

# Kudelski Group

## Consolidated financial statements

### Consolidated statements of changes in shareholders' equity in 2004 and 2003

Kudelski Group  
Financial statements 2004

in kCHF	Notes	Share capital	Share premium
<b>As of January 1, 2003</b>		<b>513 599</b>	<b>49 798</b>
Shares issued for employees	3.9	746	
Options given to employees	3.9		
Shares issued for company acquisition	5.2	604	
Treasury shares acquisition	3.9		
Adjustment on goodwill at acquisition	5.2		
Dividends paid to minority interests			
Currency translation adjustment			
Reverse of write-down on Swiss International Air Lines Ltd. shares			
Net income			
<b>As of December 31, 2003</b>		<b>514 949</b>	<b>49 798</b>
Employees share program	3.9	127	252
Shares issued for employees	3.9	520	922
Impact of sale of subsidiaries	5.2		
Adjustment on goodwill at acquisition (earn out and pension obligations)			
Dividends paid to minority interests			
Currency translation adjustment			
Effect of deferred consideration in favor of a joint venture			
Net income			
<b>As of December 31, 2004</b>		<b>515 596</b>	<b>50 972</b>

Statutory or legal reserves for the consolidated companies which cannot be distributed amount to kCHF 83 962 as of December 31, 2004.

#### Theoretical effect of the capitalization of goodwill

The total value of goodwill has been charged directly against reserves in accordance with the Group's policies. Capitalization of goodwill over the defined periods would have resulted in an additional amortization of kCHF 29 147 in the income statement for 2004 (2003: kCHF 8 617) while shareholders' equity as well as the balance sheet total would have increased by kCHF 456 868 (2003: kCHF 494 094). Impairment tests have been performed and have not generated any value adjustment.

Other reserves	Treasury shares	Goodwill	Shareholders' equity, Group's interest	Minority interests	Shareholders' equity
206 230	—	-209 319	560 308	20 602	580 910
			746		746
2 720			2 720		2 720
			604		604
	-380		-380		-380
		-401 697	-401 697	1 096	-400 601
			—	-3 982	-3 982
-11 059			-11 059	-1 352	-12 411
6 250			6 250		6 250
33 167			33 167	-1 170	31 997
237 308	-380	-611 016	190 659	15 194	205 853
8			387		387
			1 442		1 442
		5 691	5 691		5 691
		2 388	2 388		2 388
			—	-2 264	-2 264
3 301			3 301	-1 217	2 084
			—	2 743	2 743
77 195			77 195	7 265	84 460
317 812	-380	-602 937	281 063	21 721	302 784