

Annual Report 2002



Global leader in thread

# Financial highlights

	2002	2001 Restated
<b>Turnover</b>		
– Thread	<b>£923m</b>	£938m
– Total	<b>£1,156m</b>	£1,247m
<b>Operating profit</b>		
– Thread	<b>£62m</b>	£46m
– Total	<b>£40m</b>	£36m
<b>Pre-tax profit</b>	<b>£45m</b>	£23m
<b>Earnings per share</b>	<b>4.2p</b>	1.4p
<b>Headline earnings per share</b>	<b>3.8p</b>	2.8p
<b>Dividends per share</b>	<b>4.00p*</b>	3.00p
<b>Net asset value per Ordinary share</b>	<b>63p</b>	71p
<b>Capital expenditure</b>	<b>£57m</b>	£55m
<b>Net debt</b>	<b>£104m</b>	£128m
<b>Net debt less current asset investments</b>	<b>£80m</b>	£104m
<b>Net gearing</b>	<b>21%</b>	22%
<b>Net cash inflow from operating activities</b>	<b>£101m</b>	£87m
<b>Net interest cover (operating profit)</b>	<b>4.4</b>	3.5
<b>Market capitalisation at 31 December</b>	<b>£347m</b>	£333m

\*Dividends per share include a special second interim dividend of 2.5p declared by the Board and payable in conjunction with the recommended offer.

## Note:

2001 comparatives have been restated following the adoption of FRS 19 – Deferred tax. The full impact is reflected in the Statement of accounting policies.

## Contents

01	Chairman's statement	22	Cash flow statement
02	Chief Executive's review	23	Analysis of free cash flow
05	Financial review	23	Statement of total recognised gains and losses
08	Directors and advisers	23	Reconciliation of movements in shareholders' funds
09	Directors' report	24	Statement of accounting policies
11	Corporate governance	28	Notes to the accounts
13	Report on Directors' remuneration	55	Principal subsidiary undertakings
19	Independent auditors' report to the members of Coats plc	56	Five year statistics
20	Consolidated profit and loss account	ibc	Shareholder information
21	Balance sheets		