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Report of the statutory auditors
with financial statements as of September 30, 2002
Andrew AG, Bachenbülach

 **ERNST & YOUNG**



To the general meeting of
Andrew AG, Bachenbülach

Zurich, September 29, 2003

Report of the statutory auditors

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, income statement and notes) of Andrew AG for the year ended September 30, 2002. The audit work was completed on October 15, 2002.

These financial statements are the responsibility of the board of directors. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

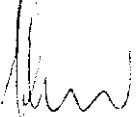
In our opinion, the accounting records and financial statements and the proposed appropriation of available earnings comply with Swiss law and the company's articles of incorporation.

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

Without qualifying our opinion, we draw attention to the note on goodwill in the accompanying financial statements. As described in the note, goodwill stated at CHF 11'288'404 relates to the acquisition of a subsidiary. The evaluation of the value in use of the goodwill includes assumptions, which are somewhat uncertain and dependent on reaching the underlying budgets in the future. Accordingly, there is uncertainty over the recoverability of the goodwill.

Furthermore, we refer to article 699 para. 2 of the Swiss Code of Obligations, which requires that the annual shareholders' meeting must be held within six months after the end of a financial year.

Ernst & Young Ltd



Roland Schär
Certified Accountant
(in charge of the audit)



Rico Fehr
Certified Accountant

Enclosures:

- Financial statements (balance sheet, income statement and notes)
- Proposed appropriation of available earnings

ANDREW AG, BACHENBÜLACH

BALANCE SHEET AS OF SEPTEMBER 30, 2002

	September 30, 2002	September 30, 2001
	CHF	CHF
ASSETS		
Current assets		
Cash	4'100'212	19'064'837
Short-term investments	61'442'271	61'215'094
Accounts receivable		
Trade	42'705'849	42'892'895
Less allowance for doubtful accounts	- 1'302'356	- 1'770'720
Parent company	0	295'393
Affiliated companies	45'526'864	33'005'193
Other	1'418'042	2'098'655
	88'348'399	76'521'416
Advance to affiliate	469'836	0
Inventories	35'710'719	33'109'316
Prepaid expenses	1'175'015	1'797'403
Total current assets	191'246'452	191'708'066
Fixed assets		
Land and land improvements	2'019'718	2'058'372
Buildings	7'779'737	7'945'640
Equipment	67'313'321	65'203'488
	77'112'776	75'207'500
Less allowances for depreciation	- 56'252'029	- 53'015'322
	20'860'747	22'192'178
Investments	95'210'913	81'874'359
Less allowances for losses	- 38'900'000	0
	56'310'913	81'874'359
Advances to affiliate	7'575'334	14'825'797
Goodwill	11'288'404	0
Total fixed assets	96'035'398	118'892'334
TOTAL ASSETS	287'281'850	310'600'400

ANDREW AG, BACHENBÜLACH**BALANCE SHEET AS OF SEPTEMBER 30, 2002**

	September 30, 2002	September 30, 2001
	CHF	CHF
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable		
Trade	22'764'609	17'421'044
Parent company	4'727'410	3'024'875
Affiliated companies	17'867'984	9'067'031
Other	2'712'332	658'515
	<u>48'072'335</u>	<u>30'171'465</u>
Accrued taxes	5'114'475	6'211'255
Accrued liabilities	3'920'729	4'200'936
Total liabilities	<u>57'107'539</u>	<u>40'583'656</u>
 Stockholders' equity		
Share capital	17'200'000	17'200'000
Legal reserve	8'600'000	8'600'000
Available earnings		
Balance brought forward	225'216'744	219'930'144
Loss (-) / net income for the year	- 20'842'433	24'286'600
	<u>204'374'311</u>	<u>244'216'744</u>
Total stockholders' equity	<u>230'174'311</u>	<u>270'016'744</u>
 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>287'281'850</u>	<u>310'600'400</u>

ANDREW AG, BACHENBÜLACH

INCOME STATEMENT FOR THE YEAR ENDED SEPTEMBER 30, 2002

	2001/02	2000/01
	CHF	CHF
OPERATING INCOME		
Net sales	262'040'795	285'884'235
Cost of sales	237'320'285	234'491'541
Gross profit	<u>24'720'510</u>	<u>51'392'694</u>
Operating expenses		
Engineering expenses	761'337	926'897
Sales and business development	5'102'869	6'358'033
Administrative expenses	4'456'594	4'407'817
Research and development	1'772'639	1'954'436
Total operating expenses	<u>12'093'439</u>	<u>13'647'183</u>
NET OPERATING INCOME	<u>12'627'071</u>	<u>37'745'511</u>
Other income / expense (-)		
Interest expense	- 71'059	- 46'394
Interest income	6'756'575	2'403'955
Dividend income	4'049'239	0
Gain / loss (-) on exchange and translation	548'523	- 7'670'696
Amortisation of goodwill	- 868'339	0
Allowances for losses on investments	- 38'900'000	0
Miscellaneous	208'999	96'784
Net other income / expense (-)	<u>- 28'276'062</u>	<u>- 5'216'351</u>
LOSS (-) / INCOME BEFORE TAXES	<u>- 15'648'991</u>	<u>32'529'160</u>
Income and capital taxes	5'193'442	8'242'560
LOSS (-) / NET INCOME FOR THE YEAR	<u>- 20'842'433</u>	<u>24'286'600</u>

ANDREW AG, BACHENBÜLACH

NOTES AS OF SEPTEMBER 30, 2002

Basis of Financial Statements

The financial statements of Andrew AG incorporate the accounts of Andrew AG, Bachenbülach, Switzerland, and the accounts of Andrew Ltd., Scotland, a branch of Andrew AG.

Both companies maintain their official accounting records and prepare their financial statements in their local currencies for domestic purposes (Swiss francs and pound sterling, respectively). The combined financial statements, prepared in Swiss francs for Swiss reporting purposes, include the accounts of Andrew AG, Bachenbülach, and its branch, Andrew Ltd., Lochgelly. They are prepared in accordance with accounting practices in Switzerland.

All significant balances and transactions between Andrew AG and its branch, Andrew Ltd., Lochgelly, have been eliminated on combination.

Foreign Currency Translation

The financial statements of Andrew Ltd. are prepared in local currency (pound sterling). In the combination, assets and liabilities were translated into Swiss francs at the approximate exchange rates in effect at the balance sheet date and the statement of income at the average exchange rate for the year.

Any translation gains or losses are included in the income statement.

Goodwill

Andrew AG acquired 100% of the shares of Quasar Technology Ltd. (Quasar), UK, in the amount of CHF 16'425'066 in the financial year 2002. An amount of CHF 12'156'743 thereof has been included in goodwill in the accompanying financial statements. It is amortized over a period of 7 years (CHF 868'339 at September 30, 2002).

Andrew opted for the discounted cash flow method to evaluate the value in use of the essential goodwill position. The assumptions for the calculations for sales and cash flow are somewhat uncertain due to the uncertain development of the worldwide economy. Even though Group Management and the Board of Directors are of the opinion that these forecasts are based on reasonable and supportable assumptions, the recoverability of goodwill is dependent on reaching the underlying budgets with their future sales and cash flow.

ANDREW AG, BACHENBÜLACH

NOTES AS OF SEPTEMBER 30, 2002 (Continued)

	September 30, 2002 CHF	September 30, 2001 CHF
Details to Income Statement		
<u>Cost of sales</u> include the following:		
Materials and goods purchased	188'639'078	175'324'260
Direct labour	8'329'450	9'466'554
Manufacturing expenses	35'838'504	38'312'958
Material control expenses	6'792'810	7'008'022
Quality assurance expenses	981'654	1'211'811
Change in inventories	- 3'261'211	3'167'936
Total	237'320'285	234'491'541
<u>Personnel cost</u> are included in cost of sales and operating expenses at	31'273'400	39'022'637
<u>Depreciation</u> of fixed assets	7'114'241	6'941'652
<u>Gains on fixed asset disposals</u> are included in other income at	209'358	97'247
Investments		
Andrew Cayman Islands Ltd., Cayman Islands		
Activity: Holding company		
Common stock and additional paid-in capital:		
USD 58'365'836 (2001 - USD 58'365'836)		
100 % owned at cost of	81'874'359	81'874'359
Andrew Instalacoes e Gerenciamento de Servicos Limitada, Brazil		
Activity: Selling and servicing		
Share capital: BRL 15'065'660		
100 % owned at cost of	9'068'231	-
Quasar Technology Ltd., Newton Abbot, Devon, UK		
Activity: Supplier of communication systems and services		
Share capital: GBP 5'965		
100 % owned at cost of	4'268'323	-

ANDREW AG, BACHENBÜLACH

NOTES AS OF SEPTEMBER 30, 2002 (Continued)

	September 30, 2002	September 30, 2001
	<u>CHF</u>	<u>CHF</u>
Insurance Value		
Insurance value of fixed assets including buildings under operating leases	<u>94'367'657</u>	<u>100'022'601</u>

ANDREW AG, BACHENBÜLACH

APPROPRIATION OF AVAILABLE EARNINGS

(Proposal of the Board of Directors)

	September 30, 2002	September 30, 2001
	<u>CHF</u>	<u>CHF</u>
Balance brought forward	225'216'744	219'930'144
Net income for the year	- 20'842'433	24'286'600
Earnings available for distribution	<u>204'374'311</u>	<u>244'216'744</u>
Extraordinary dividend distribution in May 2002	0	- 19'000'000
Available earnings to be carried forward	<u>204'374'311</u>	<u>225'216'744</u>