

Kudelski SA statutory accounts

Income statements and proposal for appropriation of available earnings

Kudelski SA
Financial statements 2004

Income statements for the years ended December 31, 2004 and 2003

| | Notes | 2004 | 2003 |
|--|-------|------------|--------------|
| in kCHF | | | |
| Financial income | 4.1 | 7 226 | 19 376 |
| Administrative and other expenses | 4.2 | -5 193 | -3 419 |
| Financial expenses and exchange result | 4.3 | -875 | -2 600 |
| Value adjustment of financial fixed assets | 4.4 | 2 828 | -9 634 |
| Loss on sale of investments | 4.5 | -3 217 | -751 |
| Depreciation and amortization | | -21 | -240 |
| Net income | | 748 | 2 732 |
| Income tax | | -25 | — |
| Net income | | 723 | 2 732 |

Proposal for appropriation of available earnings for the year 2004

| | 2004 |
|--|----------------|
| in kCHF | |
| Balance brought forward from previous year | 161 899 |
| Net income | 723 |
| Total available earnings | 162 622 |
| Proposal of the Board of Directors: | |
| Dividend: | |
| – bearer shares: | |
| CHF 0.20 sur 46 909 425* bearer shares | 9 382 |
| – registered shares: | |
| CHF 0.02 sur 46 300 000 registered shares | 926 |
| General reserve allocation | 36 |
| Balance to be carried forward | 152 278 |
| Total available earnings | 162 622 |

* This figure represents the numbers of bearer shares which are dividend bearing as of December 31, 2004. It may fluctuate due to the exercise of option and conversion rights between December 31, 2004 and the ordinary general meeting date.