Agfa spent approximately 220 million Euros on acquisitions in 2002. The largest part of this is related to Mitra, a leading producer of image processing and information management systems for the healthcare sector that was taken over at the beginning of January. Mitra has been Agfa's partner for many years in the development of medical *PACS* networks. In October, the remaining 7,1% of Mitra was also acquired from its Employee trust.
Furthermore, Agfa increased its minority stake in MediVision from 8 to 19.5%. Agfa and MediVision are jointly developing an integrated digital PACS system for ophthalmology. Mitra as well as MediVision have excellent know-how in the area of digital technologies and fit superbly into Agfa's growth in digital imaging.

In February 2002, Agfa and DigiPlast Holdings, an international consortium of investors, have established a joint venture named Digiplast N.V. in which Agfa holds a 20% share. The joint venture will concentrate on the commercialisation of coatings for digital exposure of plastic foils used to decorate a wide range of industrial applications such as furniture, toys, white goods, pop-up displays and flat panels.

Furthermore, Agfa invested 248 million Euros (5.3% of Group turnover) in research and development. Of this amount, Technical Imaging was assigned 44%, Graphic Systems 30% and Consumer Imaging 26%.

In 1996 more than 60% of total research expenditure was spent on the development of consumables, while 40% was allocated to equipment and software development. In 2002, these ratios are completely different, with R&D expenditure for equipment and software representing 64% of the total, thus illustrating Agfa's increasing focus on digital imaging.
In HealthCare, the emphasis is on imaging and information management software, digital hospital networks, 'dry' and more environmentally friendly *hardcopy* systems and *computed radiography*.
In Consumer Imaging, R&D expenditure is concentrated on digital *minilabs* and the development of the digital *wholesale finishing* system, whose prototype generated a great deal of interest at the 'Photokina' trade show in Cologne.
Finally, in Graphic Systems, *platesetters* and digital printing *plates*, together with *workflow software* and *digital proofing* systems get the main focus. To be able to meet the customer's demand for digital plates, which increased further even in the generally depressed graphic markets, Agfa made additional investment in a new production unit in Wuxi (China) to serve the Asian market. As of the second half of 2003, when this production line will be operational, Agfa will be able to approach the market again with full strength capacity.

Human Resources

At the end of 2002, Agfa employed a total of 19,341 employees (expressed in full-time positions), compared with 21,038 at the end of 2001. This results on the one hand from changes in the consolidation perimeter and acquisitions and on the other hand from a staff reduction of 2,178 employees linked to the Horizon plan. This plan aims at a staff reduction – net of the effect of acquisitions – of approximately 4,000 employees (expressed in full-time equivalents) by the end of 2003 in comparison with June 2001. In total 2,911 full-time equivalents have already left the company.

A far-reaching restructuring plan, such as Horizon, always creates uncertainty and brings along quite some changes for the personnel. Agfa is genuinely grateful to all of its employees for the way they have supported and stimulated the process of change, instead of merely undergoing it. The significant improvement in the results in 2002 shows that their efforts are already paying off.
The company is convinced that it will be able to continue to appeal to its entire staff to successfully cope with the changes in the imaging markets. It will therefore supply adequate training to empower employees to master the move towards digitisation.

Prospects for 2003

Looking ahead, the economic and political perspectives are still clouded by many uncertainties. In view of these circumstances, which are completely beyond Agfa's control, it would be unwise to make specific promises for 2003. On the other hand, Agfa will continue to benefit from the positive effects of the Horizon Plan, which will again deliver substantial savings.

> Working with Quebecor on the Delano project has been an amazingly rewarding experience for both sides. We know we are shaping the tools for the graphic enterprise of the 21st century together. It has taken us from a vendor client relationship to a partnership with true customer intimacy.
>
> *Martin Dubois,*
> *Senior Account Manager, Canada*

Graphic Systems

In 2002 Graphic Systems achieved a turnover of 1,813 million Euros representing 38.7% of total Group sales. Sales decreased 4.1% compared with 2001, illustrating the continuing weakness of the publishing and printing markets across the world. Operating results before restructuring costs and non-recurrent items increased by 88% to 150 million Euros thanks to improved operational efficiency and the beneficial impact of the Horizon restructuring plan.

Agfa is the number one in *prepress* and the only company worldwide offering consumables (*graphic films* and printing *plates*), equipment and software serving the needs of commercial, newspaper and packaging printers. It has the most extensive integrated solutions for both *computer-to-film* and *computer-to-plate* systems, including digital proofing systems and *large format printing*, software for *workflow management* and project automation. Agfa also offers special graphic film products for industrial applications such as aerial photography, screen and flexo printing and *phototooling film* for printed-circuit board manufacturing.

In the lacklustre economy of 2002, the graphics industry was characterized by weak demand for investment goods and consumables. However, the shift from computer-to-film to computer-to-plate continued at a fast pace. Agfa estimates that more than 20% of the market has already made the switchover to computer-to-plate, and expects this trend to continue in the coming years. The printing and publishing businesses are thus going through an unparalleled technological revolution whereby content is now almost exclusively digitally created, processed and reproduced.

Key Figures Graphic Systems

(Million Euros)

	2002	2001	change
Sales	1,813	1,890	(4.1)%
Operating result before restructuring*	149.9	79.7	188.1%
Return on sales before restructuring*	8.3%	4.2%	
Operating result after restructuring*	126.3	(55.6)	327.2%
Return on sales after restructuring*	7.0%	(2.9)%	

(*) including non-recurring results

One of the faster growing market segments of the printing industry is the newspaper market. As newspapers are increasingly adopting full colour printing, which quadruples the volume of prepress consumables needed (one printing plate for every colour), the demand for graphic film and printing plates rises. Agfa is well positioned in this market and further enlarged its customer base thanks to the acquisition at the end of 2001 of Autologic, a Californian manufacturer of computer-to-plate systems and production software for prepress computerisation in the newspaper sector. To achieve greater cost efficiency, the production of Autologic was transferred and integrated in 2002 with the manufacturing facilities in Wilmington (USA).

Going digital

The shift to computer-to-plate, as well as the economic slowdown affected the sales in the analogue (film based) product families (film, *imagesetters* and analogue plates). Despite these difficult market circumstances, Agfa was able to further increase its market share in graphic film.

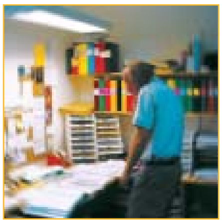
In the fast growing computer-to-plate market Agfa's sales increased by more than 30 per cent. Agfa's complete portfolio, of both *thermal* and *visible-light* digital plate systems, enables it to offer every customer the solution that is best adapted to his specific needs.

To meet with the strong demand for digital plates, Agfa took several measures to further increase its production capacity. Among these is the decision to invest in a new production plant for printing plates in Wuxi (China). It is designed to serve the fast growing Asian market and will be operational in the second half of 2003.
To achieve greater cost efficiency, Agfa is streamlining its fragmented European plate production within the framework of the Horizon restructuring plan.
The plant in Wiesbaden (Germany), where approximately half of Agfa's analogue and digital printing plates are currently manufactured, is taking over analogue plate production for the European market from the Agfa site in Leeds (UK), where one production line has already been closed.
The Leeds facility will, in turn, manufacture all substrate for the fast growing *Lithostar* digital plates. The third center of manufacturing excellence in Pont-à-Marcq (France) will specialise in the coating and finishing of Lithostar printing plates.

> Together with colleagues from HQ my engineering team works very hard to get the Wuxi factory up and running. I am convinced that the products from this new plant will contribute to strengthening Agfa's position in the Asian Pacific region.

Ma Liming,
Engineering Manager, China

1 |


3 |

In computer-to-plate equipment, Agfa's Palladio *platesetter* enjoyed great success in 2002. It offers small to medium-sized printing firms an automated, integrated computer-to-plate solution at an affordable price, so that they can make the transition faster and with less risk. Since its launch at the beginning of the year more than 200 units have been sold, strengthening Agfa's position in the *4-up* market.

In 2002, Agfa also introduced the Polaris X, a new generation of platesetters for newspapers. This launch means a breakthrough for *violet laser technology* in the newspaper market, ensuring high productivity and low costs. More than 500 systems in the Polaris family have already been installed so far.

With the Xcalibur 45, a high-speed *8-up* thermal platesetter, Agfa was the first to bring *Grating Light Valve technology* to the market. GLV Technology was originally developed for use in high-definition digital cinema or large-format displays. Its advantages include simplified operation and a longer lifetime for the laser.

In digital inkjet proofing, Agfa expanded its range of solutions with the Sherpa 24M, a fully digital *contract proofing system* (hardware, software and paper) for small and medium-sized printers and with powerful software tools for colour quality and consistency management.

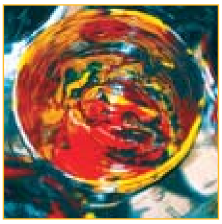
Workflow and project management
The transition from analogue to digital systems is accelerated by the trend towards shorter and more targeted print runs, for example for direct mail or regional publications. As these different editions result in more *prepress* work, automation of the prepress workflow is of key importance to printing companies. Agfa is ideally placed to meet the need for automation by offering workflow management and print *project management software*, for packaging and commercial printers as well as for newspapers. Agfa workflow solutions mean faster operations, higher quality and more cost efficiency for the customers. Moreover, Agfa workflows ensure that the resulting digital prepress output can immediately be repurposed for other communication media, such as multimedia CDs or the Internet.

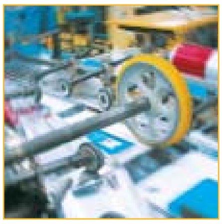
2 |

1 | The contract proof represents a 'preview' of what the printer is about to print. Printer and customer sign off that proof as a binding contract. The best of Agfa's knowhow in colour quality and consistency management is what makes the Sherpa24M a most reliable digital contract proof system.

2 | Agfa's platesetters enjoyed great succes in 2002. The Palladio offers an affordable and low risk transition to computer-to-plate for small and medium printing companies. The Polaris X offers improved efficiency for the newspaper printing industry thanks to violet laser technology.

3 | The first installation of the Delano system in a production environment is planned for the first half of 2003. The web-based software will coordinate and integrate collaboration, communication and project management in the graphics industry.





Seybold Bulletin, the leading electronic newsletter for the graphics industry, described Agfa's ApogeeX, the newest generation of pdf-based workflow solutions, as 'a coherent, easy-to-use, and powerful system'. It said "Agfa has done an impressive job and (…) has set a difficult target for its competitors." Agfa already has an installed base of 13,000 Apogee workflow automation licences.

The American newspaper USA Today selected Agfa's APS Content Management System, a powerful digital archiving management system for the automatic archiving of all data from publications (advertisements, images and articles). In 2002, Agfa also entered into a partnership with Canada's Quebecor World, the largest print-media service company in the world, to develop and implement Delano, a web-based system for collaboration, communication and project management in the graphics industry. The first production installations are expected in the first half of 2003.

Adapting the sales and service organisation

Agfa approaches the market with comprehensive and integrated solutions tailored to specific customer needs. Its highly developed worldwide sales and service organisation adopts a growing consultancy role, in order to help printing companies with their transition to computer-to-plate and the implementation of company-wide digital production flows.

In order to improve further on sales efficiency and customer satisfaction, Agfa continued with the roll-out of the Apollo project in 2002. Higher sales effectiveness is achieved through thorough customer segmentation and a targeted sales approach. This project started in Europe and will also be implemented in America and Asia in 2003.

> We do not have to persuade our clients to switch to Agfa technology. We notice it again and again: our exceptional image quality and the efficiency of IMPAX make the difference.
>
> *Joe Gauci,*
> *Sales and Marketing Manager Informatics, Australia*

Technical Imaging

Technical Imaging is made up of HealthCare, Non-Destructive Testing and Industrial Imaging and represented 38.9% of Group sales in 2002 (previous year 37.1%). Technical Imaging's sales and results are mainly determined by HealthCare, by far the largest Business Group in this segment.

HealthCare

HealthCare recorded sales of 1,491 million Euros in 2002 (2001: 1,498 million Euros). The strength of the Euro relative to the dollar is responsible for this small decline, as 43% of sales is earned in the NAFTA region. Digitisation continued unabatedly in 2002: digital systems recorded a strong increase while revenues of X-ray film slipped. HealthCare's profitability improved significantly in 2002. Return on sales before restructuring grew from 10.3% in 2001 to 17.2% in 2002.

In the healthcare market Agfa strives to be a global leader in analogue and digital medical imaging systems and hospital networks. A two-track strategy has been adopted to achieve this. On the one hand, Agfa is using its experience in radiology to penetrate other medical imaging domains including, amongst others, cardiology, ophthalmology and women's healthcare. On the other hand, the Group is focusing on the strongly growing market for hospital informatics, in which Agfa is primarily active with its *PACS* networks (PACS: picture archiving & communication systems) and related information systems.

This two-tier strategy was mirrored in the reorganisation of HealthCare into two upstream marketing units, one for Imaging and the other for Informatics. They are supported by a single sales and service force which allows Agfa to accompany and advise hospitals to make a seamless transition from analogue to digital applications.

Key Figures Technical Imaging
(Million Euros)

	2002	2001	change
Sales	1,822	1,823	(0.1)%
Operating result before restructuring*	289.9	192.8	50.4%
Return on sales before restructuring*	15.9%	10.6%	
Operating result after restructuring*	250.4	(108.4)	331.0%
Return on sales after restructuring*	7.0%	(5.9)%	

* including non-recurring results

In view of its growth strategy Agfa has sought to expand its know-how and range of products through strategic takeovers and alliances.
At the beginning of 2002 the Canadian company Mitra was acquired, one of the world's most important developers of image and information management systems for healthcare. Agfa had already been working in close collaboration with Mitra, which played an important role in the development and success of *IMPAX*, Agfa's digital PACS portfolio.

This growth and takeover strategy was recognised by independent analysts from Frost & Sullivan, who awarded Agfa the Frost & Sullivan Market Engineering Award for Growth Strategy in Europe and for Merger & Acquisition Strategy in the U.S. In addition to the integration of Mitra, account was also taken of strategic acquisitions and co-operation agreements over the past 2 years (Quadrat in 2000, Talk Technology and Medivision Medical Imaging in 2001).

Systems for the radiology department
Hospital radiology departments are traditionally Agfa's target market in the healthcare sector. Today, Agfa offers a full range of analogue and digital X-ray systems, *hardcopy printers* and associated consumables. These hardcopy systems are not exclusively used to print digital X-ray images originating from systems for *computed radiography* (CR). They also make it possible to print images originating from *MRI* and *CT* scanners on high quality material. Thus, Agfa's printers offer the advantage that they are compatible with a broad range of different systems from different manufacturers.

In 2002, Agfa brought its new 'dry' hardcopy printer to the market, the DRYSTAR 4500. The launch of the DRYSTAR 5500 is scheduled for 2003. This high-resolution, high-throughput printer produces diagnostic images of very high quality, deals with various formats and is compatible with a wide range of medical imagers.

At the end of 2002 Agfa concluded an agreement with Siemens Medical Solutions. Agfa will supply computed radiography systems, 'dry' hardcopy printers and film processing systems to Siemens, which will market them under its own brand name. Agfa also extended a computed radiography agreement with GE Medical Systems for three more years. As a result, Agfa's portfolio will gain access to a large number of new customers worldwide.

> We are now able to completely integrate Mitra's hospital software in our systems for medical imaging. That is how my daily job eventually contributes to better healthcare around the world.

Darbie Woodruff,
Senior Applications Specialist, USA

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Systems for specific medical disciplines
Besides radiology, Agfa also focuses on other hospital departments with adapted product ranges. For example, customized IMPAX systems are available for cardiology, ophthalmology and orthopaedics. Apart from the usual IMPAX characteristics, the orthopaedic system, for example, also enables the user to simulate the implantation of prostheses, which makes it possible to prepare surgical interventions very carefully.

In 2002, Agfa launched 'Embrace', the new portfolio for Women's Care solutions. Historically strong in film/screen mammography, Agfa has added digital products including the DRYSTAR 4500M, a 'dry' hardcopy printer designed for high data requirements of mammography. Agfa also presented new digital mammography technologies at the 2002 RSNA, including a Full Field Digital Mammography (FFDM) system produced under a joint development agreement with Hologic, Inc., and 'Embrace' CR for Mammography.

With the fully digital 'Initia' range Agfa offers clinics, private radiologists, small and medium-sized hospitals and developing countries a budget-friendly access to digital medical imaging, including IMPAX. Customers may select from modules with DRYSTAR printing, IMPAX Basix Pacs and networking switches.

Systems for the entire hospital enterprise
The debate about affordable healthcare has dominated in recent years. To reduce costs and to increase efficiency, hospitals are also looking for digital integrated solutions which go beyond the frontiers of individual departments.

With its digital radiography systems and PACS networks for storing, reproducing, distributing and archiving medical images and patient data, Agfa is the ideal partner for hospitals and hospital networks moving from analogue to digital-based workflows. Radiologists can work entirely filmless with the help of systems which reproduce *X-ray* energy in digital data form. These digital images can be consulted throughout the network together with other relevant patient data. Digital technologies thus reduce the time required for individual tasks which translates to reduced cost, improved care and enhanced patient satisfaction.

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1 | Agfa contributes to affordable healthcare. Around the world hospitals prefer Agfa's PACS network solutions in view of their quality and efficiency. Shown here is Saint Vincent Hospital, Massachusetts, USA.

2 | The range of DRYSTAR 'dry' hardcopy printers grows together with Agfa's healthcare activities. In 2002 the DRYSTAR 4500M was launched within the portfolio of Women's Care solutions and DRYSTAR is also included in the 'Initia' range. In 2003 a new top class printer, the DRYSTAR 5500, will be launched.

The advantages of PACS networks can be further enhanced by combining them with such software applications as *Radiology Information Systems (RIS)* or Cardiology Information Systems. These packages result in a more efficient workflow and lower costs, for example by enhanced planning of the use of expensive medical modalities. Agfa is active in this market with the RIS system of its affiliate, Quadrat, which in 2003 will also be rolled out in the US market. In other countries, such as Italy, Agfa has a leading position in this market thanks to its co-operation with Med2Rad.

With the integration of speech recognition technology developed by Talk Technology (taken over in 2001) into Agfa's systems, possibilities at the workflow and reporting levels have been extended significantly. From an efficiency standpoint, the impact of speech recognition can be important. After dictating a report directly to the computer, a radiologist, physician or surgeon can read it, modify it and, using an electronic signature, immediately approve and sign it. Reports that might otherwise take hours or days for signature and dissemination are now available to referring physicians within minutes.

Ultimately, Agfa's goal is to establish an *Electronic Patient Record (EPR)*, in which all relevant patient data are collected, ranging from personal data to diagnostic reports and medical images.

In 2002, a range of hospital enterprises decided to take steps towards achieving greater efficiency with Agfa. For instance, Agfa concluded an agreement for the completion of the Finnish HUSPacs project, one of the largest PACS projects in the world, which will bring 21 radiology departments in the Helsinki and Uusimaa districts together in one virtual department. In the United States, Agfa signed major contracts with the important Sentara Healthcare group of hospitals for a coordinating IMPAX system and with the University of California, San Diego, for which Agfa is developing the second phase of the integration of the radiology departments into a completely filmless enterprise.

In Australia, Agfa concluded an important agreement with the Prince Charles Hospital in Queensland, enabling it to establish itself as a leading supplier of digital solutions. Agfa also recently entered the Middle East market with IMPAX, where it signed a prestigious contract for the installation of a digital network spanning 7 hospitals in Saudi Arabia.

> I love it when a customer asks for a solution to his problem, because I know that we will be able to give him more than one.
>
> *Adrian Fugante,*
> *NDT Regional Manager Latin America, Brasil*

Technical Imaging

Non-Destructive Testing

In Non-Destructive Testing (NDT), sales grew by 3.8% in 2002. As NDT had to cope with the consequences of the economic slowdown, particularly in the energy and aviation sectors, this increase can largely be explained by the effect of the acquisition of Pantak and Seifert during 2001. In January 2003, Agfa announced that it will sell its Business Group NDT to GE Aircraft Engines. This transaction will be completed upon receipt of regulatory approvals.

Agfa's Business Group Non-Destructive Testing (NDT) supplies digital and analogue systems to test a wide variety of materials for their quality and safety without deforming or damaging them. Agfa operates in this market with both analogue and digital radiographic as well as *ultrasonic technologies*, which are primarily used in the aviation, automotive, railway, energy and petrochemical industries.

Complete NDT solutions

Agfa has long been the global market leader in *X-ray film systems* for the non-destructive testing of materials. Thanks to targeted takeovers in the fields of digital radiography systems (*RADView*), ultrasonic systems (*Krautkramer*) and industrial X-ray equipment (*Pantak and Seifert*), it has succeeded in becoming a supplier of complete NDT solutions, offering the main technologies available in the market.

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Thanks to targeted takeovers in the fields of digital radiography systems, ultrasonic systems and industrial X-ray equipment for NDT applications, Agfa now offers the main technologies available in the market. It has succeeded in becoming a leading supplier of complete NDT solutions for the aerospace, automotive and petrochemical industries.

In 2002, Agfa continued to streamline its own and the acquired sales, marketing and service activities. It thus implemented its pursued 'one face to the customer' approach, where the customer is served through just one sales channel, regardless of the technology he wishes to use. In addition to increased efficiency, this reorganisation also ensured substantial cost savings.

Achievements in 2002

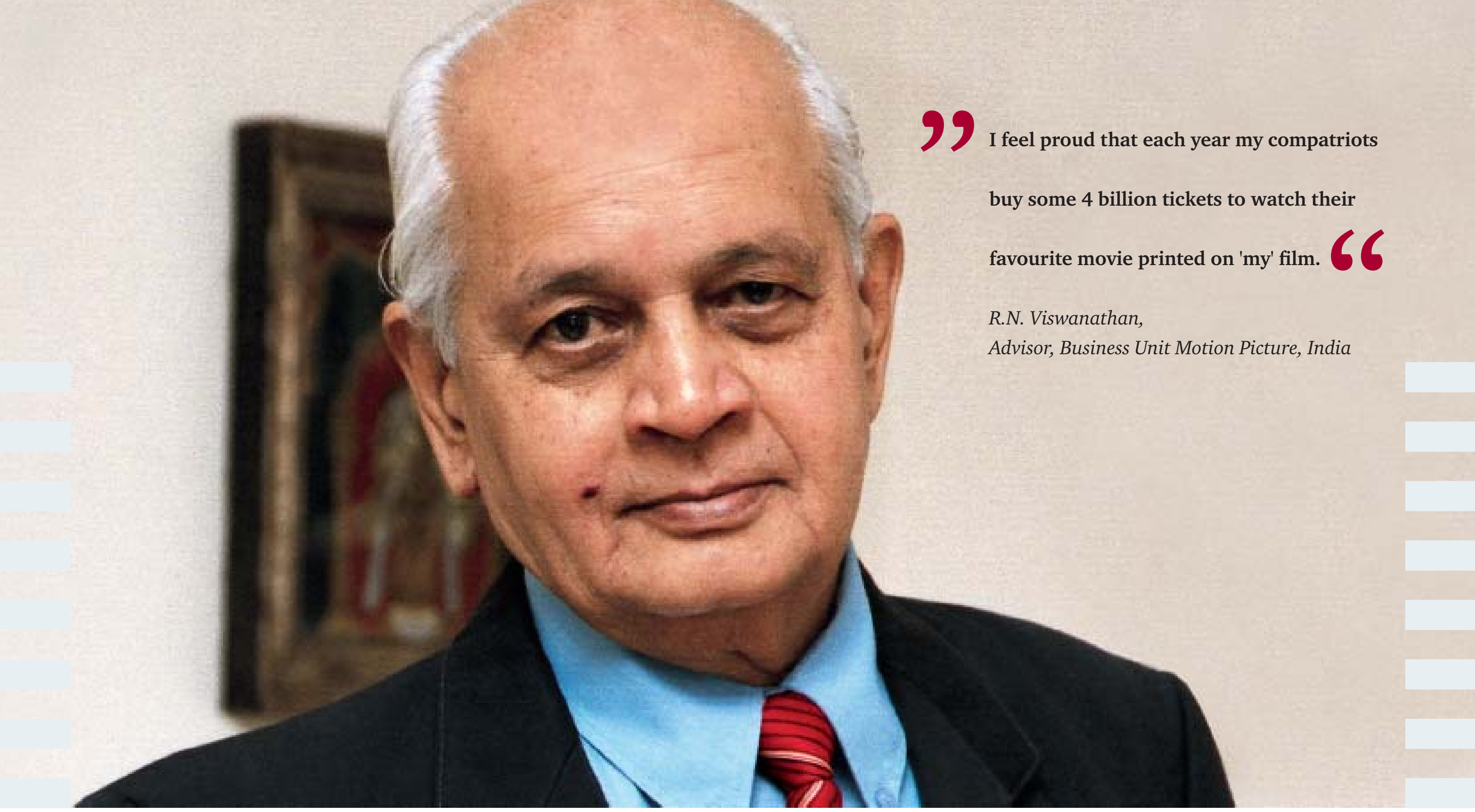
The NDT industry is lagging behind the general business cycle. The economic slowdown therefore only affected revenues since early 2002. Sales of X-ray film in particular suffered from the recession in the aviation and energy sectors, while turnover of ultrasonic systems remained practically stable.

Amongst the significant contracts concluded in 2002 was the purchase by the Dutch Army of two *digital radiography* systems, which will be used for clearing explosive devices left from World War II. This is the first order for which RADView's digital radiography system technology has been combined with the technology of Pantak's and Seifert's X-ray systems. In the field of X-ray film, Agfa supplied a large quantity of Structurix film to test two pipelines which form part of the 'Camisea natural gas project', the first extensive gas extraction project in Peru. The U.S. Air Force ordered 115 portable ultrasonic systems and, also in the U.S., Bell Helicopter will use Agfa's ultrasonic systems to test specific components of commercial helicopters.

Agfa continued to stress the importance of ecological products with the launch of a complete Structurix eco film system comprising an eco processor, adapted X-ray film and new, revolutionary chemicals. Its most important ecological advantages are the drastic reduction in the volume of silver residues in waste water and lower consumption of energy and chemicals.

In ultrasonic systems a new portable hardness tester has been developed which calculates the hardness of materials instantly and shows the information on an ultra-modern display.

Agfa also launched a new series of ultra-light portable X-ray devices (Eresco MF3) which can generate X-rays for examining pipelines, aircraft components, etc.



I feel proud that each year my compatriots buy some 4 billion tickets to watch their favourite movie printed on 'my' film.

R.N. Viswanathan,
Advisor, Business Unit Motion Picture, India

Technical Imaging

Industrial Imaging

Industrial Imaging comprises three smaller, specialised business units: Micrography and Document Systems, Cinefilm and Specialty Foils & Components. Primarily thanks to the strong performance of Cinefilm, Industrial Imaging's sales in 2002 remained stable relative to the previous year.

Micrography and Document Systems

Micrography and Document Systems (MDS) supplies an integrated range of hardware and software products to capture, store, manage and distribute documents and data.

Microfilm remains the obvious medium for storing data in the long term. However, the number of applications requiring long-term storage is decreasing, while short-term storage of information uses mainly digital media. The transition to digital storage media is challenging Agfa to become a supplier of total solutions for the processing of digital information.

In this field, Agfa launched DiFO (Digital File Office), a solution based on the latest Internet technology. It allows to store and efficiently manage information on paper together with digitally created data. DiFO automates this entire procedure, simplifies the distribution of information and regulates secure access via the Internet or an intranet. DiFO is an 'open system' and is compatible with other systems, workflows and solutions for *Enterprise Resource Planning (ERP)*.

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1 | Every day hundreds of cinema theatres around the world simultaneously start the reel of the latest box office success. Every frame of the film is projected on screen with an enlargment factor of no less than 270; it takes a high quality print film, like Agfa's CP30, to enable the audience to enjoy every colour tone and detail.

2 | Part of Agfa's considerable technological know-how is brought to the market via joint-ventures. In 2001 Agfa teamed up with Identis, France, for the production and sales of equipment for the manufacture of high-security identity documents, such as ID cards and passports. In 2002 a joint venture with DigiPlast was agreed for the marketing of coatings for digital imaging of decorative plastic foil.

In 2002, Agfa expanded its systems for scanning large quantities of corporate documents with ADMIS S 41. This scanner processes 150 pages per minute and combines quality with reliability, due to new methods to prevent paper jams.

Cinefilm

Agfa supplies negative film for digital and analogue *sound recording* and *colour print film* which is used to make copies for cinemas.

The market for these colour print films is still growing, primarily due to the trend of simultaneously releasing films around the world.

In 2002, Agfa brought a new generation of colour print films, the CP30, onto the market.

Both these elements resulted in higher sales in 2002 compared to the previous year.

Specialty Foils & Components

Specialty Foils & Components (SFC) markets Agfa's *PET* and *triacetate film* and a range of chemical products. In addition, Agfa is using its existing know-how in coating technology to tap new markets by setting up joint ventures. One example is the Identis joint venture (2001), with which Agfa strengthens its presence in the market for *high-security identity documents*.

Another example is the creation in April 2002 of Digiplast N.V., a joint venture between Agfa and DigiPlast Holdings. Digiplast focuses on the marketing of coatings for digital imaging of decorative plastic foil. These foils can be used, for example, as a laminate to decorate furniture, toys and car interiors. Agfa provides the coated foils and its know-how of digital photographic solutions for special applications.

”Many photographers who switched to digital, still demand a print of their images. People want a nice picture to put in their wallets or in a frame. I know I do. For this purpose my colleagues and I reorganised the AGFAnet online print service in 2002. Photo enthusiasts can now easily order high quality hardcopy prints at a competitive price.“

Andrea Ohl,
Marketing Manager E-Commerce Consumer Imaging, Germany

Consumer Imaging

In 2002, sales of Consumer Imaging, comprising Film, Finishing and Lab Equipment units, fell by 12.5% compared to the previous year. Excluding the sales of digital cameras and scanners (CDI), discontinued at the beginning of 2002, the decline in turnover was limited to 5.2% and is explained by the effects of the business cycle and the ongoing transition from analogue to digital imaging.

Thanks to the positive impact of the Horizon plan and the improved availability of the digital minilabs in 2002, Consumer Imaging succeeded – in spite of the tough market conditions – in a significant improvement of its result. Compared to the previous year, Consumer Imaging's operating result before restructuring charges increased from -12 to almost 31 million Euros.

Digital imaging drives the growth of the Consumer Imaging market
While traditional photography with film still constitutes the clear basis for the consumer imaging market, digital systems are the growth engine. This applies not only to cameras but also to the digital *lab equipment* on which the captured images are processed. In fact, the technology changeover is taking place considerably faster with lab equipment than with cameras. As one of the world's leading suppliers of lab equipment, Agfa is very actively involved in this technology change.

Key Figures Consumer Imaging
(Million Euros)

	2002	2001	CHANGE
Sales	1,048	1,198	(12.5)%
excl. CDI*	1,048	1,106	(5.2)%
Operating result before restructuring**	30.9	(12.1)	355.4%
excl. CDI*	30.9	23.9	29.3%
Return on sales before restructuring**	2.9%	(1.0)%	
excl. CDI*	2.9%	2.2%	
Operating result after restructuring**	16.3	(100.0)	116.3%
excl. CDI*	16.3	(64.0)	125.5%
Return on sales after restructuring**	1.6%	(2.9)%	

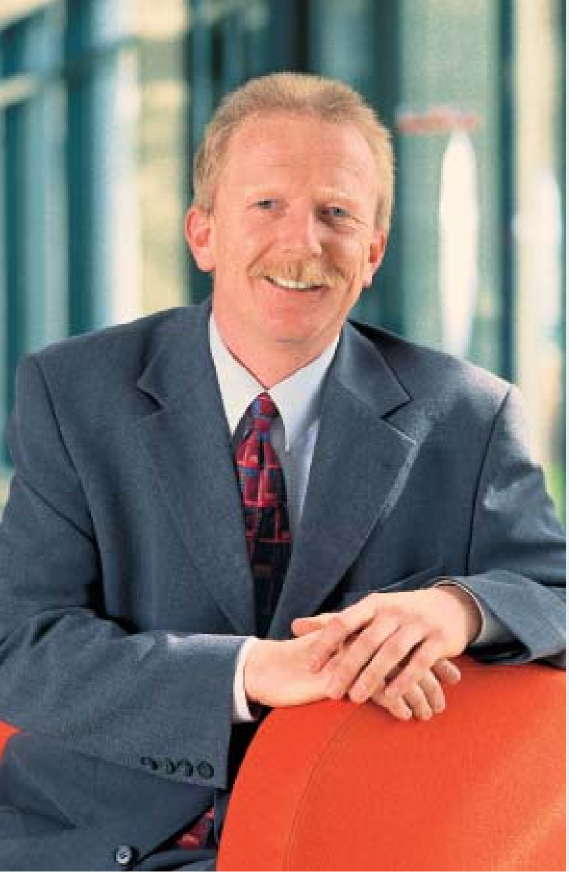
* CDI = Consumer Digital Imaging (digital cameras and scanners) ** including non-recurring results

Innovative film products for the still increasing number of analogue cameras

Film sales suffered seriously from the weak global economy, especially in Europe, where the frequency and duration of holiday trips decreased significantly. This had a major effect on the photography market, as most pictures are taken during the holiday period. Together with the ongoing transition to digital imaging, this resulted – for the first time – in a significant decline of the global film market. Agfa was unable to escape this trend, either with film marketed under the Agfa brand name or with *private label film* in which Agfa is the world's number one player.

It is reasonable to expect that film sales will continue to show a structural decline of approximately 3 to 5% per annum, due to the transition to digital. However, there is today an enormous installed base of conventional cameras world-wide and the number of conventional cameras sold in 2002 was still almost twice as high as that of digital cameras. Therefore, there is still scope for successfully launching innovative products to the film market, as was demonstrated with Agfa's Ultra 100. This new colour negative film was introduced at the 'Photokina 2002' trade fair in September in Cologne, Germany, as the most colour-saturated film on the market and has considerably exceeded sales expectations. Additional stimulus for Agfa's film business is anticipated from the new generation of the standard "Vista" film range that has been on the market since the beginning of 2003.

In private label film, Agfa had already acquired a license from Polaroid to use its name for conventional photo films in the NAFTA region at the end of 2001. This agreement was extended in 2002, giving Agfa the right to use the Polaroid brand world-wide, with the exception of Japan.



The great success of our new digital minilabs gave us some delivery problems. It was a pretty challenging experience for me to be part of the team that was able to resolve these problems. I am convinced that our technology will be key for the continuing success of our minilab family.

Harald Peschel,
Production Manager Peiting, Germany

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Digital lab equipment serves both analogue and digital segments

The *minilab* market is characterised by a very fast transition towards digital minilabs. This is explained by the fact that the new minilab processors combine versatility with excellent picture quality and enable an easy shift from digital to analogue ánd vice versa. On the one hand, digitally made images, captured on *digital storage media* or delivered to the lab via the Internet, can be printed on photographic paper and thus become analogue again. On the other hand, images on classic film are scanned before printing and thus digitised. This allows minilab owners to serve all their customers – whether they use analogue or digital cameras – with the same equipment. As for the customers, they can now have their digital or digitised images on CD-ROM and easily e-mail them via the Internet or upload them in a *Web-album*.

Either way, the consumer benefits from the significant automated improvement in picture quality made possible by the digital technology (*d-TFS*) of Agfa's lab equipment: under- or over-exposure is corrected and colour and contrast are improved. The results satisfy even the highest professional requirements.

Agfa introduced its first digital minilab in the spring of 2001 under the name d-lab.3. This was followed at the end of the year by the d-lab.2, a lower capacity model which can produce prints up to poster format (30 x 45 cm/12" x 18"). The d-lab.2 in particular was very well received by the market, thus enabling Agfa to build on its position as the European market leader for high-performance minilabs. Its success was further illustrated by Kodak's decision to sell Agfa's d-lab.2, based on a non-exclusive agreement, under its own design to the professional market.

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1 | Not in the least thanks to the unique digital Total Film Scanning (d-TFS) technology Agfa can confirm its position as European market leader in digital minilabs. The d-lab range grows in success with each additional market specific model.

2 | 3 | The combination of the latest digital photographic technologies and the Internet has generated new ways of sharing images of happiness. On the AGFAnet site you can order photo prints online or invite friends to visit your online Web-album.

In 2002, Agfa also launched a digital *net printer* for the *professional lab* market segment to which, until now, it had little access. Thanks to an OEM-agreement with Kodak on the delivery of laser printers and paper processors, Agfa was also able to tap this market segment. Kodak Professional will buy this equipment exclusively from Agfa and sell it world-wide under its own brand name and design to professional labs.

In *wholesale finishing* equipment, Agfa has been the leading global market player for many years with its range of high-speed printers. Here, too, the demand for digital systems is growing fast. Agfa's innovative *d-ws* digital *photofinishing* system was showed at 'Photokina 2002' and met with a very positive response. The system is scheduled to be launched at the end of 2003.

Printing on photo paper offers the best price/quality ratio

The trend towards digital photography is not inevitably leading to lower sales of photo paper and chemistry: digitally captured images are also printed by digital minilabs onto traditional photo paper and this at a far better price/quality ratio compared with home printing solutions. Retail outlets are starting to install *kiosks* like the new Agfa's e-box and Cube, allowing digital photographers to order prints from digital images very conveniently. The "*AGFAnet*" online print service is accessible to everyone at home and is being used more and more for easy print ordering via the Internet at the minilab of the customers' choice. The growth in digital minilabs, kiosks and Internet services, will thus further support Agfa's sales of photographic paper and chemicals.

Corporate Governance

Apart from the General Shareholders' Meeting, the main policy-making bodies of the Group are the Board of Directors and the Board of Management.

The Board of Directors

The main concerns of the Board of Directors are the development of new and the discontinuation of existing businesses, the establishment and closure of subsidiaries, and the definition of the social, general and strategic policy of the company. The Board also approves budgets and funding of the Group and discusses ad hoc items on the agenda.

The Board can validly deliberate and make decisions if the majority of its members are present or represented. If this condition is not met, a valid decision can be taken in a new meeting with the same agenda if at least two directors are present or represented.
The decisions of the Board are taken by absolute majority. In case of a tied vote, the proposal is rejected. The articles of association also provide for the possibility of written decision-making by the Board of Directors within the boundaries of legal requirements in this area.
There is no formal procedure regarding the way that directors are informed, nor by whom they are informed. The directors use their right to information on an ad hoc basis.
In accordance with the articles of association, the Board of Directors assembles whenever the interests of the company require it or when two directors ask for it. In 2002, six meetings were held of which two were fully dedicated to the review of the Business Groups' strategies.

During its meeting of December 16, 2002, the Board of Directors decided to call an Extraordinary General Meeting on January 13, 2003 to amend the articles of association of the company in order to comply with the Law of August 2, 2002, the so-called Corporate Governance Law.
This law formalises the existence and powers of an executive committee (such as the Board of Management) and specific committees within the Board of Directors (such as the Audit Committee and the Nomination and Remuneration Committee). The Law also stipulates the criteria according to which a director is considered as independent and lays down the rules concerning conflicting interests.

In addition, the Extraordinary Meeting of Shareholders also approved the renewal of the authorisation to buy back shares.

Composition of the Board of Directors

The articles of association stipulate that the Board of Directors comprises at least six members who do not need to be shareholders and who have been appointed for a renewable maximum period of 6 years. There is no formal procedure for the appointment of the non-executive directors. However, the Board of Directors puts forward candidates who meet the criteria which it sets with regard to integrity and experience in business and/or science.

Although there is no formal age limit for membership of the Board of Directors, Messrs André Leysen, chairman, and Hermann Josef Strenger, vice-chairman, resigned for age reasons, with effect from the Shareholders' Meeting of April 2002. Mr Werner Wenning submitted his resignation at the same date because of other professional duties. The Board of Directors expressed its gratitude for their dedication to the Group and granted Mr André Leysen the title of Honorary Chairman.

Consequently, Mr Pol Bamelis was designated as the new Chairman of the Board of Directors and the Shareholders' Meeting of April 2002 appointed Messrs Klaus Kühn and Udo Oels as directors representing Bayer and Mr Jo Cornu as an independent director.

Following Bayer's decision on May 30, 2002 to sell its 30% stake in Agfa, Messrs Oels and Kühn resigned as directors of the company on June 11, 2002. Consequently, the Board of Directors of Agfa-Gevaert was made up as follows on January 1, 2003:

Pol Bamelis, Chairman	Director of companies
André Bergen	Chief Financial and Administration Officer, Agfa-Gevaert
Ferdinand Chaffart	Member of the Board of Directors, Gevaert N.V.
Jo Cornu	Director of companies
Klaus-Peter Müller	Chairman of the Board of Management, Commerzbank AG, Frankfurt am Main
Prof. Dr. ir. André Oosterlinck	Rector, Catholic University of Leuven
Dr. h.c. Karel Van Miert	Director of companies
Dietrich von Kyaw	Former ambassador of the Federal Republic of Germany in the European Union
Dr. Ludo Verhoeven	Chief Executive Officer, Agfa-Gevaert

Mr Chaffart represents the largest shareholder, Gevaert, Messrs Verhoeven and Bergen are executive directors and also members of the Board of Management. Messrs Bamelis, Cornu, Müller, Oosterlinck, Van Miert and von Kyaw are considered as independent of the main shareholders and management.

The composition of the Board of Directors will again show some changes with effect from the Shareholders' Meeting of April 2003 as Mr Klaus-Peter Müller expressed his wish to resign. The Board of Directors thanks him for the dedication in his task as director.

The General Shareholders' Meeting of April 29, 2003 will be asked to appoint 4 new directors: Mr Christian Leysen, who will represent Gevaert, Messrs Monte Haymon and John Buttrick, independent directors, and Mr Marc Gedopt, who will succeed Mr André Bergen as Chief Financial and Administration Officer and executive director. The Board expresses its appreciation for Mr Bergen's excellent work at Agfa-Gevaert and wishes him the best of success in his future career.

Committees established by the Board of Directors

Audit Committee: The Audit Committee comprises two non-executive directors, Messrs Chaffart, as chairman, and Oosterlinck.

Nomination and Remuneration Committee: The Nomination and Remuneration Committee comprises two independent directors, Messrs Bamelis, as chairman, and Van Miert, and makes proposals to the Board of Directors concerning the nomination and appropriate remuneration of the members of the Board of Management and the Board of Directors.

Board of Management

The Group's executive committee, commonly called Board of Management, is responsible for the implementation of the company's policy and strategy laid down by the Board of Directors. Consequently, it was given the most extensive powers regarding the day-to-day management as well as a number of specific special powers.
In order to allow the Board of Directors to exercise its control, the Board of Management regularly reports about its activities and about the development of the subsidiaries and associated companies.
In principle, the Board of Management meets once per fortnight.

Composition of the Board of Management

Dr. Ludo Verhoeven, Chief Executive Officer and executive director
André Bergen*, Chief Financial and Administration Officer and executive director
Marc Gedopt *
Albert Follens
John Glass
Jesper Möller
Marc Elsermans**

(*) Marc Gedopt takes up his function as a member of the Board of Management as from March 17. He will succeed André Bergen as Chief Financial and Administration Officer. It will be proposed to the Annual Meeting of Shareholders in April 2003 to appoint him as executive director.
(**) From January 1, 2003 to March 3, 2003, when Marc Elsermans unexpectedly passed away.

Remunerations

The total remuneration of those, who were non-executive directors in 2002 amounted to 323,500 Euros, of which 306,500 as a fixed remuneration for directorship, membership of the committees and attendance fees and 17,000 Euros as a variable sum. The variable part is proportional to the dividend per share: for every 5 Eurocents dividend per share exceeding 0.15 Euro per share, the directors received a remuneration of 2,000 Euros per director. There are no stock options or warrants attributed to the non-executive directors.

The executive directors together received director's fees of 54,000 Euros, of which 50,000 were fixed fees.

The overall gross remuneration paid to those who were members of the Board of Management in 2002, amounted to 3,216,462 Euros, of which 2,359,132 Euros were fixed and 857,330 were variable.

Furthermore, those who were member of the Board of Management during 2002 own a total of 329,450 stock options or warrants, attributed to them in different tranches.
Of these 78,000 are warrants with a strike price of 22 Euros, which are exercisable from January 1, 2003 to November 20, 2005.
The option tranches attributed to the same people amounted to respectively 50,850, 80,600 and 120,000 stock options with strike prices of respectively 22, 20 and 18 Euros.
The first option tranche is exercisable from January 1, 2004 to May 19, 2006 – the second tranche from July 6, 2004 to July 6, 2007 and the last from August 26, 2005 to August 26, 2008.

Policy regarding the appropriation of the result

The Board of Directors' proposals to the General Shareholders' Meeting with regard to the allocation and distribution of the result take into consideration several factors such as the company's financial situation, the operating results, the current and expected cash flows and the plans for expansion.

Main shareholders

In accordance with the Law on the publication of important participating interests in listed companies, Gevaert N.V. notified that it currently holds directly and indirectly 25% of the outstanding shares of the company. Highfields Capital Management, Och-Ziff Capital Management, Fidelity Investments and Deutsche Bank declared to own 9.68%, 7.95%, 5.05% and 3.99% of the shares respectively.

Auditor

Agfa-Gevaert N.V.'s auditor is Klynveld Peat Marwick Goerdeler represented by Messrs Karel Van Oostveldt and Erik Helsen. The auditor was reappointed at the Annual Meeting of April 24, 2001 for a period of 3 years.

Agfa-Gevaert Group
Financial Statements

To the Board of Directors and the Shareholders of Agfa-Gevaert N.V.

We have audited the accompanying consolidated balance sheets of Agfa-Gevaert N.V. and its subsidiaries (the 'Group') as of December 31, 2002 and 2001, and the related consolidated income statements, statements of recognised gains and losses and cash flows statements for the years then ended. These consolidated financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

Unqualified audit opinion on the consolidated financial statements

We conducted our audit in accordance with International Standards on Auditing as issued by the International Federation of Accountants. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of December 31, 2002 and 2001, and of the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards (formerly named International Accounting Standards) as adopted by the International Accounting Standards Board.

Additional information

The following additional information is provided in order to complete the audit report but does not alter our audit opinion on the consolidated financial statements:

- the consolidated Board of Directors' report contains the information required by law and is in accordance with the consolidated financial statements;

- as indicated in note 1(a), the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board, in accordance with the decision of July 6, 1999 of the "Commissie voor het Bank- en Financiewezen/Commission Bancaire et Financière".

Antwerp, March 25, 2003

Klynveld Peat Marwick Goerdeler, Reviseurs d'Entreprises
represented by

K. M. Van Oostveldt E. Helsen

AGFA-GEVAERT GROUP CONSOLIDATED STATEMENTS OF INCOME

Million Euros	Note	2002	2001
Net sales	3	4,683	4,911
Cost of goods sold		(2,705)	(3,119)
Gross Profit		**1,978**	**1,792**
Selling expenses		(902)	(970)
Research and development expenses		(248)	(231)
General administration expenses		(277)	(310)
Other operating income	5	318	294
Other operating expenses	6	(476)	(839)
Operating result		**393**	**(264)**
Interest income (expense) – net	7	(40)	(63)
Other non-operating income (expense) – net	8	(57)	(57)
Non-operating result		**(97)**	**(120)**
Income before income taxes		**296**	**(384)**
Income taxes	9	(99)	133
Net income of consolidated companies		**197**	**(251)**
Minority interest		-	1
Share of results of associated companies		(3)	(38)
Net result of the accounting period		**194**	**(288)**
Basic Earnings per share (Euro)	26	1.39	(2.06)
Diluted Earnings per share (Euro)	26	1.39	(2.06)

Million Euros	Note	Dec. 31, 2002	Dec. 31, 2001
Assets			
Non-current assets		**1,174**	**1,233**
Intangible assets	11	456	403
Property, plant and equipment	12	672	780
Investments	13	40	49
Derivative financial instruments	22	6	1
Current assets		**2,717**	**3,006**
Inventories	14	948	1,055
Trade receivables		959	1,125
Other receivables and other assets	15	630	580
Cash and cash equivalents	16	145	224
Deferred charges		30	21
Derivative financial instruments	22	5	1
Deferred taxes	9	**268**	**288**
Total assets		**4,159**	**4,527**
Equity and liabilities			
Shareholders´ equity	17	**1,383**	**1,267**
Capital stock of Agfa-Gevaert N.V.		140	140
Share premium of Agfa-Gevaert N.V.		107	107
Retained earnings		962	1,281
Reserves		(20)	(5)
Net income		194	(288)
Translation differences		-	32
Minority interest		**3**	**1**
Non-current liabilities		**1,598**	**1,894**
Liabilities for post-employment benefits	18	843	879
Liabilities for personnel commitments		39	46
Financial obligations more than one year	19	665	898
Provisions more than one year	21	37	57
Derivative financial instruments	22	14	14
Current liabilities		**1,119**	**1,334**
Financial obligations less than one year	19	53	168
Trade payables		322	352
Miscellaneous liabilities	20	249	290
Liabilities for personnel commitments		105	103
Provisions less than one year	21	380	380
Deferred income		9	31
Derivative financial instruments	22	1	10
Deferred taxes	9	**56**	**31**
Total equity and liabilities		**4,159**	**4,527**

AGFA-GEVAERT GROUP CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

MILLION EUROS	Capital stock of Agfa-Gevaert N.V.	Share premium of Agfa-Gevaert N.V.	Retained Earnings	Reserve for own shares	Revaluation reserve	Hedging reserve	Net income	Translation differences	Agfa-Gevaert Group share-holders' equity	Minority interest	Total
December 31, 2001	**140**	**107**	**1,281**	**(2)**	**(3)**	**-**	**(288)**	**32**	**1,267**	**1**	**1,268**
Changes in shareholders´ equity resulting from capital contributions and dividend payments											
Dividend payments	-	-	(32)	-	-	-	-	-	(32)	-	(32)
Other changes in shareholders´ equity not recognized in income											
Own shares acquired	-	-	-	(12)	-	-	-	-	(12)	-	(12)
Revaluation of available-for-sale financial assets	-	-	-	-	1	-	-	-	1	-	1
Hedging reserve	-	-	-	-	-	(4)	-	-	(4)	-	(4)
Translation differences	-	-	-	-	-	-	-	(32)	(32)	-	(32)
Change in consolidation scope	-	-	1	-	-	-	-	-	1	-	1
Other	-	-	-	-	-	-	-	-	-	2	2
Changes in shareholders´ equity recognized in income											
Allocation to retained earnings	-	-	(288)	-	-	-	288	-	-	-	-
Income after taxes for the period January 1 till December 31, 2002	-	-	-	-	-	-	194	-	194	-	194
December 31, 2002	**140**	**107**	**962**	**(14)**	**(2)**	**(4)**	**194**	**-**	**1,383**	**3**	**1,386**

Million Euros	Note	2002	2001
Cash and cash equivalents at beginning of year		**223**	**220**
Operating result		393	(264)
Current tax expense		(70)	(17)
Depreciation, amortization and impairment losses		270	434
Changes in fair value of derivative financial instruments		(8)	9
Movement in long-term provisions		(76)	91
(Gains) / losses on retirement of non-current assets	12	(27)	(27)
Gross cash provided by operating activities		**482**	**226**
Decrease /(Increase) in inventories		70	282
Decrease /(Increase) in trade accounts receivable		125	223
Increase / (Decrease) in trade accounts payable		(17)	52
Movement in short-term provisions		14	(61)
Movement in other working capital		(63)	16
Net cash provided from operating activities		**611**	**738**
Cash outflows for additions to intangible assets	11	(41)	(26)
Cash outflows for additions to property, plant and equipment	12	(126)	(160)
Cash inflows from disposals of intangible assets	11	1	1
Cash inflows from disposals of property, plant and equipment	12	58	50
Cash outflows for equity and debt instruments		(72)	(36)
Cash outflows for acquisitions	4	(178)	(65)
Interests and dividends received		48	45
Net cash used in investing activities		**(310)**	**(191)**
Dividend payments to stockholders	17	(32)	(63)
Net issuances of debt		(261)	(336)
Interest paid		(87)	(106)
Other financial inflows /(outflows)		4	(40)
Net cash provided by / (used in) financing activities		**(376)**	**(545)**
Change in cash and cash equivalents due to business activities		(75)	2
Change in cash and cash equivalents due to change in consolidation scope		1	-
Change in cash and cash equivalents due to exchange rate movements		(8)	1
Cash and cash equivalents at end of year	16	**141**	**223**

1. Significant accounting policies

(a) Statement of compliance

Agfa-Gevaert N.V. ("the Company") is a company domiciled in Belgium.
The consolidated financial statements of the Company comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associated entities. The consolidated financial statements were authorized for issue by the Board of Directors on March 25, 2003.
The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and with the Standing Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, as in effect at the closing date. They comply, in all material aspects, with the 7th European Union's Directives on consolidation of financial statements.
The application by the Company of the IFRSs, instead of Belgian Accounting Standards, has been approved by the Banking and Finance Commission on July 6, 1999.

(b) Basis of preparation

The consolidated financial statements are presented in Euro, rounded to the nearest million.

The consolidated financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments and investments classified as available-for-sale. Recognized assets and liabilities that are hedged are stated at fair value in respect of the risk that is hedged.

The accounting policies have been consistently applied by Group enterprises and are consistent with those used in the previous year.

(c) Consolidation principles

Subsidiaries

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities.
The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases.

1. Significant accounting policies
continued

Associates
Associates are those enterprises in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognized gains and losses of associates on an equity accounting basis, from the date that significant influence effectively commences until the date that significant influence effectively ceases. When the Group's share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

Transactions eliminated on consolidation
All intra-group balances and transactions, and any unrealized gains arising on intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated to the extent of the Group's interest in the enterprise. Unrealized gains arising from transactions with associates are eliminated against the investment in the associate. Unrealized losses are eliminated in the same way as unrealized gains except that they are only eliminated to the extent that there is no evidence of impairment.

(d) Foreign currency
Foreign currency transactions
In the individual Group companies, transactions in foreign currencies are recorded at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date. Foreign exchange differences arising on translation are recognized in the income statement.

Financial statements of foreign operations
The Group's foreign operations are not considered an integral part of the Company's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Euro at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to Euro at the annual average foreign exchange rates. Foreign exchange differences are recognized directly in equity. The financial statements of foreign operations in hyperinflationary economies are translated into the local company's measurement currency (mostly the USD) as if it was the operation's functional currency. As a result, non-monetary assets, liabilities and related income statement accounts are remeasured using historical rates in order to produce the same result in terms of the reporting currency that would have occurred if the underlying transaction was initially recorded in this currency.

1. Significant accounting policies
continued

(e) Derivative financial instruments
The Group uses derivative financial instruments primarily to manage its exposure to interest rate and foreign currency risks arising from operational, financing and investment activities. In accordance with its treasury policy, the Group does not currently hold or issue derivatives for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognized initially at cost. Subsequent to initial recognition, derivative financial instruments are stated at fair value. Recognition of any resultant gain or loss depends on the nature of the item being hedged (accounting policy f). Derivative financial instruments that are either hedging instruments that are not designated or do not qualify as hedges are carried at fair value with changes in value included in the income statement.

The fair values of derivative interest contracts are estimated by discounting expected future cash flows using current market interest rates and yield curve over the remaining term of the instrument. The fair value of forward exchange contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

(f) Hedging
Cash flow hedges
Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognized asset or liability, a firm commitment or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognized directly in equity. When the firm commitment or forecasted transaction results in the recognition of an asset or liability, the cumulative gain or loss is removed from equity and included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability. Otherwise the cumulative gain or loss is removed from equity and recognized in the income statement at the same time as the hedged transaction. The ineffective part of any gain or loss is recognized in the income statement immediately. Any gain or loss arising from changes in the time value of the derivative financial instrument is excluded from the measurement of hedge effectiveness and is recognized in the income statement immediately.

When a hedging instrument or hedge relationship is terminated but the hedged transaction still is expected to occur, the cumulative gain or loss at that point remains in equity and is recognized in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealized gain or loss recognized in equity is recognized in the income statement immediately.

1. Significant accounting policies
continued

Fair value hedges
For fair value hedges, in which derivative financial instruments hedge the fair value of assets and liabilities, changes in the fair value of derivative financial instruments are recognized in the income statement, together with changes in the fair value of the related hedged item.

Hedge of a net investment in foreign operation
Where a foreign currency liability hedges a net investment in a foreign operation, foreign exchange differences arising on translation of the liability to Euro are recognized directly in equity.

Where a derivative financial instrument hedges a net investment in a foreign operation, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity, the ineffective portion is reported in the income statement.

(g) Segment reporting
Segment reporting is based on two segment reporting formats. The primary reporting format represents three businesses – Consumer Imaging, Graphic Systems and Technical Imaging – reflecting the Group's management structure. The secondary reporting format represents the Group's four geographical markets.

Segment results include revenue and expenses directly attributable to a segment and the relevant portion of revenue and expenses that can be allocated on a reasonable basis to a segment.

Segment assets and liabilities comprise those operating assets and liabilities that are directly attributable to the segment or can be allocated to the segment on a reasonable basis.
Segment assets and liabilities do not include income tax items.

(h) Discontinuing operations
A discontinuing operation is a clearly distinguishable component of the Group's business (a) that is disposed of or terminated pursuant to a single plan; (b) that represents a separate major line of business or geographical area of operations; and (c) that can be distinguished operationally and for financial reporting purposes.

(i) Intangible assets
Goodwill
Goodwill arising on an acquisition represents the excess of the cost of the acquisition over the fair value of the net identifiable assets acquired. Goodwill is stated at cost less accumulated amortization and impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

1. Significant accounting policies
continued

Research and development
Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the income statement as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes should be capitalized if, and only if, all of the conditions of IAS 38.45 are fulfilled. These conditions are not satisfied.

Other intangible assets
Other intangible assets that are acquired by the Group are stated at cost less accumulated amortization and impairment losses.

Amortization
Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets. Goodwill is amortized from the date of initial recognition; other intangible assets are amortized from the date the asset is available for use. The estimated useful lives are as follows:

Goodwill	5 to 20 years
Multi-hospital group contracts	4 years
Computer software	max. 4 years

(j) Property, plant and equipment
Owned assets
Items of property, plant and equipment are stated at purchase price or production cost less accumulated depreciation and impairment losses.

The production cost of self-constructed assets includes the direct cost of materials, direct manufacturing expenses, appropriate allocations of material and manufacturing overheads, and an appropriate share of the depreciation and write-downs of assets used in construction. It includes the share of expenses for company pension plans and discretionary employee benefits that are attributable to construction. Borrowing costs are not capitalized.

Expenses for the repair of property, plant and equipment are usually charged against income when incurred. They are, however, capitalized when they increase the future economic benefits embodied in the item of property, plant and equipment.

Property, plant and equipment is depreciated on a straight-line basis over the estimated useful life of the item, except where the declining-balance basis is more appropriate in light of the actual utilisation pattern. Land is not depreciated.

1. Significant accounting policies
continued

The estimated useful lives of the respective asset categories are as follows:

Buildings	20 to 50 years
Outdoor infrastructure	10 to 20 years
Plant installations	6 to 20 years
Machinery and equipment	6 to 12 years
Laboratory and research facilities	3 to 5 years
Vehicles	4 to 8 years
Computer equipment	3 to 5 years
Furniture and fixtures	4 to 10 years

Leased assets
Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Plant and equipment acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.
The depreciation period is the estimated useful life of the asset, or the lease term if shorter.

(k) Investments in equity securities
Investments classified as non-current assets comprise participations in companies in which the Group has no control.

Where the Group holds, directly or indirectly, more than 20% of the voting power and/or exercises significant influence over the financial and operating policies, the investments are referred to as associated companies. Investments in associated companies are accounted for using the equity method. If there is an indication that an investment in an associate may be impaired, the accounting policy with respect to impairment is applied.

Other investments in equity securities are classified as available-for-sale and are stated at fair value, except for those equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. Those equity instruments that are excluded from fair valuation are stated at cost. A gain or loss arising from a change in fair value of an investment classified as available-for-sale that is not part of a hedging relationship is recognized directly in equity. When the investment is sold, collected, or otherwise disposed of, or when the carrying amount of the investment is impaired, the cumulative gain or loss previously recognized in equity is transferred to the income statement.

The fair value of investments available-for-sale is their quoted bid price at the balance sheet date.

1. Significant accounting policies
continued

(l) Impairment

The carrying amounts of the Group's assets, other than inventories, deferred tax assets and assets arising from employee benefits, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of the Group's receivables is calculated as the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement.

A previously recognized impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined, net of amortization or depreciation, if no impairment loss had been recognized in prior years. An impairment loss in respect of goodwill is not reversed unless the loss was caused by a specific external event of an exceptional nature that is not expected to recur, and the increase in recoverable amount relates clearly to the reversal of the effect of that specific event.

(m) Inventories

Raw materials, supplies and goods purchased for resale are valued at purchase cost. Work in progress and finished goods are valued at the cost of production. The cost of production comprises the direct cost of materials, direct manufacturing expenses, appropriate allocations of material and manufacturing overheads, and an appropriate share of the depreciation and write-downs of assets used for production. It includes the share of expenses for company pension plans and discretionary employee benefits that are attributable to production. Administrative costs are included where they are attributable to production.

Inventories are valued using the weighted-average cost method.

1. Significant accounting policies
continued

If the purchase or production cost is higher than the net realizable value, inventories are written down to net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(n) Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses.

At the inception of the lease, receivables under finance leases are stated at the present value of the future net lease payments. The receivables are continually reduced during the lease term by the portion of the lease payments that represents the redemption of the principal.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

(p) Share capital

Repurchase of share capital

When share capital recognized as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognized as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity.

Dividends

Dividends are recognized as liabilities in the period in which they are declared.

(q) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at cost, less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

(r) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity.

1. Significant accounting policies
continued

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is calculated using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.
The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.
The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.
A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

(s) Employee benefits

Post employment benefits

Post employment benefits comprise pensions, post employment life insurance and medical care.

The majority of the Group's employees are eligible for retirement benefits under defined contribution and defined benefit plans provided through separate funds, insurance plans or unfunded arrangements.

(1) Defined contribution plans:

Contributions to defined contribution pension plans are recognized as an expense in the income statement as incurred.

(2) Defined benefit plans:

For defined benefit plans, the amount recognized in the balance sheet is determined as the present value of the defined benefit obligation adjusted for the unrecognized actuarial gains and losses and less any past service costs not yet recognized and the fair value of any plan assets. Where the calculation results in a net surplus the recognized asset does not exceed the total of any cumulative unrecognized net actuarial losses and past service costs and the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

1. Significant accounting policies
continued

The recognition of actuarial gains and losses is determined separately for each defined benefit plan. To the extent that the net cumulative unrecognized gain or loss exceeds ten percent of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that excess is recognized in the income statement over the expected average remaining working lives of the employees participating in that plan. Otherwise, the actuarial gain or loss is not recognized.

Past service costs are recognized as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested following the introduction of, or changes to, a defined benefit plan, past service costs are recognized as an expense immediately.
The present value of the defined benefit obligations and the related service costs are calculated by a qualified actuary using the projected unit credit method.
The discount rate used is the yield at balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.
The amount charged to the income statement consists of current service cost, interest cost, the expected return on any plan assets and actuarial gains and losses.

Pre-retirement pensions are treated as termination benefit.

Other long-term employee benefits
The Group's net obligation in respect of long-term employee benefits, other than pension plans, post employment life insurance and medical care, is the amount of future benefit that employees have earned in return for their service in current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate used is the yield at balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

Termination benefits
Termination benefits are recognized as a liability and an expense when a Group company is demonstrably committed to either: (a) terminate the employment of an employee or group of employees before the normal retirement date; or (b) provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.
Where termination benefits fall due more than twelve months after the balance sheet date, they are discounted using a discount rate which is the yield at balance sheet date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

Equity compensation benefits
No compensation cost is recognized for options or warrants granted to employees from employee share-based participation plans.

1. Significant accounting policies
continued

(t) Provisions
Provisions are recognized in the balance sheet when a Group company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date.
If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.
A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced to those affected by it. Future operating costs are not provided for.
In accordance with the Group's published environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land is recognized when the land is contaminated.
A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(u) Trade and other payables
Trade and other payables are stated at their cost.

(v) Revenue
For the sale of goods, revenue is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue is recognized when there are no significant uncertainties regarding recovery of the consideration due, the associated costs or the possible return of goods.

Royalties and rentals are included in revenue and recognized when it is probable that the economic benefits associated with the transaction will flow to the Group and can be measured reliably. The income is recognized on an accrual basis in accordance with the substance of the relevant agreement.

1. Significant accounting policies
continued

(w) Expenses

Interest income (expense)

Interest income (expense) comprises interest payable on borrowings and interest receivable on funds invested. Other non-operating income (expense) comprises foreign exchange gains and losses with respect to non-operating activities and gains and losses on hedging instruments with respect to non-operating activities.
Interest income is recognized in the income statement as it accrues, taking into account the effective yield on the asset. Dividend income is recognized in the income statement on the date that the dividend is declared.
All interest and other costs incurred in connection with borrowings are expensed as incurred. The interest expense component of finance lease payments is recognized in the income statement using the effective interest rate method.

Operating lease payments

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.
Lease incentives received are recognized in the income statement as an integral part of the total lease expense.

2. Companies consolidated

The 2002 Consolidated Financial Statements of the Group include the Company and 83 consolidated subsidiaries controlled by the Company. For the year 2001, the Consolidated Financial Statements include 80 consolidated subsidiaries (note 27).

Excluded from consolidation in 2002 are 17 subsidiaries (2001: 22 subsidiaries) that in aggregate are of minor importance to the net worth, financial position and earnings of the Group. The subsidiaries excluded from the consolidation represent on an aggregate level less than 1 percent of Group sales.

In December 2002, the accounts of Agfa India Ltd. and Agfa-Gevaert Colombia Ltd. are included for the first time in the consolidation as from January 1, 2002 onwards.

Listed below are the material acquisitions of the Group for 2002.

On January 3, 2002, the Company acquired 92.9% of the shares of Mitra Inc. for 193 million Euros. Mitra is a provider of imaging and information management systems for the healthcare enterprise. On November 1, 2002, the Company acquired the remaining 7.1% of the shares of Mitra Inc. for 12 million Euros.

3. Segment reporting

Segment reporting is based on two segment reporting formats. The primary reporting format represents three businesses – Consumer Imaging, Graphic Systems and Technical Imaging – reflecting the Group's management structure.
The secondary reporting format represents the Group's four geographical markets.

The three business segments comprise the following activities:

- The Consumer Imaging business group develops, produces and supplies colour negative, slide and black-and-white films, single-use "films with lens" cameras and a multi-use camera for the new Advanced Photo Systems. Other products embrace photographic paper, photochemicals, laboratory equipment and minilabs.

- The Graphic Systems business group's products range from graphic film to printing plates and digital colour proofing systems.

- The products of the Technical Imaging business group for medical diagnostics include x-ray films, the Agfa "Impax" network for handling the dispatching and archiving of diagnostic images and data. Other fields of activity are non-destructive material testing, micrography and motion-picture film for big-screen and television productions.

3. Segment reporting
continued

Key data for business segments and geographical regions have been calculated as follows:

- Return on sales is the ratio of operating result to external sales.

- Gross operating cash flow is the excess of cash receipts over cash disbursements before any application of funds.

- Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

- Segment result is segment revenue minus segment expenses excluding administrative expenses.

- EBIT: Operating result before non-recurring income/expense and restructuring expenses.

3. Segment reporting
continued

Key data by business segment and region

Business Segments	Consumer Imaging (CI)	
(Million Euros)	2002	2001
Net Sales (external)	1,048	1,198
Change	(12.5)%	(19.4)%
Operating Result	16	(100)
Return on sales	1.5%	(8.3)%
EBIT	31	(12)
Segment result	72	(28)
Segment assets	704	857
Segment liabilities	541	608
Gross cash flow	19	(47)
Capital Expenditures	24	41
Amortization and depreciation	55	55
Impairment losses recognized	1	1
Impairment losses reversed	-	-
Other Non Cash expenses (Net of reversal of provisions)	24	-
R&D expenses	65	66
Number of employees at year end (Full Heads)	3,956	4,286

Regions	Europe		NAFTA	
(Million Euros)	2002	2001	2002	2001
Net Sales (external) by market	2,334	2,472	1,341	1,396
Net Sales (external) by point of origin	2,641	2,781	1,316	1,382
Change	(5.0)%	(3.3)%	(4.8)%	(10.2)%
Segment assets	2,012	2,113	787	940
Segment liabilities	1,373	1,466	434	550
Operating Result	353	(10)	22	(265)
Return on sales	13.4%	(0.4)%	1.7%	(19.2)%
Capital Expenditures	127	154	28	24
Amortization and depreciation	150	154	87	102
Impairment losses recognized	4	6	22	154
Impairment losses reversed	2	-	8	-
R&D Expenses	188	192	60	39
Number of employees at year end (Full Heads)	13,620	14,971	3,884	4,296
Number of employees at year end (Full time equivalents)				

3. Segment reporting
continued

Graphic Systems (GS)		Technical Imaging (TI)		Agfa-Gevaert Group	
2002	2001	2002	2001	2002	2001
1,813	1,890	1,822	1,823	4,683	4,911
(4.07)%	(8.5)%	(0.1)%	6.7%	(4.6)%	(6.6)%
126	(56)	251	(108)	393	(264)
6.9%	(2.9)%	13.8%	(5.9)%	8.4%	(5.4)%
150	79	290	193	471	260
246	75	352	(1)	670	46
1,102	1,255	1,354	1,357	3,160	3,469
634	682	694	780	1,869	2,070
154	36	309	237	482	226
48	82	95	67	167	190
78	98	121	121	254	274
7	6	18	153	26	160
2	-	8	-	10	-
13	38	28	89	65	127
75	76	108	89	248	231
7,396	8,336	8,370	8,806	19,722	21,428

Latin America		Asia/Africa/Australia		Agfa-Gevaert Group	
2002	2001	2002	2001	2002	2001
186	230	822	813	4,683	4,911
150	178	576	570	4,683	4,911
(15.7)%	(14.4)%	1.05%	(10.4)%	(4.6)%	(6.6)%
101	136	260	280	3,160	3,469
12	11	50	43	1,869	2,070
10	12	8	(1)	393	(264)
6.7%	6.7%	1.4%	(0.2)%	8.4%	(5.4)%
6	5	6	7	167	190
8	8	9	10	254	274
-	-	-	-	26	160
-	-	-	-	10	-
-	-	-	-	248	231
651	583	1,567	1,578	19,722	21,428
				19,341	21,038

3. Segment reporting
continued

Reconciliation of segment assets and liabilities with balance sheet total and reconciliation of segment result with total result of the Group.

Million Euros	2002					2001				
	Consumer Imaging	Graphic Systems	Technical Imaging	Unallo-cated	Consoli-dated	Consumer Imaging	Graphic Systems	Technical Imaging	Unallo-cated	Consoli-dated
Segment result	72	246	352		670	(28)	75	(1)		46
General administration expense				(277)	(277)				(310)	(310)
Interest expenses				(40)	(40)				(63)	(63)
Other non-operating expenses				(57)	(57)				(57)	(57)
Income tax expense				(99)	(99)				133	133
Share of result of associated companies				(3)	(3)				(38)	(38)
Minority interest				-	-				1	1
Net result of the accounting period					194					(288)
Segment assets	704	1,102	1,354		3,160	857	1,255	1,357		3,469
Investments				40	40				49	49
Receivables under finance leases				462	462				430	430
Cash and cash equivalents				145	145				224	224
Deferred tax assets				268	268				288	288
Derivative Financial Instruments				11	11				2	2
Other unallocated receivables				73	73				65	65
Total assets					4,159					4,527
Segment liabilities	541	634	694		1,869	608	682	780		2,070
Financial obligations				718	718				1,066	1,066
Deferred tax liabilities				56	56				31	31
Shareholders' Equity				1,386	1,386				1,268	1,268
Derivative Financial Instruments				15	15				24	24
Other unallocated liabilities				115	115				68	68
Total liabilities					4,159					4,527

4. Cash flow statements - effect of acquisitions

Acquisitions 2002

The acquisition of Mitra Inc. had the following effect on the Group's assets and liabilities:

Million Euros	
Goodwill on acquisition	178
Property, plant and equipment	5
Inventories	1
Investments	2
Trade receivables	8
Other receivables	1
Cash and cash equivalents	15
Personnel liabilities	(1)
Trade accounts payable	(1)
Tax liabilities	(5)
Other liabilities	(6)
Minority interest	(4)
Consideration paid	**193**
Cash acquired	(15)
Net cash outflow	**178**

4. Cash flow statements - effect of acquisitions
continued

Acquisitions 2001
The acquisitions of Autologic, Pantak, Seifert and Talk Technology had the following effect on the Group's assets and liabilities:

Million Euros	
Intangible assets (other than goodwill)	2
Goodwill on acquisition	48
Property, plant and equipment	6
Inventories	18
Trade receivables	19
Other receivables	3
Cash and cash equivalents	17
Personnel liabilities	(4)
Provisions	(2)
Trade accounts payable	(15)
Liabilities to banks	(7)
Other liabilities	(3)
Consideration paid	**82**
Cash acquired	(17)
Net cash outflow	**65**

5. Other operating income

Million Euros	2002	2001
Exchange gains	177	161
Lease income	41	39
Gains on the retirement of fixed assets	31	29
Changes in fair value of financial assets	13	-
Rental income	11	10
Reversal of unutilized provisions	7	22
Royalties	1	1
Other income	37	32
TOTAL	**318**	**294**

6. Other operating expenses

Million Euros	2002	2001
Exchange losses	196	160
Restructuring expenses	116	450
Amortization of goodwill	62	37
Write-downs of receivables	44	35
Rent	9	8
Changes in fair value of financial instruments	7	9
Loss on retirement of fixed assets	4	2
Provisions	3	25
SAP expenses	3	12
Property taxes	3	4
Environmental provision	-	49
Other expenses	29	48
TOTAL	**476**	**839**

Restructuring charges

In 2002, the Group recorded restructuring charges of 116 million Euros. These charges included employee termination costs of 107 million Euros, impairment losses on fixed assets of 2 million Euros, inventory write-offs of 2 million Euros and other costs of 5 million Euros.

7. Interest income (expense)

MILLION EUROS	2002	2001
Income from other securities and loans included in investments	3	3
Other interest and similar income	44	31
Interest and similar expenses	(87)	(97)
TOTAL	**(40)**	**(63)**

8. Other non-operating income (expense)

MILLION EUROS	2002	2001
Interest portion of interest-bearing provisions	(45)	(43)
Exchange gains (losses)	(11)	1
Revaluation losses on financial instruments	(4)	(5)
Write-downs/impairment losses on other investments	(1)	(5)
Result on sale of investments in affiliated companies	-	2
Miscellaneous non-operating income (expenses)	4	(7)
TOTAL	**(57)**	**(57)**

The interest portion of interest-bearing provisions primarily comprises the allocation of interest on provisions for personnel commitments, pensions and other post-employment benefits.

9. Income taxes

Recognized in the income statement

MILLION EUROS	2002	2001
Current tax expense	(70)	(17)
Deferred tax expense/income	(29)	150
Total income tax expense/income in income statement	**(99)**	**133**

9. Income taxes
continued

Relationship between tax expense and accounting profit

Summary 2002

Million Euros	Basis for tax computation	Tax expense/ tax income	Tax rate
Accounting profit before tax and before consolidation entries	308	96	31.17%
Consolidation entries (mainly related to intercompany dividends)	(12)	3	
Accounting profit before tax	296	99	33.45%

Reconciliation of effective tax rate

Million Euros	Before consolidation entries	Consolidation entries	After consolidation entries
Accounting profit before tax	308	(12)	296
Theoretical income tax expense	133	3	136
Theoretical tax rate (*)	**43.18%**		
Disallowed items	10		10
Amortization goodwill not deductible for tax purposes	8		8
Impact of special tax status: Belgian co-ordination center	(26)		(26)
Other tax free income: mainly related to dividend exemption	(10)		(10)
Tax credit resulting from investment deduction	(6)		(6)
Tax losses used for which no deferred tax asset had been recorded	(28)		(28)
Tax losses for which no deferred tax asset has been recorded	5		5
Tax expense due to reversal of deferred tax assets on tax losses from previous years	4		4
Tax benefit resulting from tax deductible write-downs on investments	(15)		(15)
Impact decrease tax rates on net deferred tax assets	8		8
Currency effect hyperinflationary economies	10		10
Impact of temporary differences	3		3
Actual income tax expense	96	3	99
Effective tax rate			**33.45%**

(*) The theoretical tax rate is the weighted average tax rate of the Company and all subsidiaries included in the consolidation.

9. Income taxes
continued

Summary 2001 MILLION EUROS	Basis for tax computation	Tax expense / tax income	Tax rate
Accounting profit before tax and before consolidation entries	(327)	(148)	45.26%
Consolidation entries (mainly related to intercompany dividends)	(57)	15	
Accounting profit before tax	(384)	(133)	34.64%

Reconciliation of effective tax rate MILLION EUROS	Before consolidation entries	Consolidation entries	After consolidation entries
Accounting profit before tax	(327)	(57)	(384)
Theoretical income tax expense	(117)	15	(102)
Theoretical tax rate (*)	**35.78%**		
Disallowed items	11		11
Tax free income: gains on sale of investments	(1)		(1)
Impact of special tax status: Belgian co-ordination center	(22)		(22)
Impact of special tax status Leeds (permanent establishment)	(7)		(7)
Other tax free income: mainly related to dividend exemption	(36)		(36)
Additional tax assessments and other	8		8
Tax credit resulting from investment deduction	(18)		(18)
Other tax credits	(8)		(8)
Tax losses for which no deferred tax asset has been recorded	41		41
Deferred tax income on tax losses from previous years	(1)		(1)
Deferred tax expense due to reversal of tax assets on tax losses from previous years	2		2
Actual income tax expense	(148)	15	(133)
Effective tax rate			**34.64%**

(*) The theoretical tax rate is the weighted average tax rate of the Company and all subsidiaries included in the consolidation.

9. Income taxes
continued

Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following items:

Million Euros	December 31, 2002			December 31, 2001		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Intangible assets	65	9	56	50	13	37
Property, plant and equipment	1	92	(91)	2	96	(94)
Investments	1	-	1	-	-	-
Inventories	48	15	33	64	17	47
Receivables	35	7	28	13	16	(3)
Provisions	97	4	93	117	3	114
Employee benefit plans	62	42	20	61	39	22
Other current assets & other liabilities	55	51	4	27	29	(2)
Deferred tax assets and liabilities related to temporary differences	364	220	144	334	213	121
Tax loss carry-forwards	46	-	46	113	-	113
Excess tax credits	22	-	22	23	-	23
Deferred tax assets/liabilities	432	220	212	470	213	257
Set off of tax	(164)	(164)	-	(182)	(182)	-
Net tax assets/liabilities	**268**	**56**	**212**	**288**	**31**	**257**

Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of ‘tax loss carry-forwards’ for an amount of 10 million Euros (2001: 47 million Euros) because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

9. Income taxes
continued

Movement in temporary differences during 2002

Million Euros	Dec. 31, 2001	Recognized in income	Credited to equity	Adjustment deferred tax assets against goodwill (Note 11)	Translation differences	Dec. 31, 2002
Intangible assets	37	11	-	8*	-	56
Property, plant and equipment	(94)	(1)	-	-	4	(91)
Investments	-	-	-	-	1	1
Inventories	47	(9)	-	-	(5)	33
Receivables	(3)	32	-	-	(1)	28
Provisions	114	(16)	-	-	(5)	93
Employee benefit plans	22	6	-	-	(8)	20
Other current assets & other liabilities	(2)	8	1	-	(3)	4
Deferred tax assets and liabilities related to temporary differences	121	31	1	8	(17)	144
Loss carry-forwards	113	(61)	-	-	(6)	46
Excess tax credits	23	1	-	-	(2)	22
Deferred tax assets/liabilities	**257**	**(29)**	**1**	**8**	**(25)**	**212**

* When the acquisition of the Autologic group was initially accounted for, no deferred tax assets of the acquiree were recognized as the recognition criteria were not satisfied.
In 2002, the Group recognized the deferred tax asset, amounting to 8 million Euros, as it had become probable that future taxable profit would allow the deferred tax asset to be recovered.

10. Personnel expenses

Personnel expenses in 2002 amounted to 1,462 million Euros compared to 1,477 million Euros in 2001. The breakdown of personnel expenses is as follows:

Million Euros	2002	2001
Wages and Salaries	1,176	1,194
Social Expenses	286	283
	1,462	**1,477**

The average number of employees in equivalent heads for 2002 amounted to 20,221 (2001: 21,130). Classified per corporate function, this average can be presented as follows:

	2002	2001
Manufacturing/Engineering	7,370	8,250
R & D	1,635	1,676
Sales & Marketing	7,370	7,007
Administration	3,846	4,197
	20,221	**21,130**

11. Intangible assets

Million Euros	Acquired concessions, industrial property rights, similar rights assets and licenses thereunder	Acquired goodwill	Advance payments to acquire intangible assets	Total
Gross carrying amount December 31, 2001	**186**	**501**	**5**	**692**
Exchange differences	(19)	(88)	-	(107)
Acquisitions	-	178	-	178
Adjustment to goodwill Autologic	-	(8)	-	(8)
Additional goodwill Mitra	-	12	-	12
Capital expenditures	24	4	1	29
Retirements	(12)	(8)	-	(20)
Transfers	4	-	(3)	1
Gross carrying amount December 31, 2002	**183**	**591**	**3**	**777**
Accumulated amortization, write-downs and impairment losses December 31, 2001	**104**	**185**	**-**	**289**
Exchange differences	(13)	(30)	-	(43)
Acquisitions	-	-	-	-
Amortization and write-downs during the year	32	48	-	80
Impairment loss during the year	-	14	-	14
Retirements	(11)	(8)	-	(19)
Transfers	-	-	-	-
Accumulated amortization, write-downs and impairment losses December 31, 2002	**112**	**209**	**-**	**321**
Net carrying amount December 31, 2001	**82**	**316**	**5**	**403**
Net carrying amount December 31, 2002	**71**	**382**	**3**	**456**

On January 3, 2002, the Company acquired 92.9% of the shares of Mitra Inc. for 193 million Euros. The recognized goodwill, which amounted to 178 million Euros, is being amortized over 15 years.

On November 1, 2002 the Company acquired the remaining 7.1% of the shares of Mitra Inc. for 12 million Euros. The additional goodwill which amounted to 12 million Euros is being amortized over 15 years.

In 2002, the Group recognized an impairment loss of 14 million Euros on its Talk Technology business (cash-generating unit). Expected discounted cash flows associated with the Talk Technology business were insufficient to recover its entire carrying value. The cash-generating unit's value in use has been calculated using a discount rate of 8%.

Exchange differences arise from translating opening and closing values of foreign companies' figures at the respective exchange rates.

12. Property, plant and equipment

MILLION EUROS	Land, buildings and infra-structure	Machinery and technical equipment	Furniture, fixtures and other equipment	Construction in progress and advance payments to vendors and contractors	Total
Gross carrying amount					
December 31, 2001	**739**	**2,269**	**441**	**35**	**3,484**
Exchange differences	(29)	(83)	(21)	(2)	(135)
Acquisitions	1	-	9	-	10
Capital expenditures	5	43	39	39	126
Retirements	(25)	(94)	(62)	(1)	(182)
Transfers	6	18	(2)	(23)	(1)
Gross carrying amount					
December 31, 2002	**697**	**2,153**	**404**	**48**	**3,302**
Accumulated depreciation,					
write-downs and impairment losses					
December 31, 2001	**465**	**1,901**	**337**	**1**	**2,704**
Exchange differences	(15)	(72)	(17)	-	(104)
Acquisitions	-	-	5	-	5
Depreciation and write-downs					
during the year	22	105	47	-	174
Impairment losses recognised	2	10	-	-	12
Impairment losses reversed	-	(9)	-	(1)	(10)
Retirements	(17)	(86)	(48)	-	(151)
Transfers	4	-	(4)	-	-
Accumulated depreciation,					
write-downs and impairment losses					
December 31, 2002	**461**	**1,849**	**320**	**-**	**2,630**
Net carrying amount Dec. 31, 2001	**274**	**368**	**104**	**34**	**780**
Net carrying amount Dec. 31, 2002	**236**	**304**	**84**	**48**	**672**

Exchange differences arise from translating opening and closing values of foreign companies' figures at the respective exchange rates.

12. Property, plant and equipment
continued

The Group leases buildings, infrastructure and production equipment under a number of finance lease agreements. At the end of the lease term the Group has the option to purchase the leased asset at a beneficial price. As of December 31, 2002 the net carrying amount of fixed assets held under finance leases amounted to 15 million Euros (2001: 18 million Euros). The leased assets secure lease obligations (note 19). Lease payments do not include contingent rent.

The Group, as lessor, included assets subject to operating leases in its balance sheet under the caption "Other Equipment". The depreciation of these assets is consistent with the Group's normal depreciation policy. At the end of December 2002, the assets subject to operating leases have a total net carrying amount of 19 million Euros (2001: 19 million Euros).
The future minimum lease income under non-cancellable operating leases is presented in note 23.

13. Investments

Million Euros	Investments in subsidiaries	Loans to subsidiaries	Investments in other affiliated companies		Loans to other affiliated companies	Other securities	Other loans	Total
			Associated companies	Other companies				
Gross carrying amount December 31, 2001	**10**	**-**	**38**	**1**	**-**	**25**	**11**	**85**
Acquisitions	-	-	-	-	-	1	1	2
Exchange differences	-	-	-	-	-	(2)	-	(2)
Other additions	-	-	-	-	-	10	2	12
Retirements	-	-	-	-	-	(6)	-	(6)
Share in result of associated companies	-	-	-	-	-	-	-	-
Transfers	(6)	-	(3)	-	-	1	(1)	(9)
Gross carrying amount December 31, 2002	**4**	**-**	**35**	**1**	**-**	**29**	**13**	**82**
Accumulated write-downs and impairment losses December 31, 2001	**-**	**-**	**30**	**-**	**-**	**6**	**-**	**36**
Exchange differences	-	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	3	-	3
Impairment losses	-	-	3	-	-	-	-	3
Retirements	-	-	-	-	-	-	-	-
Accumulated write-downs and impairment losses December 31, 2002	**-**	**-**	**33**	**-**	**-**	**9**	**-**	**42**
Net carrying amount December 31, 2001	**10**	**-**	**8**	**1**	**-**	**19**	**11**	**49**
Net carrying amount December 31, 2002	**4**	**-**	**2**	**1**	**-**	**20**	**13**	**40**

Based on an assessment of its recoverable amount, the carrying amount of the equity investment in Silicon Vision AG was written down in 2002 by 3 million Euros.
The impairment loss of 3 million Euros represented the remaining carrying amount of the equity investment in Silicon Vision AG.

14. Inventories

MILLION EUROS	2002	2001
Raw material and supplies	145	185
Work in process, finished goods and goods purchased for resale	794	862
Advance payments	9	8
TOTAL	**948**	**1,055**

Accumulated write-downs on Inventories decreased with 23 million Euros during 2002 (2001: increase 24 million Euros).

The cost of Inventories recognized as an expense in the income statement were as follows:

MILLION EUROS	2002	2001
Cost of raw materials, supplies and goods purchased for resale	1,485	1,644
Cost of services purchased	68	72
TOTAL	**1,553**	**1,716**

15. Other receivables and other assets

MILLION EUROS	2002	2001
Receivables under finance leases	462	430
Claims for tax refunds	84	73
Accrued interest on loans receivable	3	2
Short term loans receivable	1	6
Other	80	69
TOTAL	**630**	**580**

Lease agreements in which the other party, as lessee, is to be regarded as the economic owner of the leased assets give rise to accounts receivable in the amount of the discounted future lease payments. These receivables amounted to 477 million Euros as of December 31, 2002 and will bear interest income until their maturity dates of 72 million Euros. As of December 31, 2002 the write-downs on the receivables under finance leases amounted to 15 million Euros.
The receivables under finance leases are as follows:

15. Other receivables and other assets

continued

Million Euros	2002			2001		
	Total future payments	Unearned interest income	Present value	Total future payments	Unearned interest income	Present value
Not later than one year	208	37	171	182	34	148
Between one and five years	339	35	304	314	34	280
Later than five years	2	-	2	2	-	2
TOTAL	**549**	**72**	**477**	**498**	**68**	**430**

The Group leases out its commercial equipment under finance leases via Agfa Finance (i.e. Agfa Finance Brussels N.V. and its subsidiaries) and its entities in North America, i.e. Agfa Corporation (USA) and Agfa Inc. (Canada). At the inception of the lease, the present value of the minimum lease payments amounts to at least 95% of the fair value of the leased assets. This principle applies to all of the leases concluded with the entities referred to above.

The leases concluded with Agfa Finance typically run for a non-cancellable period of four years. Its portfolio mainly (85%) relates to the business segments Consumer Imaging and Grafic Systems. The contracts generally foresee an option to purchase the leased equipment after that period at a price which generally lies between 2% and 5% of the gross investment at the inception of the lease. Sometimes, the fair value of the leased asset is paid back by means of a purchase obligation for consumables at a value higher than its market value, in such a way that this mark-up is sufficient to cover the amount initially invested by the lessor. In these types of contracts the mark-up and/or the lease term can be subject to change.

Agfa Finance offers its products via its subsidiaries in Australia, France, Italy and Poland and its branches in Europe (Spain, Switzerland, Benelux, Germany, UK and the Nordic countries) and Japan.

As of December 31, 2002 the present value of the total future lease payments amounted to 309 million Euros.

The leases offered by Agfa Corporation mainly (83%) relate to the business segments Consumer Imaging and Graphic Systems. About 45% of leases offered by Agfa Corporation have a lease term of 60 months with a one dollar purchase option at the end of the term. The remaining portion of the finance leases have an average term between 54 and 60 months. The options at the end of these contracts are to purchase, to renew or to return the leased equipment at a value which is expected to be the fair value at the date the option becomes exercisable. As of December 31, 2002 the present value of the total future lease payments amounted to 161 million Euros.

Agfa Inc. started its lease business in May 2000. Agfa Inc. primarily (74%) offers lease contracts related to equipment of the business unit Informatics which belongs to the business segment Technical Imaging. The average lease term for these contracts is 48 months. At the end of the lease term, there is a purchase option for 1 Canadian Dollar on all the lease contracts. As of December 31, 2002 the present value of the total future lease payments amounted to 7 million Euros.

16. Cash and cash equivalents

The reconciliation of Cash and cash equivalents with its corresponding balance sheet items can be presented as follows:

Million Euros	2002	2001
Marketable securities and other instruments	12	2
Cash on hand, demand deposits and checks	133	222 *
Total Cash and cash equivalents as reported in the Balance Sheet	**145**	**224**
Accounts receivable under cash management agreements (reported in the balance sheet as Other receivables)	-	3
Liabilities under cash management agreements (reported in the balance sheet as Miscellaneous liabilities)	(4)	(7)
Revaluation financial assets available-for-sale	-	3
Total Cash and cash equivalents as reported in the Cash Flow Statement	**141**	**223**

* Included is an amount of 97 million Euros that has been deposited into an escrow account in relation to the acquisition of Mitra Inc. This amount represented a portion of the purchase price of Mitra Inc. (note 4).

17. Shareholders´ equity

The various components of Shareholders' Equity and the changes therein from December 31, 2001 to December 31, 2002 are presented in the Consolidated Statements of Shareholders' Equity.

Capital stock
The issued capital of the Company as of December 31, 2002 amounts to 140 million Euros, represented by 140,000,000 fully paid ordinary shares without par value.

Reserve for own shares
The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. At December 31, 2002 the Group held 768,400 (2001: 150,000) of the Company's shares (note 18 B).

Revaluation reserve
In order to manage the price risk on its Long Term Incentive Plan (tranche n° 2) the Company deposited 10.2 million Euros, pledged in favour of an investment banker. This available-for-sale financial asset was revalued to fair value with cumulative changes taken into the revaluation reserve (note 18 B).

The revaluation reserve moreover comprises the revaluation of our investment in Medivision Medical Imaging Ltd. (December 31, 2002: -2 million Euros).

17. Shareholders´ equity
continued

Hedging reserve
The Group has designated forward exchange contracts as 'cash flow hedges' of its foreign currency exposure related to forecasted purchases of commodities over the following 9 months. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity (December 31, 2002: - 3 million Euros) (note 22).

In order to manage its interest rate exposure, the Group has designated interest rate swaps as 'cash flow hedges'. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity (December 31, 2002: - 1 million Euros) (note 22).

Translation differences
Translation differences comprise all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the Company, as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

Minority interest
The change in minority interest (December 31, 2002: 3 million Euros, December 31, 2001: 1 million Euros) is mainly due to the capital increase in Identis S.A. (minority interest: 42.23 %).

Dividends
At March 3, 2003 a dividend of 69.6 million Euros (0.50 Euro per ordinary share) has been recommended by the Board of Directors, but has not yet been approved by the General Assembly of Shareholders of Agfa-Gevaert N.V. and is therefore not provided for.

18. Employee benefits

A. Liabilities for post-employment and long-term benefit plans
Agfa-Gevaert Group companies maintain retirement benefits in most countries in which the Group operates. These plans generally cover all employees and generally provide benefits that are related to an employee's remuneration and years of service. The Group also provides post-retirement medical benefits in the US and long-term benefit plans in Germany. These benefits are accounted for under IAS 19 (revised 1998) and are treated as post-employment and long-term benefit plans. At December 31, 2002 the Group's total net liability for post-employment and long-term benefit plans amounted to 843 million Euros (879 million Euros at December 31, 2001), comprised as follows:

Million Euros	Dec. 31, 2001	Dec. 31, 2002
Net liability for material countries	606	604
Net liability for termination benefits	236	207
Net liability for non-material countries	37	32
Total net liability	**879**	**843**

The principle for determining the Group's material countries is based on the level of IAS 19 pension expense. Material countries represent more than 90% of the Group's total IAS 19 pension expense.

18. Employee benefits continued

Defined Contribution Plans

In the case of defined contribution plans, Agfa-Gevaert Group companies pay contributions to publicly or privately administered pension funds or insurance contracts. Once the contributions have been paid, the Group companies have no further payment obligation. The regular contributions constitute an expense for the year in which they are due. In 2002, the defined contribution plan expense for the Group's material countries amounted to 13 million Euros (16 million Euros in 2001).

In Germany, employees of Agfa-Gevaert AG and of Agfa Deutschland Vertriebsgesellschaft mbH & Cie are members of the Bayer Pensionskasse. The Bayer Pensionskasse is a multi-employer plan accounted for as if it were a defined contribution plan (IAS 19 .30 (a)). The plan is a defined benefit plan under control of the Group's former parent company Bayer AG. Sufficient information is not available to enable the Group to account for the plan as a defined benefit plan.

Defined Benefit Plans

For the defined benefit plans, the total expense for 2002 for the Group's material countries amounted to 89 million Euros (61 million Euros for 2001):

Million Euros	2001			2002		
	Retirement Plans	Other post-employment and long-term benefit plans	Total	Retirement Plans	Other post-employment and long-term benefit plans	Total
Service cost, exclusive of employee contributions	41	4	45	40	5	45
Interest cost	98	7	105	100	7	107
Expected return on assets	(84)	0	(84)	(70)	0	(70)
Recognized past service cost	13	(6)	7	(5)	(7)	(12)
Amortization of unrecognized (Gain)/Losses	(2)	(4)	(6)	7	2	9
(Gain)/Losses on settlements or curtailments	(3)	(3)	(6)	3	7	10
Net periodic pension cost	**63**	**(2)**	**61**	**75**	**14**	**89**

The change in net liability recognized during the years 2001 and 2002 is set out in the table below.

Million Euros	2001			2002		
	Retirement Plans	Other post-employment and long-term benefit plans	Total	Retirement Plans	Other post-employment and long-term benefit plans	Total
Net liability at January 1	508	109	617	498	108	606
Net periodic pension cost	63	(2)	61	75	14	89
Employer contributions	(74)	(3)	(77)	(72)	(4)	(76)
Currency effects: charge or (credit)	1	4	5	(1)	(14)	(15)
Net liability at December 31	**498**	**108**	**606**	**500**	**104**	**604**

18. Employee benefits
continued

The defined benefit obligation, plan assets and funded status for the Group's material countries are shown below.
At December 31, 2002, the total defined benefit obligation for the Group amounted to 1,815 million Euros (1,864 million Euros at December 31, 2001). Of this amount, 1,051 million Euros (1,081 million Euros at December 31, 2001) related to wholly or partly funded plans and 764 million Euros (783 million Euros at December 31, 2001) related to unfunded plans.

Million Euros	2001			2002		
	Retirement Plans	Other post-employment and long-term benefit plans	Total	Retirement Plans	Other post-employment and long-term benefit plans	Total
Change in Defined Benefit Obligation						
Defined benefit obligation at January 1	1,510	93	1,603	1,749	115	1,864
Service cost, exclusive of employee contributions	41	4	45	40	5	45
Employee contributions	2	0	2	2	0	2
Interest cost	98	7	105	100	7	107
Benefit payments	(86)	(3)	(89)	(90)	(4)	(94)
Past service cost	14	(37)	(23)	(6)	1	(5)
Settlement or curtailment	(7)	(2)	(9)	3	7	10
Actuarial (gains)/losses	150	49	199	(3)	(3)	(6)
Currency effects: charge or (credit)	27	4	31	(92)	(16)	(108)
Defined benefit obligation at December 31	**1,749**	**115**	**1,864**	**1,703**	**112**	**1,815**
Change in Plan Assets						
Fair value of assets at January 1	1,053	0	1,053	968	0	968
Employer contributions	74	3	77	72	4	76
Employee contributions	2	0	2	2	0	2
Actual return on assets	(102)	0	(102)	(97)	0	(97)
Benefit payments	(86)	(3)	(89)	(90)	(4)	(94)
Currency effects: (charge) or credit	27	0	27	(70)	0	(70)
Fair value of assets at December 31	**968**	**0**	**968**	**785**	**0**	**785**
Funded Status at December 31						
Funded status	**(781)**	**(115)**	**(896)**	**(918)**	**(112)**	**(1,030)**
Unrecognized net (gain) or loss	284	45	329	418	33	451
Unrecognized past service cost	(1)	(38)	(39)	0	(25)	(25)
Net (liability) at December 31	**(498)**	**(108)**	**(606)**	**(500)**	**(104)**	**(604)**

18. Employee benefits
continued

Principal actuarial assumptions at balance sheet date (weighted averages)

	Dec. 31, 2001	Dec. 31, 2002
Discount rate	5.9%	5.8%
Expected return on plan assets	7.7%	7.5%
Future salary increases	4.0%	3.8%

Discount rate and salary increases have been weighted by the defined benefit obligation. Expected return on plan assets has been weighted by fair value of plan assets.

B. Equity compensation benefits

1. Long Term Incentive Plan (tranche no. 1)

On November 10, 1999 the Group established a stock warrant plan (the Long Term Incentive Plan – tranche no.1) for the members of the Board of Management of the Company and of the “Vorstand” of Agfa-Gevaert AG and certain key managers. ‘One’ warrant gives the holder the right to subscribe to ‘one’ new ordinary share of the Company. In total 581,100 warrants were issued and allocated to the beneficiaries of the plan. Each beneficiary was entitled to receive 13 warrants for each share in the Company which he/she has purchased and deposited as the Initial investment. The warrants were offered free of charge for shares of the Initial investment acquired at 22 Euros per share (or higher). For an Initial investment lower than 22 Euros per share a price equal to 1/13 of the positive difference between 22 Euros per share and the price effectively paid per share had to be paid. In accordance with the program, the warrants are only exercisable as from January 1, 2003 until November 10, 2005, after which date they become null and void. The exercise price of the warrants is equal to 22 Euros.

The following table summarizes information about the stock warrants outstanding at December 31, 2002:

Warrants granted	581,100
Warrants forfeited during 2001	19,500
Warrants forfeited during 2002	78,000
Warrants outstanding at December 31, 2002	483,600

2. Long Term Incentive Plan (tranche no. 2)

On April 25, 2000 the Group established a stock option plan (the Long Term Incentive Plan – tranche no. 2) for the members of the Board of Management of the Company and executives employed at levels VII, VIII and IX of the Company or at equivalent levels within the Group, designated thereto by the Board of Management of the Company. “One” option gives the holder the right to buy “one” ordinary share of the Company. In total 416,950 options were issued and allocated to the beneficiaries of the plan. The options were offered free of charge.
In accordance with the program, the options are only exercisable as from January 1, 2004 until May 19, 2006, after which date they become null and void. The exercise price of the options is equal to 22 Euros. The shares subject to the stock option plan are covered by a binding agreement with an investment banker to deliver these shares at a fixed price not in excess of the exercise price of the options.

18. Employee benefits
continued

The following table summarizes information about the stock options outstanding at December 31, 2002:

Options granted	416,950
Options forfeited during 2001	15,000
Options forfeited during 2002	0
Options outstanding at December 31, 2002	401,950

3. Long Term Incentive Plan (tranche no. 3)

On June 18, 2001 the Group established a stock option plan (the Long Term Incentive Plan – tranche no. 3) for the members of the Board of Management of the Company and executives employed at levels A, B and C of the Company or at equivalent levels within the Group. "One" option gives the holder the right to buy "one" ordinary share of the Company. In total 522,940 options were issued and allocated to the beneficiaries of the plan. The options were offered free of charge. In accordance with the program, the options are only exercisable as from July 6, 2004 until July 6, 2007, after which date they become null and void. The exercise price of the options is equal to 20 Euros.

The shares subject to the stock option plan are covered by an equity swap (285,790 shares) and shares held in treasury (218,150 shares).

The following table summarizes information about the stock options outstanding at December 31, 2002:

Options granted	522,940
Options forfeited during 2001	19,000
Options forfeited during 2002	0
Options outstanding at December 31, 2002	503,940

4. Long Term Incentive Plan (tranche no. 4)

On June 17, 2002 the Group established a stock option plan (the Long Term Incentive Plan – tranche no. 4) for the members of the Board of Management of the Company and executives employed at levels A, B and C of the Company or at equivalent levels within the Group. "One" option gives the holder the right to buy "one" ordinary share of the Company. In total 600,300 options were issued and allocated to the beneficiaries of the plan. The options were offered free of charge. In accordance with the program, the options are only exercisable as from August 26, 2005 until August 26, 2008, after which date they become null and void.

The exercise price of the options is equal to 18 Euros.

The shares subject to the stock option plan are partially covered by shares held in treasury (550,250 shares).

The following table summarizes information about the stock options outstanding at December 31, 2002:

Options granted	600,300
Options forfeited during 2002	6,300
Options outstanding at December 31, 2002	594,000

19. Financial liabilities

MILLION EUROS	2002	2001
Non-current liabilities	**665**	**898**
Revolving multi-currency credit facility [1]	633	807
Unsecured bank facilities[2]	19	77
Finance lease liabilities[3]	13	14
Current liabilities	**53**	**168**
Commercial paper program	3	99
Unsecured bank facilities[2]	48	66
Finance Lease liabilities[3]	2	3

[1] Revolving multi-currency committed unsecured credit facilities

The Company negotiated revolving multi-currency committed credit facilities maturing in 2004, 2006 and 2008 for a total notional amount of 870 million Euros.

The split up over the relevant periods is the following:

MILLION EUROS

	Notional amount		Outstanding amount		Currency	Interest rate		Maturity date
	2002	2001	2002	2001		2002	2001	
	-	220	-	115	USD	-	2.28% - 2.60%	2002
			-	16	EUR	-	3.59%	
	460	460	210	157	USD	2.03% - 2.63%	2.39% - 3.09%	2004
			55	140	EUR	3.2% - 3.4%	3.60% - 3.77%	
			31	33	AUD	5.21% - 5.45%	4.34% - 7.65%	
			22	-	GBP	4.18%	-	
			-	1	MYR	-	3.6%	
			9	-	INR	7%	-	
			-	5	TWD	-	2.76% - 4.10%	
	370	370	109	197	USD	1.98% - 2.80%	2.25% - 3.09%	2006
			145	55	EUR	3.20%	3.59%	
			-	23	GBP	-	4.47%	
			3	2	KRW	5.75%	5.8% - 6.2%	
			19	23	AUD	5.3% - 7.65%	4.35% - 7.65%	
	40	40	-	40	USD	-	2.4% - 2.8%	2008
			30	-	EUR	3.32%	-	
TOTAL	**870**	**1,090**	**633**	**807**				

In general, drawdowns under these lines are made for periods from 1 month up to 1 year. Some of the interest rates are fixed over longer periods by using capped constant maturity swaps. Interest rates of the Euro denominated long term facilities are capped at a maximum level of 5.43%, whereas the interest rates of part of the USD denominated loans are capped between 2.77% and 2.98% (note 22). These loan facilities are unsecured.

In order to manage its interest rate exposure, the Group has designated interest rate swaps hedging the interest variability on part of the USD loans (note 22).

19. Financial liabilities
continued

[2] Unsecured bank facilities

MILLION EUROS	2002				2001		
	Currency	Outstanding amount	Interest rate	Maturity date	Outstanding amount	Interest rate	Maturity date
Long-term facilities	USD	5	2.35%	Revolving	59	2.44% - 3%	Revolving
	JPY	8	2.56%	03/04	12	2.56%	03/04
	SEK	6	6.30%	Revolving	6	3.70%	Revolving
Total long-term facilities		**19**			**77**		

MILLION EUROS	2002				2001		
	Currency	Outstanding amount	Weighted average rate	Maturity date	Outstanding amount	Weighted average rate	Maturity date
Short-term facilities	Multi-currency	48	4.72%	03/03	66	6.53%	03/02
Total short-term facilities		**48**			**66**		

[3] Finance lease liabilities

Lease agreements in which the Group is a lessee, give rise to financial liabilities in the balance sheet, equal at the inception of the lease to the fair value of the leased property or, if lower, at the present value of the minimum lease payments. These liabilities amounted to 15 million Euros as of December 31, 2002 and will bear interest until maturity date of 14 million Euros.

The financial liabilities are payable as follows:

MILLION EUROS	2002			2001		
	Total future payments	Unexpired interest expense	Present value	Total future payments	Unexpired interest expense	Present value
Not later than one year	4	2	2	5	2	3
Between one and five years	12	6	6	12	6	6
Later than five years	13	6	7	15	7	8
Total	**29**	**14**	**15**	**32**	**15**	**17**

20. Miscellaneous liabilities

Miscellaneous liabilities can be presented as follows:

Million Euros	2002	2001
Tax liabilities	59	50
Payroll liabilities	49	82
Liabilities for social expenses	33	36
Accrued interest on liabilities	5	7
Liabilities from the acceptance of drafts	-	2
Other miscellaneous liabilities	103	113
TOTAL	**249**	**290**

Tax liabilities include not only Group companies' own tax liabilities, but also taxes withheld on behalf of third parties.
Liabilities for social expenses include, in particular, social insurance contributions that had not been paid over at closing date.
Other miscellaneous liabilities comprise numerous individual items such as guarantees, commissions to customers, liabilities under cash management, etc.

21. Provisions

A. Current

Million Euros	Environ-mental	Trade-related	Taxes	Other	Total
Provisions at December 31, 2001	**10**	**161**	**46**	**163**	**380**
Change in consolidation scope	-	-	1	-	1
Provisions made during the year	9	137	44	126	316
Provisions used during the year	(1)	(154)	(15)	(108)	(278)
Provisions reversed during the year	(1)	(8)	(2)	(14)	(25)
Translation differences	(2)	(16)	(6)	(10)	(34)
Transfers	-	(2)	(7)	29	20
Provisions at December 31, 2002	**15**	**118**	**61**	**186**	**380**

Provisions for trade-related commitments include subsequent payments to customers relating to goods and services purchased in the accounting period, such as customer bonuses or rebates in kind or in cash, warranty liabilities, agents' commissions and impending or anticipated losses on purchase or sales contracts.
Other provisions relate mainly to provisions set up for restructuring expenses (note 6). Other provisions moreover include provisions for litigation, claims and negative outcome of commitments.

21. Provisions
continued

B. Non-current

Million Euros	Environ-mental	Other	Total
Provisions at December 31, 2001	**50**	**7**	**57**
Provisions made during the year	-	-	-
Provisions used during the year	-	-	-
Provisions reversed during the year	(13)	-	(13)
Translation differences	(7)	-	(7)
Transfers	-	-	-
Provisions at December 31, 2002	**30**	**7**	**37**

The Group is subject to numerous environmental requirements in various countries in which it operates, including those governing air and wastewater emissions, the management of hazardous materials and spill prevention and cleanup. In order to comply with applicable standards and regulations, the Group has made significant expenditures and set up provisions. Provisions for environmental protection relate to future relandscaping, landfill modernization and the remediation of land contaminated by past industrial operations.
Provisions for environmental protection moreover include provisions for litigations with respect to environmental contamination.
The non-current provisions are recorded on a discounted basis. The discounted amounts with regard to environmental requirements will be paid out over the period of remediation of the relevant sites, which is expected to be two years.

22. Derivative financial instruments

Exposure to currency, interest rate and credit risk arises in the normal course of the Group's business. Derivative financial instruments are used to reduce the exposure to fluctuations in foreign exchange rates and interest rates. While these are subject to the risk of market rates changing subsequent to acquisition, such changes are generally offset by opposite effects on the items being hedged/covered.

Foreign currency risk

Recognized assets and liabilities

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group incurs foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the company's local currency. The currencies giving rise to this risk at December 31, 2002 are primarily US Dollar and Pounds Sterling.

Such risks may be naturally covered when a receivable in a given currency is matched by one or more payables having the same amount, and having an equivalent term, in the same currency. They may also be managed by the use of derivative financial instruments.

22. Derivative financial instruments
continued

The Group uses mainly forward exchange contracts to manage its foreign currency risk arising from recognized trade receivables, trade payables and borrowings denominated in a foreign currency. These forward exchange contracts have maturities of less than one year.

Where currency risks are entered into through intra-group loans, these are fully covered either naturally or through derivative financial instruments. The currency risk arising from financial commitments is managed via currency swaps and cross-currency interest rate swaps.

Where derivative financial instruments are used to economically hedge the foreign exchange exposure of recognized monetary assets or liabilities, no hedge accounting is applied. Changes in the fair value of these derivative financial instruments are recognized in the income statement.

As of December 31, 2002 the Group was exposed to the following foreign currency risk relating to primary financial instruments forming part of working capital and financial debt:

Million Euros	Dec. 31, 2002		Dec. 31, 2001	
	Assets	Liabilities	Assets	Liabilities
Foreign currency risk	566	339	758	484
Natural covered positions	(229)	(229)	(356)	(356)
Outstanding derivative financial instruments	(253)	(9)	(175)	(5)
Residual foreign currency risk	84	101	227	123

Forecasted transactions and firm commitments

The Group has designated forward exchange contracts (60 million Euros) as ‘cash flow hedges’ of its foreign currency exposure related to forecasted purchases of commodities over the following 9 months. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity (December 31, 2002: - 3 million Euros).

Hedge of net investment in foreign subsidiary

The Group utilizes USD denominated bank loans and forward exchange contracts in order to hedge the foreign currency exposure of the Group’s net investment in its subsidiary in the United States (Agfa Corporation).

Million Euros	Dec. 31, 2002	Dec. 31, 2001
USD denominated bank loans	328	483
Forward exchange contracts	172	17
Total	**500**	**500**

As of December 31, 2002 the hedge of the net investment in Agfa Corporation (USA) has been determined to be effective and as a result the effective portion of the gain on the hedging instrument, which amounted to 12 million Euros, has been recognized directly in equity.

22. Derivative financial instruments
continued

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The interest rate risk of the Group as of December 31, 2002 was managed via interest rate swaps having a total notional amount of 724 million Euros. Part of the interest rate risk was covered by capped constant maturity swaps amounting to 376 million Euros (notional amount). The Group has designated only part (95 million Euros) of its interest rate swaps as 'cash flow hedges'. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in equity
(December 31, 2002: - 1 million Euros).

Capped Constant Maturity Swaps

The Group engaged in a number of capped CMS agreements for a total amount of 376 million Euros, whereby the underlying contracts have a remaining duration of 1 and 2 years. The Capped Constant Maturity Swaps are not designated as hedging instruments under IAS 39.

The CMS agreements are structured in a way whereby the Group is paying a fixed 2- or 5- years swap rate respectively, reset each 3 months. In return, the Group receives the 3 months Euribor plus a number of basispoints. These basispoints are not distributed, but have been used to buy caps on the underlying CMS. The USD denominated agreements are valid over a period of 1 year where the other caps mature in 2004.

Levels of the caps are:

100 million Euros	5 year swap rate capped to 5.35%
50 million Euros	5 year swap rate capped to 5.37%
40 million Euros	5 year swap rate capped to 5.34%
90 million Euros	5 year swap rate capped to 5.43%
48 million Euros	2 year swap rate capped to 2.77% (USD denominated)
48 million Euros	2 year swap rate capped to 2.98% (USD denominated)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group does not require collateral in respect of financial assets. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group. Transactions involving derivative financial instruments are only allowed with counterparties that have high credit ratings.

At balance sheet date there were no significant concentrations of credit risk. The carrying amounts of the financial assets, including derivative financial instruments in the balance sheet reflect the maximum exposure to credit risk.

22. Derivative financial instruments
continued

Market risk
Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices.

In 2001, the Company negotiated an Equity Swap transaction in order to partially hedge the potential price exposure relating to the shares subject to its stock option plan (Long Term Incentive Plan tranche n° 3; note 18B). This transaction was designated as a fair value hedge with changes in the fair value of both the hedged item and the hedging instrument recognized in the income statement.

Fair values – Notional amounts
The fair values are the current market values (quoted market prices or calculated based on estimation techniques) of the derivative financial instruments, disregarding any opposite movements in the value of the respective hedged/covered transactions.

The fair values of derivative interest contracts are estimated by discounting expected future cash flows using current market interest rates and yield curve over the remaining term of the instrument. The fair value of forward exchange contracts is their quoted market price at balance sheet date, being the present value of the quoted forward price.

The notional amounts indicate the volume of outstanding derivatives at the balance sheet date and therefore do not reflect the Group's exposure of risks from such transactions.

The notional or contractual amounts and respective fair values of derivative financial instruments are as follows:

MILLION EUROS	Notional or contractual amount		Fair value	
	Dec. 31, 2002	Dec. 31, 2001	Dec. 31, 2002	Dec. 31, 2001
Forward Exchange contracts	769	583	5	-
Currency options	-	-	-	-
Currency swaps	26	495	4	(8)
Interest rate instruments	724	501	(15)	(12)
Other derivative financial instruments	6	51	2	(2)
TOTAL			**(4)**	**(22)**

Securitisation of trade receivables
Since several years the Group has an agreement with an International Bank whereby trade receivables amounting to 100 million Euros, are sold.

23. Operating leases

Leases as lessee

The Group leases mainly buildings and infrastructure under a number of operating lease agreements. The future lease payments under these non-cancellable operating leases are due as follows:

Million Euros	2002	2001
Not later than one year	43	41
Between one and five years	94	102
Later than five years	29	37
TOTAL	**166**	**180**

Leases as lessor

The Group leases out other equipment under operating leases.
Non-cancellable operating lease rentals are as follows:

Million Euros	2002	2001
Not later than one year	4	4
Between one and five years	14	11
Later than five years	-	-
TOTAL	**18**	**15**

24. Commitments and contingencies

Million Euros	2002	2001
Issuance and endorsement of bills	16	26
Guarantees	20	22
Warranties	8	11
Other	3	3
TOTAL	**47**	**62**

Total purchase commitments in connection with major capital expenditure projects for which the respective contracts have already been awarded or orders placed amounted to 7 million Euros as of December 31, 2002 (2001: 8 million Euros).

25. Related party transactions

Transactions with Directors and members of the Board of Management

The remuneration of the Board of Management for 2002 amounted to 3,216,462 Euros (2001: 5,841,629 Euros). Emoluments to retired members of the Board of Management and their dependents amounted to 1,942,429 Euros (2001: 2,423,284 Euros).
Pension provisions for members and retired members of the Board of Management, amounting to 22,204,000 Euros, are reflected in the balance sheet of the Group at December 31, 2002.
To those who were a member of the Board of Directors in 2002, a total remuneration of 377,500 Euros was paid (2001: 463,500 Euros).
As of December 31, 2002 there were no loans outstanding to members of the Board of Management nor to members of the Board of Directors.

Other related party transactions

Transactions with related companies are mainly trade transactions and are priced at arms' length. The revenue and expenses related to these transactions are immaterial to the consolidated financial statements as a whole.

26. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at December 31, 2002 was based on the net profit attributable to ordinary shareholders of 194 million Euros (2001: net loss of 288 million Euros) and a weighted average number of ordinary shares outstanding during the year ended December 31, 2002 of 139,611,425 (2001: 139,927,261).

The weighted average number of ordinary shares is calculated as follows:

Number of ordinary shares at January 1, 2002	139,850,000
Effect of own shares held	(238,575)
Weighted average number of ordinary shares at December 31, 2002	139,611,425

	2002	2001
Basic earnings per share (Euro)	1.39	(2.06)

Diluted earnings per share

When calculating diluted earnings per share the weighted average number of shares is adjusted for the effects of all dilutive potential ordinary shares. Under the stock warrant plan for Directors and key managers, 483,600 warrants were outstanding at December 31, 2002 with an exercise price of 22 Euros per share (note 18).
The average fair value of one ordinary share during 2002 was 17.38 Euros.
The warrants are not dilutive since the average fair value of one ordinary share is less than the issue price for one ordinary share under the warrant program.

	2002	2001
Diluted earnings per share (Euro)	1.39	(2.06)

27. Group companies

The ultimate parent of the Group is Agfa-Gevaert N.V., Mortsel/Belgium.
The Company is the parent company for the following significant subsidiaries:

Investments in subsidiaries and other companies
Agfa-Gevaert Group
December 31, 2002
Consolidated Companies

Name of the company	Location	Effective interest %
Agfa (Pty.) Ltd.	Isando/Rep. of South Africa	100
Agfa (Wuxi) Printing Plate Co. Ltd.	Wuxi/PR China	100
Agfa ASEAN Sdn. BHD	Kuala Lumpur/Malaysia	100
Agfa België N.V.	Kontich/Belgium	100
Agfa Corporation Inc.	Ridgefield Park/United States	100
Agfa de Mexico S.A. de C.V.	Sta. Clara Ecatepec/Mexico	99.80
Agfa Deutschland Vertriebsgesellschaft mbH & Cie	Leverkusen/Germany	100
Agfa Europe N.V.	Mortsel/Belgium	100
Agfa Finance France S.A.	Rueil-Malmaison/France	100
Agfa Finance Italy S.p.a.	Milan/Italy	100
Agfa Finance N.V.	Brussels/Belgium	100
Agfa Finance Pty. Ltd.	Nunawading/Australia	100
Agfa Hong Kong Ltd.	Hong Kong/PR China	100
Agfa Hungaria Kft.	Budapest/Hungaria	100
Agfa Inc.	Toronto/Canada	100
Agfa India Ltd.	Maharashtra/India	99.99
Agfa Industries Korea Ltd.	Kyunggi-do/South Korea	100
Agfa Korea Ltd.	Seoul/South Korea	100
Agfa Limited	Dublin/Ireland	100
Agfa Monotype Corp. (USA), Inc	Wilmington/United States	100
Agfa Monotype, Ltd (UK)	Redhill/United Kingdom	100
Agfa NDT GmbH	Köln/Germany	100
Agfa NDT Inc.	Lewistown/United States	100
Agfa NDT Ltd.	Coventry/United Kingdom	100
Agfa NDT Pantak Seifert GmbH & Co. KG.	Ahrensburg/Germany	100
Agfa NDT S.A.	Limonest/France	100
Agfa s.r.o. (Czechia)	Prague/Czech Republic	100
Agfa Singapore Pte. Ltd.	Singapore	100
Agfa Sp. z.o.o.	Warsaw/Poland	100
Agfa Taiwan Co Ltd.	Taipei/Taiwan	100
Agfa Wuxi Film Production Company Ltd.	Wuxi/PR China	99
Agfa-Gevaert A/S (Denmark)	Glostrup/Denmark	100
Agfa-Gevaert AB (Sweden)	Kista/Sweden	100
Agfa-Gevaert AEBE	Athens/Greece	100
Agfa-Gevaert AG	Leverkusen/Germany	99.99
Agfa-Gevaert AG/SA	Dübendorf/Switzerland	98.90

27. Group companies
continued

Agfa-Gevaert Argentina S.A.	Buenos Aires/Argentina	100
Agfa-Gevaert AS (Norway)	Hagan/Norway	100
Agfa-Gevaert B.V.	Rijswijk/Netherlands	100
Agfa-Gevaert Colombia Ltd.	Santa Fé de Bogota/Colombia	99.99
Agfa-Gevaert de Venezuela S.A.	Caracas/Venezuela	100
Agfa-Gevaert do Brasil Ltda.	Sao Paulo/Brazil	100
Agfa-Gevaert G.m.b.H.	Vienna/Austria	100
Agfa-Gevaert International N.V.	Mortsel/Belgium	100
Agfa-Gevaert Investment Fund N.V.	Mortsel/Belgium	100
Agfa-Gevaert Japan, Ltd.	Tokyo/Japan	95
Agfa-Gevaert Limited (Australia)	Nunawading/Australia	100
Agfa-Gevaert Limited (England)	Brentford/United Kingdom	100
Agfa-Gevaert Ltda. (Chili)	Santiago De Chile/Chile	100
Agfa-Gevaert New Zealand Ltd.	Auckland/New Zealand	100
Agfa-Gevaert S.A. (France)	Rueil-Malmaison/France	100
Agfa-Gevaert S.A. (Spain)	Barcelona/Spain	99.99
Agfa-Gevaert S.p.a.	Milan/Italy	100
Agfa-Gevaert, Lda.	Linda-a-Velha/Portugal	100
Autologic Information International	Ramat-Gan/Israel	100
Autologic Information International A.B.	Stockholm/Sweden	100
Autologic Information International Inc.	Thousand Oaks/United Sates	100
Autologic Information International Ltd.	St. Albans/United Kingdom	100
Autologic Information International Pty. Ltd.	North Ryde NSW/Australia	100
Autologic Information International, Ltd.	Thousand Oaks/United States	100
Autologic Triple I, Inc.	Ontario/Canada	100
Cea Aktiebolag	Strängnäs/Sweden	100
CEA Deutschland GmbH	Hamburg/Germany	100
Crisfenn Pty. Ltd.	Blackburn/Australia	100
Identis S.A.	Croissy Beaubourg/France	57.77
International Typeface Corp.	Wilmington/United States	100
Luithagen N.V.	Mortsel/Belgium	100
Mitra Asia-Pacific Pty Ltd.	Brisbane/Australia	100
Mitra B.V.	Eindhoven/Netherlands	100
Mitra Corporation	Hartland/USA	100
Mitra Imaging Incorporated	Waterloo/Canada	100
Mitra Inc.	Waterloo/Canada	100
Nutronik GmbH	Alzenau/Germany	100
OY Agfa-Gevaert AB	Espoo/Finland	100
Printing Technologies (NZ) Limited	Auckland/New Zealand	100
Printing Technologies Ltd	Blackburn/Australia	100
Quadrat N.V.	Deurle/Belgium	100
Quadrat S.A.	Lille/France	100
Shanghai Agfa Imaging Products Co., Ltd.	Shanghai/PR China	100
Talk Technology Inc.	Bensalem/United States	100
Xitron Europe Ltd.	Swindon/United Kingdom	100
Xitron Pty. Ltd.	North Ryde NSW/Australia	100
Xitron, Inc.	Ann Arbor/United States	100

27. Group companies
continued

Subsidiaries not included in the consolidated financial statements
December 31, 2002

Name of the company	Location	Effective interest %
Agfa Argentina S.A.C.I. i.L.	Buenos Aires/Argentina	100
Agfa Deutschland Vertriebsverwaltungs-gesellschaft mbH	Leverkusen/Germany	100
Agfa Europe S.A.	Geneva/Switzerland	100
Agfa Laborgeräte GmbH	Gera/Germany	100
Agfa OOO Ltd.	Moscow/Russian federation	100
Agfa Slovakia S.R.O.	Nove Mesto Nad Vahom/Slovakia	100
Agfa-Gevaert Iran S.S.K.	Teheran/Iran	76
Agfa-Gevaert Unterstützungskasse GmbH	Leverkusen/Germany	100
CAWO Photochemische Fabrik GmbH	Schrobenhausen/Germany	100
Cea America Corporation	Ridgefield Park/United States	100
Compusat S.r.l.	Milan/Italy	100
GST Grafic Service Team Verwaltungs GmbH	Leverkusen/Germany	100
GST Grafic-Service-Team GmbH & Co.	Leverkusen/Germany	100
Image building N.V.	Antwerp/Belgium	70
Information International Foreign Sales Corp.	Guam	100
Mortselse Immobiliënvennootschap N.V.	Mortsel/Belgium	100
Tecsa S.A.S.	Montigny Le Bretonneux/France	100

Associated companies
December 31, 2002

Name of the company	Location	Effective interest %
Antwerp Digital Mainport C.V.	Antwerp/Belgium	12.50
Digiplast N.V.	Mortsel/Belgium	20
FotoWire Development S.A.	Geneva/Switzerland	1.59
Hocking Holding Ltd.	St. Albans/United Kingdom	50
Hocking NDT Ltd.	St. Albans/United Kingdom	50
Idoc N.V.	Brussels/Belgium	33.33
Med2Rad	Macerata/Italy	30
Medicalis Corp.	Boston/USA	23
MediVision Medical Imaging Ltd.	Yokneam Elit/Israel	19.40
Silicon Vision AG	Siegen/Germany	24.66

28. Events subsequent to the balance sheet date

On January 20, 2003 the Group announced that it will divest its business group 'Non-Destructive Testing' to GE Aircraft Engines, a division of General Electric Company (USA) for a price of 405 million Euros. The agreement will become effective after approval by the regulatory authorities.
The agreement concerns all Agfa's activities in the field of Non-Destructive Testing, with the exception of the production of X-Ray film, for which the Group and General Electric have concluded a long-term supply agreement according to which General Electric will become the exclusive provider of Agfa industrial X-Ray film.
After taking account of liabilities and non-transferred assets, it is expected that the divestiture will generate cash proceeds of 304 million Euros and will result in a pre-tax gain of 216 million Euros (148 million Euros after tax). The transaction is expected to be completed in the second quarter of 2003.

The following pages are extracts of the statutory annual accounts of Agfa-Gevaert N.V. prepared under Belgian accounting policies. The management report of the Board of Directors to the Annual General Meeting of Shareholders and the annual accounts of Agfa-Gevaert N.V., as well as the Auditor's Report, will be filed with the National Bank of Belgium within the statutory periods. These documents are available on request from Agfa's Investor Relations Department, and at www.agfa.com/investors/financials.

Only the consolidated annual financial statements as set forth in the preceding pages present a true and fair view of the financial position and performance of the Agfa-Gevaert Group.

The statutory auditor's report is unqualified and certifies that the non-consolidated financial statements of Agfa-Gevaert N.V. for the year ended December 31, 2002 give a true and fair view of the financial position and results of the company in accordance with all legal and regulatory dispositions.

MILLION EUROS		2002	2001
I.	**Operating Income**		
A.	Turnover	1,859	1,897
B.	Increase (+); decrease (-) in stocks of finished goods, work and contracts in progress	(11)	(21)
C.	Own construction capitalised	112	106
D.	Other operating income	48	47
Total operating income		**2,008**	**2,029**
II.	**Operating charges**		
A.	Raw materials, consumables and goods for resale		
	1. Purchases	992	1,024
	2. Increase (-); decrease (+) in stocks	(19)	37
B.	Services and other goods	239	272
C.	Remuneration, social security costs and pensions	436	418
D.	Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets	182	168
F.	Increase (+); decrease (-) in provisions for liabilities and charges	(20)	137
G.	Other operating charges	11	11
Total operating charges		**1,821**	**2,067**
III.	**Operating result**	**187**	**(38)**
IV.	**Financial income**	**136**	**200**
V.	**Financial charges**	**(215)**	**(204)**
VI.	**Result on ordinary activities before taxes**	**108**	**(42)**
VII.	**Extraordinary income**	**28**	**22**
VIII.	**Extraordinary charges**	**(38)**	**(37)**
IX.	**Result for the period before taxes**	**98**	**(57)**
IXbis. B	**Transfer to deferred taxation**	**(1)**	**-**
X.	**Income taxes**	**(19)**	**(2)**
XI.	**Result for the period**	**78**	**(59)**
XII.	**Transfer to untaxed reserve**	**(2)**	**-**
XIII.	**Result for the period available for appropriation**	**76**	**(59)**

Result Appropriation

A.	Profit to be appropriated	167	123
	1. Result for the period available for appropriation	76	(59)
	2. Profit brought forward	91	182
C.	Transfers to other reserves	(5)	-
D.	1. Profit to be carried forward	(92)	(91)
F.	Distribution of profit	(70)	(32)

Million Euros		Dec. 31, 2002	Dec. 31, 2001
Assets			
II.	Intangible assets	201	142
III.	Tangible assets	72	77
IV.	Financial assets	3,396	3,034
VI.	Stocks and contracts in progress	219	211
VII.	Amounts receivable within one year	306	334
VIII.	Investments	24	13
IX.	Cash at bank and in hand	1	13
X.	Deferred charges and accrued income	2	2
		4,221	**3,826**
Liabilities			
I.	Capital	140	140
II.	Share premium account	107	107
IV.	Reserves	851	844
V.	Profit carried forward	92	91
		1,190	**1,182**
VII.	Provisions and deferred taxation	183	217
VIII.	Amounts payable after more than one year	736	491
IX.	Amounts payable within one year	2,066	1,914
X.	Accrued charges and deferred income	46	22
		4,221	**3,826**

March 3, 2003

1 Comments on the annual accounts

The annual accounts, which will be presented to the General Meeting of Shareholders of April 29, 2003, were approved by the Board of Directors.

On the General Meeting, the following topics will be submitted for approval:

- The annual accounts close with a profit to be appropriated for the financial year 2002 of 75,901,757.52 Euros;
- Before formulating the proposal for distribution of profit, the Board of Directors records that on December 31, 2002, Agfa-Gevaert N.V. possessed a total of 768,400 of its own shares. On the Extraordinary General Meeting of the Shareholders of January 13, 2003 an additional plan to buy back shares was approved. The actual buy-backs started in the first quarter. The shares owned by the company on the date of the payment of the dividend are not considered for the collection of the dividend. The proposed dividend starts from a distribution of dividends to 140 million shares. The Board of Directors will give an account to the General Meeting of the total of own shares that are held by the company at that moment. According to the then prevailing situation the dividend will be adapted and included in the minutes of the General Meeting. The annual accounts will be adapted and filed accordingly.
- It is proposed to distribute the profit as follows:
  - a dividend of 70 million Euros, or 50 Eurocents gross per ordinary share (coupon N 4). For the Belgian shareholders this equals a net dividend of 37.5 Eurocents per share, after 25% withholding tax payment, payable as of April 30, 2003. For the non-resident shareholders the net dividend can be codetermined by the double tax treaties between Belgium and the different countries. The relevant certificates have to be in our possession not later than May 12, 2003;
  - transfer of 5,010,564.71 Euros to reserves and 891,192.81 Euros to the profit to be carried forward.

On June 17, 2002 the Board of Directors decided to issue a stock option plan for the management, taking into account art. 523 of the Company Law. Excerpt from the minutes of the Board of Directors meeting: "The Board decides by unanimous vote, yet with the exception of Messrs Verhoeven and Bergen, as they did not take part in the consultation, nor in the vote, to approve the issue of share options as part of the Long Term Incentive Plan." Both directors declare that they have notified the auditor of the company in writing of their possible conflicting interests.

- Klynveld Peat Marwick Goerdeler (KPMG) was paid a fee of 1,475,715 Euros for their services in audit and tax consultancy in the financial year 2002, in addition to their conventional fee as auditor:

- KPMG Tax advisors (in Belgium and abroad)	459,863 Euros
- KPMG Audit mainly of foreign offices	990,852 Euros
- KPMG Corporate Finance	25,000 Euros

2 Important post balance sheet date events and information that might influence the development of the company

On January 20, 2003 Agfa-Gevaert N.V. announced to disinvest its business group Non-Destructive Testing, subject to the approval by the regulatory authorities, to GE Aircraft Engines (General Electric Company) from the USA.

Glossary

The words explained in this section refer to the words that are in italic in the Management Report section.

4-up, 8-up, 16-up
Indicates the size of a printing plate by giving the number of standard pages that can be printed with one plate.

AGFAnet (www.agfanet.com)
Online print service for ordering high-quality photographic prints from digital data. In addition, the service offers instructive photo courses, attractive competitions and other valuable information and services related to photography.

colour print film
Film on which copies of the master version of a motion picture film are printed. These copies are distributed to the cinemas.

Computed Radiography
The technology of making x-ray images with conventional x-ray equipment but in which the images are captured on reusable image plates, instead of single-use x-ray film. The information on the plates is read by a digitiser and provides a digital image. Dedicated software (such as Agfa's MUSICA) can be used to automatically maximise the quality of the images for diagnostic viewing. The digital images can also be completed with manual inputs (annotations, measurements, …) and are ready for archiving on a PACS system. (also see: Direct Radiography)

computer-to-film
A process whereby layout pages of e.g. newspapers or magazines are digitally imaged onto (transparent) film directly from computer files. The films are then chemically processed and used to produce printing plates.

computer-to-plate
A process whereby layout pages of e.g. newspapers or magazines are digitally imaged onto printing plates directly from computer files without the intermediate step of film.

CT scanner: CT stands for Computed Tomography.
The CT scanner uses a series of x-rays to create image 'slices' of the body. Agfa's product portfolio does not contain CT scanners, but our hardcopy printers can be connected to them to have high quality prints.

digital contract proofing system
A proofing system that generates contract colour and imposition proofs using the digital files that will be used to make printing plates. A contract proof is the proof approved by the client (print buyer) with the understanding that it represents the way the colour will be reproduced on press. Thus, the printer enters into a colour 'contract' with the client. This 'representation' of the final result is made possible by Agfa's high-tech colour management software systems.

digital radiography
Digital Non-Destructive Testing systems that use a direct process to convert x-ray energy to a digital signal. No intermediate steps or additional processes are required to capture and convert the x-ray energy.

digital storage media
Data carriers (such as SmartMedia cards, CompactFlash cards, CDs, floppy disks, SD cards, MemorySticks,…) used for the storage of images made with a digital camera or on a PC.

Direct Radiography
Radiographic technology that converts x-ray energy into digital data without the use of intermediate image capturing plates. These digital data generate a diagnostic image on a PC. As the data are digital, a wide range of possibilities is opened for image optimisation or completion as well as for archiving the images on PACS systems. (also see: Computed Radiography)

d-TFS (digital Total Film Scanning)
The technology that is incorporated in Agfa's digital lab equipment for an automated image quality enhancement in terms of over- or under-exposure, colour-saturation, balance,…

d-ws (Digital WholeSale)
Agfa's digital wholesale finishing system that produces up to 20,000 prints per hour. Prints can be made from classic colour negative film or from digital data on any digital storage media or online orders received via the Internet.

Enterprise Resource Planning (ERP)
Software that consists of a set of applications that automate amongst others the finance and HR departments of companies and that help manufacturers handle jobs such as order processing and production.

EPR (Electronic Patient Record)
An Electronic Patient Record represents the electronic alternative to a patient's paper file. The EPR contains all patient data, such as demographics, examination orders & results, laboratory reports, radiological images and reports, treatment plans, etc., and can be easily accessed throughout the hospital.

graphic film
(polyester) sheet material on which artwork is photographically or digitally captured; in four colour printing the layouts are separated into one film per printing colour; most often the exposed film is an intermediate step in the making of printing plates or printed circuit boards. (also see: PET film)

grating light valve (GLV) technology
Developed by Silicon Light Machines and originally designed for the emerging high-definition digital cinema or large-format displays market, GLV is laser writing technology. Agfa is the first to use this technology in a platesetter. With this technology, laser energy passes through a grating light valve (GLV). Micro-shutters modulate and control the laser light with extreme precision for sharp (or high-definition) imaging.

hardcopy printers
Devices used for printing images from various sources; in case of diagnostic images the sources may be X-rays, CT scans, MRI scans, computed radiography, etc. Agfa produces both the so-called ‘wet’ and ‘dry’ printers. Wet laser technology implies the use of aqueous chemical solutions to develop the image.
Dry technology prints the image directly from the computer onto a special film by thermal effect.
The increasing digitisation of images has not resulted in a drop in the demand for hardcopy printers. On the contrary, the use of hardcopy continues to grow, especially in the environmentally-friendly dry printing segment.

high-security identification documents
Personal documents that require a high level of protection, e.g. passports, driver’s licences and ID cards. Possible security marks that can be added to these cards include micro letters, ultraviolet prints, holograms, chips and barcodes.

imagesetter
High-resolution device that ‘writes’ artwork files from the computer onto graphic film or on a printing plate.

IMPAX: see PACS

imposition proof
Allows the printer to determine if the page position (imposition) on the plate is correct; this is a crucial check before starting the printing since pages of a newspaper or magazine are not printed in the same sequential order as they are bound in a magazine e.g. only the centerfold pages are printed next to each other.

kiosk
Point-of-sale order station (such as Agfa’s ‘e-box’ and ‘Cube’) for photographic prints which is able to process the Digital Print Order Format (DPOF) used by most current digital cameras. The kiosk’s software enables order data to be transmitted to a central lab, thus opening up possibilities for businesses that do not have their own ‘digital’ lab. This solution is also attractive for minilab operators with several stores. Agfa’s ‘e-box’ and ‘Cube’ accept all leading digital data carriers, including SmartMedia cards, CompactFlash cards, CDs, floppy disks and, optionally, SD cards and MemorySticks.

Krautkramer
Agfa acquired Krautkramer from Emerson Electric Co, St. Louis, Missouri/USA, in 2000. The Krautkramer business consists of the production and worldwide distribution of ultrasonic devices for the non-destructive testing of various materials, especially metals.

lab equipment
Specifically in the context of photography : equipment needed for the development and printing of images.

large-format printer
A large format printer sometimes referred to as a wide-format printer is a digital printer that prints on sheets or rolls 24-inches wide or more.

Lithostar
A silver-halide digital printing plate, sensitive to visible light. The emulsion layer consists of light-sensitive silver-halide (AgX) crystals (halide = bromide or iodide or chloride) and gelatin.

minilab
Photo printing equipment for retail photo shops that can produce up to 1,800 prints per hour.

MRI scanner (Magnetic Resonance Imaging):
A medical imager that creates a magnetic field around the patient. It creates images by pulsing radio waves that are directed at the parts of the body that need to be examined. Agfa’s product portfolio does not contain MRI scanners, but our hardcopy printers can be connected to them to have high quality prints.

net printer
Highly flexible printing unit for wholesale finishing labs to process mixed digital printing jobs. Agfa's net-lab.12 printer outputs up to 1,100 prints per hour and is the ideal complement to the existing high-speed lab equipment of wholesale finishers. The high versatility of print formats and the high processing speed provide a continuous and optimal workflow.

PACS
(Picture Archiving and Communication System)
Agfa’s PACS solutions are marketed under the name IMPAX. PACS were originally developed to efficiently manage the distribution and archiving of the diagnostic images of a radiology department. Technological evolutions and specific software developments have rapidly allowed Agfa’s PACS systems to be used by other departments in the hospital.

Pantak-Seifert
In 2001, Agfa acquired the American company Pantak and the German company Seifert, producers of industrial x-ray equipment for Non-Destructive Testing applications in the United States and in Europe respectively. The activities of both companies have been integrated into one business unit: X-ray Systems.

PET film
PET is an abbreviation for polyethylene terephthalate or polyester. The chemical is prepared with a base of ethylene glycol and terephtalic acid. It is the basic raw material for the substrate of photographic film; it is coated with different types of purpose specific chemical layers, as e.g. for analogue photography and for medical and graphic purposes.

photofinishing (or finishing)
The process of developing and printing images from a film or from a digital storage medium onto photographic paper. Also the name of a Consumer Imaging business unit that comprises photographic paper and chemicals.

phototooling film
A film offering the extreme line sharpness required for miniaturization in printed circuit board manufacturing (also see: PET film).

plate (analogue)
Printing plate consisting of a high-quality aluminium substrate, and a coating designed to respond to relatively high levels of ultraviolet (UV) light energy. An exposed film (see: graphic film) is vacuum contacted with a plate. The UV light source copies the artwork from the film onto the plate, whereby the artwork elements are opaque parts of the film and the rest is transparent. The UV light hits the plate only where the film is transparent. A chemical developing process etches the exposed plate parts, and leaves unchanged the non-exposed parts. This creates a small relief on the plate's surface, enough to hold printing ink on the high relief, and no ink on the depths. The ink on the high relief is transferred to the paper. (see also: plate digital)

plate (digital)
Printing plate consisting of a high-quality grained and anodised aluminium substrate and a coating several thousand times more sensitive than that of analogue plates. The lasers used to expose these plates typically operate on thermal energy or visible light. The coatings respond to the laser energy creating chemical/physical changes to the plate surface. Just as analogue plates, the digital plates are then processed to create a press-ready plate, though some digital plate technologies are effectively process-free. (see also: plate analogue)

platesetter
A platesetter digitally 'copies' artwork of printed matter from the computer onto plates, which are then processed and mounted on press. (see also: plate)

prepress
The preparation and processing of artwork and document files for final output to either analogue or digital plates, including high-resolution scanning of images, colour separation, different types of proofs, etc.

project management software
Software that allows users to track the progress and manage the flow and delivery of various projects.

private label film
Film that is produced to be sold under the customer's brand name.

professional lab
High-quality minilab enterprises for the professional photographer.

RADView
An American company acquired in 1999. It is active in digital radiography for non-destructive testing.

RIS(Radiology Information System)
A computer-based solution for the planning, follow-up and communication of all the data relating to patients and their examinations in the radiology department, i.e. starting from the moment that an examination is requested up to the radiologist's report.
The RIS is strongly linked with the PACS (for the images contained in the examinations).

SFC (Specialty Foils and Components)
Agfa Business Unit that markets PET film, triacetate film and special chemical products. Furthermore, SFC crosses the borders of imaging with new developments.

sound recording film
This type of polyester based film is especially designed for recording and printing all current types of sound-tracks, such as analogue, Dolby, Digital, DTS (Digital Theater Systems) and SDDS (Sony Dynamic Digital Sound).

thermal printing plate
(or: heat sensitive printing plate) Plate that does not react to visible light, but to thermal radiance. Mainly used for commercial and packaging printing.

triacetate film
The chemical triacetate is derived from cellulose by combining cellulose with acetate. Triacetate base is of excellent clarity and has good heat resistance qualities. Agfa uses it for the production of graphic and photographic film, amongst others.

ultrasonic testing
NDT testing technique that examines components and structures to detect flaws or measure material thickness. Ultrasonic systems operate on the principle of injecting a very short pulse of ultrasound into a component or structure, and then receiving and analysing any reflected sound pulses.

violet-laser technology
Violet-laser technologies expose or image plates using the violet band of the visible-light spectrum, allowing fast output, convenient plate handling and high reliability.

visible-light printing plate

Plate sensitive to visible light, for all types of offset printing. It is most popular among commercial and newspaper printers. Visible-light technology uses visible-light laser diodes to expose or image a printing plate. The most common visible-light sources are green and violet laser diodes.

web-album

The AGFAnet solution provides web pages on the website which allows customers to display their images, as in a photo album, and from which prints can be ordered directly via the Internet.

wholesale finishing

The business of developing and printing images onto photographic paper using industrial high-speed printers that can produce up to 20,000 prints per hour

workflow management software

Software that streamlines the flow of work by automating individual steps in the prepress process – thus saving time and reducing costs.

X-ray film systems

Radiography is a widely used method whereby X-rays are used to produce a radiograph of a specimen showing any changes in materials. The usual procedure to produce a radiograph is to have an X-ray source on one side of the object to be examined and a radiographic film on the other side. The X-rays travel in straight lines from the source through the specimen to the film. The parts of the film that have received more radiation during exposure appear darker and so a sharp image is formed on the film. After processing, the film can be viewed on the lightbox. In HealthCare X-ray film systems are used to examine the human body and in Non-Destructive Testing to check the thickness of materials and to detect defects, changes in structure, assembly details, etc in objects and constructions.

AGFA-GEVAERT GROUP CONSOLIDATED STATEMENTS OF INCOME 1999-2002

Million Euros	2002	2001	2000	1999
Net sales	4,683	4,911	5,260	4,731
Cost of goods sold	(2,705)	(3,119)	(3,171)	(2,930)
Gross Profit	**1,978**	**1,792**	**2,089**	**1,801**
Selling expenses	(902)	(970)	(1,000)	(934)
Research and development expenses	(248)	(231)	(224)	(241)
General administration expenses	(277)	(310)	(279)	(253)
Other operating income	318	294	233	144
Other operating expenses	(476)	(839)	(418)	(426)
Operating result	**393**	**(264)**	**401**	**91**
Interest income (expense) – net	(40)	(63)	(81)	(36)
Other non-operating income (expense) – net	(57)	(57)	(49)	(37)
Non-operating result	**(97)**	**(120)**	**(130)**	**(73)**
Income before income taxes	**296**	**(384)**	**271**	**18**
Income taxes	(99)	133	(96)	(7)
Net income of consolidated companies	**197**	**(251)**	**175**	**11**
Minority interest	-	1	1	-
Share of results of associated companies	(3)	(38)	(7)	3
Net result of the accounting period	**194**	**(288)**	**169**	**14**
Basic Earnings per share (Euro)	1.39	(2.06)	1.2	0.1
Diluted Earnings per share (Euro)	1.39	(2.06)	1.2	0.1

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Only the English version of the annual report has legal force. The Dutch, French and German versions represent translations of the original in English. The correspondence between the different language versions has been verified by Agfa-Gevaert under its own responsibility.

AGFA-GEVAERT GROUP CONSOLIDATED BALANCE SHEETS 1999-2002

Million Euros	Dec. 31, 2002	Dec. 31, 2001	Dec. 31, 2000	Dec. 31, 1999
Assets				
Non-current assets	**1,174**	**1,233**	**1,487**	**1,441**
Intangible assets	456	403	379	276
Property, plant and equipment	672	780	994	1,069
Investments	40	49	114	96
Derivative financial instruments	6	1		
Current assets	**2,717**	**3,006**	**3,411**	**3,264**
Inventories	948	1,055	1,293	1,214
Trade receivables	959	1,125	1,316	1,382
Other receivables and other assets	630	580	509	493
Cash and cash equivalents	145	224	228	150
Deferred charges	30	21	65	25
Derivative financial instruments	5	1		
Deferred taxes	**268**	**288**	**172**	**149**
Total assets	**4,159**	**4,527**	**5,070**	**4,854**
Equity and liabilities				
Shareholders´ equity	**1,383**	**1,267**	**1,570**	**1,439**
Capital stock of Agfa-Gevaert N.V.	140	140	140	140
Share premium of Agfa-Gevaert N.V.	107	107	107	107
Retained earnings	962	1,281	1,124	1,156
Reserves	(20)	(5)		
Net income	194	(288)	169	14
Translation differences	-	32	30	22
Minority interest	**3**	**1**	**7**	**4**
Non-current liabilities	**1,598**	**1,894**	**1,825**	**1,492**
Liabilities for post-employment benefits	843	879	778	736
Liabilities for personnel commitments	39	46	59	56
Financial obligations more than one year	665	898	970	700
Provisions more than one year	37	57	18	-
Derivative financial instruments	14	14		
Current liabilities	**1,119**	**1,334**	**1,542**	**1,804**
Financial obligations less than one year	53	168	405	541
Trade payables	322	352	281	245
Miscellaneous liabilities	249	290	287	377
Liabilities for personnel commitments	105	103	117	124
Provisions less than one year	380	380	396	424
Deferred income	9	31	56	93
Derivative financial instruments	1	10		
Deferred taxes	**56**	**31**	**126**	**115**
Total equity and liabilities	**4,159**	**4,527**	**5,070**	**4,854**

AGFA-GEVAERT GROUP CONSOLIDATED STATEMENTS OF CASH-FLOW 1999-2002

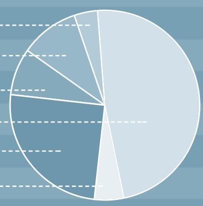
Million Euros	2002	2001	2000	1999
Cash and cash equivalents at beginning of year	**223**	**220**	**130**	**194**
Operating result	393	(264)	401	91
Current tax expense	(70)	(17)	(116)	(63)
Depreciation, amortization and impairment losses	270	434	286	252
Changes in fair value of derivative financial instruments	(8)	9		
Movement in long-term provisions	(76)	91	(38)	21
(Gains) /losses on retirement of non-current assets	(27)	(27)	(7)	(1)
Gross cash provided by operating activities	**482**	**226**	**526**	**300**
Decrease /(Increase) in inventories	70	282	(53)	104
Decrease /(Increase) in trade accounts receivable	125	223	120	(109)
Increase / (Decrease) in trade accounts payable	(17)	52	(7)	3
Movement in short-term provisions	14	(61)	(45)	184
Movement in other working capital	(63)	16	(105)	(105)
Net cash provided from operating activities	**611**	**738**	**436**	**377**
Cash outflows for additions to intangible assets	(41)	(26)	(21)	(67)
Cash outflows for additions to property, plant and equipment	(126)	(160)	(194)	(176)
Cash inflows from disposals of intangible assets	1	1	10	-
Cash inflows from disposals of property, plant and equipment	58	50	84	50
Cash outflows for equity and debt instruments	(72)	(36)	(101)	(37)
Cash outflows for acquisitions	(178)	(65)	(116)	(335)
Cash inflows from disposals			19	-
Interests and dividends received	48	45	64	24
Net cash used in investing activities	**(310)**	**(191)**	**(255)**	**(541)**
Capital contributions			2	-
Dividend payments to stockholders	(32)	(63)	(46)	(20)
Net issuances of debt	(261)	(336)	96	243
Interest paid	(87)	(106)	(139)	(46)
Other financial inflows/(outflows)	4	(40)	(10)	(80)
Net cash provided by/(used in) financing activities	**(376)**	**(545)**	**(97)**	**97**
Change in cash and cash equivalents due to business activities	(75)	2	84	(67)
Change in cash and cash equivalents due to change in consolidation scope	1	-	4	-
Change in cash and cash equivalents due to exchange rate movements	(8)	1	2	3
Cash and cash equivalents at end of year	**141**	**223**	**220**	**130**

Shareholder information

Listing	Brussels and Frankfurt Stock Exchange
Reuters ticker	AGFAt.BR / AGEG.DE
Bloomberg ticker	AGF BB / AGE GR
Datastream	B:AGF

Shareholder structure (March 1, 2003)

4%	Deutsche Bank
10%	Highfields Capital
8%	Och-Ziff Capital Management
48%	Free float
25%	Gevaert
5%	Fidelity Investments



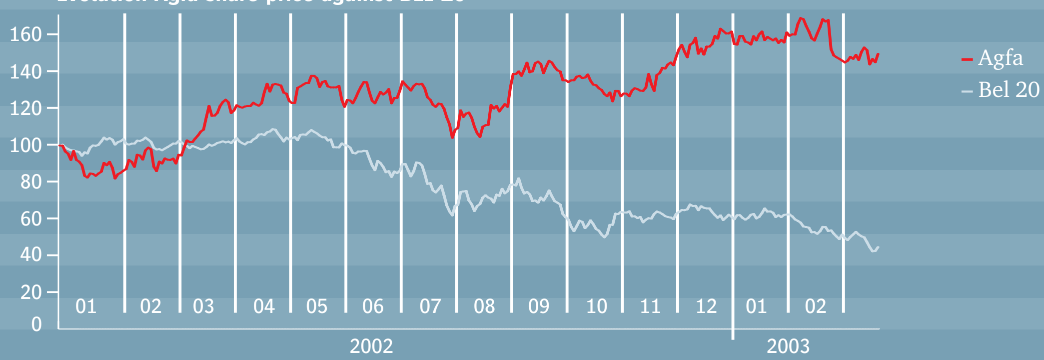
Share information

First day of listing	June 1, 1999
Number of shares outstanding on Dec.31, 2002	139,231,600
Market capitalisation on Dec. 31, 2002	2,959 million Euros

(in Euro)	2002	2001	2000	1999
Earnings per share*	1.39	-2.06	1.21	0.10
Net operating cash flow per share	4.38	5.27	3.11	2.69
Gross dividend	0.50	0.23	0.45	0.33
Year end price	21.25	15.19	25.39	21.15
Year's high	21.41	25.85	29.16	22.19
Year's low	12.95	10.90	17.07	17.10
Average volume of shares traded/day	156,681	136,710	225,084	199,579
Weighted average number of ordinary shares	139,611,425	139,927,261	140,000,000	140,000,000

(*) net result

Evolution Agfa share price against BEL-20



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Financial calendar 2003-2004

Annual General Meeting	April 29, 2003 at 11.00 AM
Payment of dividend 2002	April 30, 2003
First quarter 2003 results	May 8, 2003
Half year 2003 results	August 21, 2003
Third quarter 2003 results	November 13, 2003
Full year 2003 results	March, 2004
Annual General Meeting	April 27, 2004 at 11.00 AM