

REPORT OF THE STATUTORY AUDITORS

with financial statements for year ended
September 30, 2001 of

ANDREW AG, BACHENBÜLACH

163244/15



 **ERNST & YOUNG**

Report of the statutory auditors

to the general meeting of

ANDREW AG, BACHENBÜLACH

As statutory auditors, we have audited the accounting records and the financial statements (balance sheet, statement of income and notes) of Andrew AG for the year ended September 30, 2001. The audit work was completed on October 16, 2001.

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.

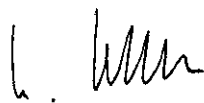
Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence 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.

Zurich, May 17, 2002

Ernst & Young Ltd



W. Holdener
Certified accountant



R. Schär
Certified accountant
(in charge of the audit)

Enclosures:

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

ANDREW AG, BACHENBÜLACH

BALANCE SHEET AS OF SEPTEMBER 30, 2001

	September 30, 2001 CHF	September 30, 2000 CHF
ASSETS		
Current Assets		
Cash	19'064'837	8'021'576
Short-term investments	61'215'094	40'219'811
Accounts receivable		
Trade	42'892'895	57'203'210
Less allowance for doubtful accounts	(1'770'720)	(1'835'287)
Parent company	295'393	0
Affiliated companies	33'005'193	30'836'264
Other	2'098'655	1'891'727
	<u>76'521'416</u>	<u>88'095'914</u>
Inventories	33'109'316	38'566'403
Prepaid expenses	1'797'403	2'252'135
Total Current Assets	<u>191'708'066</u>	<u>177'155'839</u>
Fixed Assets		
Land and land improvements	2'058'372	2'033'061
Buildings	7'945'640	7'934'804
Equipment	65'203'488	59'415'086
	<u>75'207'500</u>	<u>69'382'951</u>
Less allowances for depreciation	(53'015'322)	(52'248'512)
	<u>22'192'178</u>	<u>17'134'439</u>
Investment	81'874'359	72'032'934
Advances to affiliate	14'825'797	14'825'796
Total Fixed Assets	<u>118'892'334</u>	<u>103'993'169</u>
TOTAL ASSETS	<u>310'600'400</u>	<u>281'149'008</u>

ANDREW AG, BACHENBÜLACH

BALANCE SHEET AS OF SEPTEMBER 30, 2001 (Continued)

	September 30, 2001 CHF	September 30, 2000 CHF
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Current liabilities		
Accounts payable		
Trade	17'421'044	15'537'803
Parent company	3'024'875	3'509'153
Affiliated companies	9'067'031	6'239'047
Other	658'515	129'863
	<u>30'171'465</u>	<u>25'415'866</u>
Accrued taxes	6'211'255	5'360'366
Accrued liabilities	4'200'936	4'616'227
Total current liabilities	<u>40'583'656</u>	<u>35'392'459</u>
Non-current liabilities		
Lease obligations	0	26'405
Total non-current liabilities	<u>0</u>	<u>26'405</u>
Total Liabilities	<u>40'583'656</u>	<u>35'418'864</u>
Stockholders' Equity		
Share capital	17'200'000	17'200'000
Legal reserve	8'600'000	8'600'000
Available earnings		
Balance brought forward	219'930'144	167'161'726
Net income for the year	24'286'600	52'768'418
	<u>244'216'744</u>	<u>219'930'144</u>
Total Stockholders' Equity	<u>270'016'744</u>	<u>245'730'144</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>310'600'400</u>	<u>281'149'008</u>

ANDREW AG, BACHENBÜLACH**STATEMENT OF INCOME FOR THE YEAR ENDED SEPTEMBER 30, 2001**

	<u>2000/2001</u>	<u>1999/2000</u>
	CHF	CHF
OPERATING INCOME		
Net sales	285'884'235	302'783'970
Cost of sales	<u>234'491'541</u>	<u>235'872'888</u>
Gross Profit	<u>51'392'694</u>	<u>66'911'082</u>
Operating Expenses		
Engineering expenses	926'897	1'064'168
Sales and business development	6'358'033	5'933'649
Administrative expenses	4'407'817	6'456'020
Research and development	<u>1'954'436</u>	<u>1'731'918</u>
Total Operating Expenses	<u>13'647'183</u>	<u>15'185'755</u>
NET OPERATING INCOME	37'745'511	51'725'327
OTHER INCOME / (EXPENSE)		
Interest expense	(46'394)	(12'677)
Interest income	2'403'955	2'199'235
Dividend income	0	6'351'223
(Loss) / gain on exchange and translation	(7'670'696)	2'474'511
Miscellaneous	<u>96'784</u>	<u>(47'351)</u>
NET OTHER INCOME / (EXPENSE)	<u>(5'216'351)</u>	<u>10'964'941</u>
INCOME BEFORE TAXES	32'529'160	62'690'268
Income and capital taxes	<u>8'242'560</u>	<u>9'921'850</u>
NET INCOME FOR THE YEAR	<u>24'286'600</u>	<u>52'768'418</u>

ANDREW AG, BACHENBÜLACH

NOTES TO FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2001

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 statement of income.

ANDREW AG, BACHENBÜLACH

NOTES AS OF SEPTEMBER 30, 2001 (Continued)

	September 30, 2001 CHF	September 30, 2000 CHF
Details to Statement of Income		
<u>Cost of sales</u> include the following:		
Materials and goods purchased	175'324'260	194'378'589
Direct labour	9'466'554	10'811'371
Manufacturing expenses	38'312'958	36'886'451
Material control expenses	7'008'022	6'562'538
Quality assurance expenses	1'211'811	1'432'533
Change in inventories	3'167'936	(14'198'594)
Total	<u>234'491'541</u>	<u>235'872'888</u>
<u>Personnel cost</u> are included in cost of sales and operating expenses at	<u>39'022'637</u>	<u>39'106'972</u>
<u>Depreciation</u> of fixed assets	<u>6'941'652</u>	<u>6'170'173</u>
<u>Gain on fixed asset</u> disposals are included in other income at	<u>97'247</u>	<u>141'179</u>
Investment		
Andrew Cayman Islands Ltd.		
Activity: Holding Company		
Common stock and additional paid-in capital:		
USD 58'365'836 (2000 - USD 52'345'836)		
100 % owned at cost of	<u>81'874'359</u>	<u>72'032'934</u>
Insurance Value		
Insurance value of fixed assets including buildings under operating leases	<u>100'022'601</u>	<u>97'992'207</u>

ANDREW AG, BACHENBÜLACH

APPROPRIATION OF AVAILABLE EARNINGS AS OF SEPTEMBER 30, 2001
(Proposal of the Board of Directors)

	<u>September 30,</u> <u>2001</u> CHF	<u>September 30,</u> <u>2000</u> CHF
Balance brought forward	219'930'144	167'161'726
Net income for the year	<u>24'286'600</u>	<u>52'768'418</u>
Earnings available for distribution	244'216'744	219'930'144
Extraordinary dividend distribution in May 2002	<u>(19'000'000)</u>	<u>0</u>
Available earnings to be carried forward	<u>225'216'744</u>	<u>219'930'144</u>