Annual Report 2001

ACCELL GROUP N.V.

Accell Group N.V.

THE PREMIER EUROPEAN CYCLE GROUP

Modern cycling enjoyment

Quality and reliability, cycling enjoyment for everybody. These features, together with innovations in design and technology, are part of the reason why Batavus bikes enjoy such a good reputation. The broad and varied range of models is updated and improved every year. Batavus products can only be found in specialist bike shops at home and abroad.

Pan-European success

Be One is a new, successful pan-European brand in the mountain bike segment. Its success is due to the good value for money that it offers, as well as its zippy personality. The intensive promotional support given to this brand, including significant sponsoring activities, has been well received at home and abroad.

Exclusivity and prestige

Represents the scientific approach to bike design. Experts call it the cream of the crop. A trendsetter amongst the leading European bike brands. Right from the word go, Koga-Miyata has designed bikes for self-assured bike lovers who have an eye for exclusivity and prestigious products. Koga-Miyata products are very much in demand in the Netherlands, Belgium, Germany, Austria and Switzerland.

Modern and precocious

Loekie, the undisputed No 1 in the Dutch children's bike market. A very broad range of bikes for children aged 3-12 years. Fresh, modern colours and designs, together with the special accessories, make it a very popular brand. Another important reason for its success is that it offers good value for money.

More than just a new bike...

In the Netherlands, Germany and Belgium, Sparta's broad range of models can only be found in specialist bike shops. Sparta's Pharos bike is the most successful electrically driven bike ever sold, which easily handles any headwinds or inclines. With Sparta, comfort and convenience go hand in hand.

A new brilliance

In Germany, it is a strong brand, and a jewel that has become even more brilliant since it was added to the Accell Group crown. Hercules is a name synonymous with very high quality. Its impressive range of models, with designs tailor-made for today's modern markets, has made it one of the leading brandnames in Germany.

Top-class sporting excellence

In France, it is a quality, household name well respected by specialist bike shops and customers alike. In the last few years, Lapierre has raised its profile as a leading ATB and racing bike specialist and has made an excellent name for itself in the field of competitive sport. Lapierre's hybrid bikes and children's bikes are the vehicles it has chosen for its penetration of the French markets for mobility bikes and recreational bikes.

Sporting successes

The unforgettable Raymond Poulidor achieved all his major successes on Mercier bikes, which is an important reason for these bikes' household name and popularity. Mercier has been active in the French market for more than 30 years now. Its bikes are mainly sold in French hypermarkets, which have gained a substantial share of the market. Mercier has positioned itself in the upper segment.

For the whole family

A brand for all the family, young or old, for sport or relaxation. The German supplier of quality bikes offers a complete range of cycles (from children's to activate trekking bikes). The modern design, coupled with the excellent price-quality ratio, has boosted Winora's image amongst quality-conscious and service-oriented bike distributors.

Annual Report 2001

ACCELL GROUP N.V.

annual report 2001

Supervisory Board

S.W. Douma, Chairman

D.J. Haank

J.H. Menkveld

J.J. Wezenaar

Board of Directors

R.J. Takens, CEO

H.H. Sybesma, CFO

This is a translation of the Annual Report prepared in the Dutch language and drawn up in accordance with accounting principles generally accepted in the Netherlands. In the event of any difference in interpretation, the Dutch version of the Annual Report shall prevail.

List of contents

Lapierre X-control, a revolution in suspension

'The X-control is an extraordinary bike that embodies a revolutionary new concept in suspension. Some people are attracted to it because they are always on the lookout for the very latest thing. Others want this machine because of the lavish praise heaped on it in test reports in the various specialist magazines or just because of the stories that they have heard from delighted owners. The suspension provided by this full suspension frame in combination with fixed frame performance makes you as the cyclist feel on top of the world: no longer does comfort have to be at the expense of speed!'

Profile of Accell Group

Accell Group is a European group of companies active in the design, production, marketing and sale of bikes and bike accessories. The brands Batavus, Be One, Loekie, Hercules, Koga-Miyata, Lapierre, Mercier, Sparta, Staiger and Winora hold strong positions in the middle and high segments of the market. These brands are normally sold via specialist bike shops.

Accell Group has production sites in the Netherlands, Germany and France. Its markets for bikes and bike accessory products are the Netherlands (57%), Germany (21%), France (15%) and other countries (7%) such as Belgium, Denmark, Austria and Switzerland.

The acquisition of Winora Group in 2001 has made Accell Group the second largest bike group in Europe. In 2001, turnover was € 205.6 million (in 2000: € 203.7 million) and net income was € 5.0 million (in 2000: € 4.2 million).

Accell Group shares are traded on the official Euronext Amsterdam market.

Batavus M'Pact, Bike of the Year 2001

'The M'Pact is simply a super-reliable travelling companion that gives you fantastic roadholding and other features in all conditions. It looks fantastic, and everywhere you park it people will admire it or ask you about the design and its cutting-edge technical innovations.'

Mission and strategy

Accell Group markets its products under the name The Premier European Cycle Group.
In practice, this translates into:

- the creation of innovative products and services that consumers want,
- the positioning and promotion of its strong brands in order to ensure that consumers continue to prefer them,
- helping the specialist bike shops to sell to consumers,
- achieving organic growth in volume by increasing brand market shares and growth in turnover by launching new high-quality products for existing brands,
- the acquisition of complementary businesses, including through acquisitions, in order to achieve further growth,
- the utilisation of internal synergies,
- investment in the skills and know-how of our employees,
- continuous management of costs and selling prices in order to improve operating margins.

Summary:
to continually improve the position of the Accell Group brands in order to improve the company's competitive position and financial return.

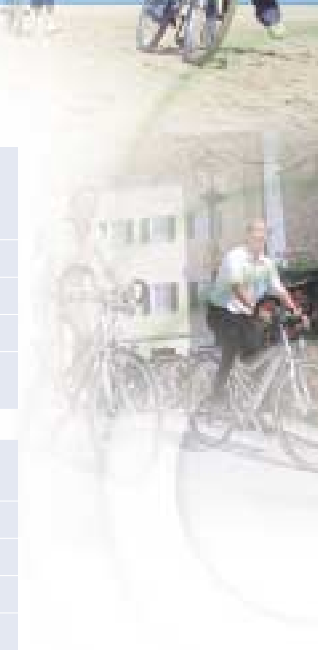
The current situation is that Accell Group is among the market leaders in the Netherlands, Germany and France. In the future, the aim is to further improve these positions and to acquire new leading positions in other European countries.

E-Bow, the first in a new generation of electrical bikes

'It's a normal bike, with all the advantages of electrically driven features. You can't get more comfortable than this. The E–Bow gives you superior, innovative technical performance. Together, the motor and the battery give you a range superior to that offered by competitors. An onboard computer registers all necessary information, such as distance travelled and distance to your destination.'

Key figures

(in millions of euros, unless otherwise stated)



	2001	2000	1999	1998
Results				
Turnover	205.6	203.7	150.3	149.4
Operating result	11.4	9.6	6.0	8.8
Net income *)	5.0	4.2	3.0	4.4
Cash flow	7.3	6.6	5.2	6.6
Balance sheet information				
Shareholders' equity	37.4	28.2	24.5	21.6
Balance sheet total	117.5	96.5	79.7	65.0
Capital employed	102.9	84.9	70.7	55.6
Investments	5.5	2.4	3.5	1.7
Ratios (in %)				
ROCE	11.0	11.3	8.5	15.8
ROE	13.4	14.9	12.2	20.6
Operating result/turnover	5.5	4.7	4.0	5.9
Net income *)/turnover	2.4	2.1	2.0	2.9
Data per share				
Number of shares in issue	3,215,853	2,925,853	2,851,328	2,762,537
Average number of shares	2,933,798	2,901,011	2,821,731	2,686,545
Profit *)	1.72	1.45	1.03	1.56
Cash flow	2.50	2.28	1.80	2.31
Shareholders' equity	12.76	9.74	8.68	8.06
Dividend	0.85	0.60	0.41	0.60
Number of employees	1,051	998	768	785

*) net income from ordinary activities

Supervisory Board

S.W. Douma (59), Chairman

Mr. Douma has been associated with the company since 1998 as a member of the Supervisory Board. In the year 2000, Mr. Douma was appointed chairman of the Supervisory Board of Accell Group N.V. In addition to his professorship at the Brabant Catholic University, Mr. Douma sits on the board of a number of companies. Mr. Douma's period of office runs until 2002.

D.J. Haank (48)

Mr. Haank has been associated with the company since 1998 as a member of the Supervisory Board. Mr. Haank is Chief Executive Officer of Elsevier Science and a director of Reed Elsevier plc, Reed International plc and Elsevier NV. Mr. Haank sits on the board of a number of companies. Mr. Haank's period of office runs until 2002.

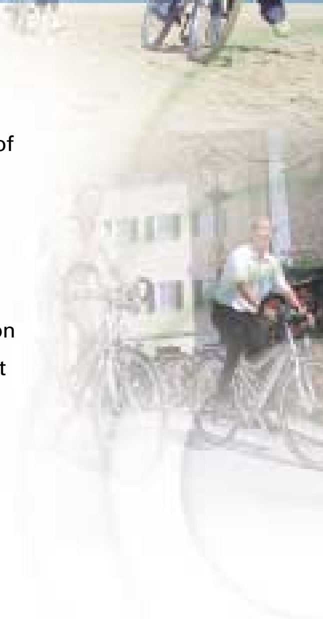
J.H. Menkveld (56)

Mr. Menkveld was appointed a member of the Supervisory Board of Accell Group N.V. in 2001. Up to 2001, Mr. Menkveld was a member of the Board of Directors of CSM NV. Mr. Menkveld sits on the board of a number of companies. Mr. Menkveld's period of office runs until 2004.

J.J. Wezenaar (65)

In 2000, Mr. Wezenaar was appointed a member of the Supervisory Board of Accell Group N.V. From 1987 to 1999, Mr. Wezenaar was chairman of the Board of Directors of Accell Group. In 1999, Mr. Wezenaar was succeeded by Mr. Takens as chairman of the Board of Directors. Mr. Wezenaar sits on the board of a number of companies. Mr. Wezenaar's period of office runs until 2003.

Report of the Supervisory Board



The Supervisory Board submits to you the following Annual Accounts prepared by the Board of Directors, which we approved on 22nd February 2002. The annual accounts have been audited by the registered accountants office Deloitte and Touche Accountants and have been given an unqualified audit opinion. This audit opinion is set out on page 42 of this Annual Report.

We propose that you adopt these Annual Accounts, including the proposal for profit appropriation contained in them, and ratify the actions of the Board of Directors with regard to its management and ratify the actions of the Supervisory Board members with regard to their supervision.

During the period under review, the Supervisory Board met eight times. Every year, the Supervisory Board meets according to a fixed schedule and in extraordinary meetings to take decisions. During the regular meetings, the following items, including others, were discussed: general developments, the periodic reporting, the Annual Accounts (in the presence of the auditor), and the half-yearly report. In addition, the strategic plan for the usual three-year planning period drawn up by the Board of Directors was evaluated. During the year, the Supervisory Board met twice with the COR, the central works council.

During the Annual General Meeting of Shareholders on Thursday 26 April 2001, Mr J.B.T. Manschot resigned from his position on the Supervisory Board and was succeeded by Mr J.H. Menkveld. Additionally, as of 1 May 2001 Mr W.J. de Jong resigned as financial director. We are grateful to Mr Manschot and Mr de Jong for their respective contributions to the company.

Finally, the Supervisory Board would like to express its appreciation for the enthusiasm and efforts made by its employees and Board of Directors during the year 2001.

Heerenveen, 22nd February 2002

On behalf of the Supervisory Board,

S.W. Douma

General developments

During the last year, the Western European bike market was characterised by falling sales. The fluctuations varied per country. The main causes were the long period of bad weather at the beginning of the year, outbreaks of foot-and-mouth crisis[1] in important markets and falling consumer spending.

The average price per bike rose, however. This is because consumers may have been reluctant to spend, but when they did decide to buy a new bike, they chose a higher quality, more expensive brandname bike. The demand for mountain bikes fell, although in general there was a positive development in the demand for trekking bikes.

In 2001 the Accell Group adjusted its position with respect to costs and activities in Germany in response to changing market demand. In May 2001 the Accell Group announced that is was moving its Hercules production activities from Germany to a new Accell Group production plant in Hungary. Flexibility and quality considerations have led to the Accell Group's decision to have most of its semi-finished products spray painted and its end products assembled, in Europe, close to its market. Hungarian production of bikes will lead to considerable cost-savings. This new investment in Hungary ties in well with the Accell Group's strategy, so strengthening the Group's competitiveness. At the same time, this investment will enable the Accell Group to gain a market foothold in Eastern Europe in the medium term. In Germany, Hercules will retain an active role in the development, marketing and sale of bikes for the German market.

In the second half of the year, the German Winora Group was acquired. The acquisition of Winora Group has strengthened Accell Group's position in the German market. The brands Winora Group and Staiger will be managed independently, alongside the existing Accell Group brand Hercules. In addition to the sale of bikes, Winora Group is active in the marketing and sales of components and accessories for bikes. The two companies' activities in this field will not be integrated. What will happen within the Group is that a number of synergy benefits in the fields of treasury operations, development, production and procurement will be obtained.

On 21 December 2001, the volume of equity capital was increased through the issuing of 290,000 new shares, to help finance the acquisition of the Winora Group.

It was reported in the half-yearly report that turnover had grown by 4% to € 124.2 million and profit had risen by 41% to € 2.6 million. For the year 2001 as a whole, turnover rose by 1% to € 205.6 million (in 2000: € 203.7 million) and net income rose by 19% to € 5 million (in 2000: € 4.2 million). The rise in net profit can be partly put down to the focus on the marketing of profitable quality bikes and the organisation's flexibility with respect to changing market conditions.

[1] Which meant that people were not allowed to cycle in the countryside and many cycle paths were closed, with cycling events being cancelled too.

Developments in markets and brands

Markets

In Europe, 5% of all journeys are made by bike. This is more than the percentage of journeys by plane (0.1%) or by train (1%) but less than the percentage made by bus (10%), on foot (35%) or by car (50%). Since we know that 50% of all car journeys are less than 5 km in length - in fact as much as 30% are shorter than 2 km - it is clear that a substantial percentage of these journeys could instead be made by bike. This is why various European central and local governments are promoting bike usage.

Accell Group's strong national and international brands concentrate on the middle and upper segments of the bike market. Thanks to its strategic focus on these segments and its emphasis on strong brands, quality and service, Accell Group has become one of the most successful bike manufactures in Europe.

Its acquisition of Winora Group has made Accell Group the second largest group in Europe. Accell Group was able to improve its position, despite the disappointing West European bike market, thanks in particular to the shift from cheaper, usually imported, bikes to higher quality bikes.

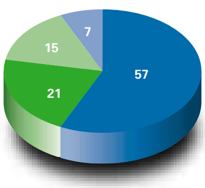
Last year, the West European bike market was characterised by falling sales. Against this background of generally falling sales in Western Europe, the mountain bike segment in particular was under pressure, although in general the 'trekking bike' segment improved. These changes varied from country to country.

In the Netherlands, where the bike is mainly used as a means of transport, more than 85% of the population owns a bike. Here, demand fell in the cheaper, lower quality segment in particular. The move towards more expensive, quality products meant that we were able to increase turnover, despite generally falling sales in most segments.

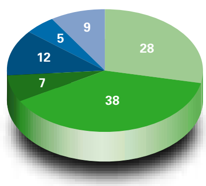
In France, where the bike is mainly used for sporting activities, bike sales via non-specialist outlets were squeezed in particular. There was a rise in both sales and turnover with respect to better quality, more expensive brandname bikes via specialist outlets. In Germany, pressure was brought to bear on sales of brands via the highly organised specialist network of outlets for mountain bikes and better quality brand name bikes.

The Accell Group achieved the following breakdown in turnover for these markets and segments:

Accell Group turnover by country in 2001 (in %)



Accell Group turnover by type of bike in 2001 (in %)



Brands

In 2001, we expanded our branded product range through the acquisition of Winora Group in Germany. In the future too, Accell Group will continue to strengthen its market position through ongoing investment in marketing and innovation, and with products that will help improve the comfort, enjoyment and mobility of the cycling consumer.

Batavus

Batavus was founded as long ago as 1904, which makes it Accell Group's second oldest brand. Batavus is sold via the specialist bike shops, in particular in the Netherlands and Belgium and also exports limited numbers of bikes to Germany and Scandinavia. In these countries, Batavus offers a broad range of bikes, from children's bikes to racing bikes.

Batavus employs a range of different marketing tools. In addition to its standard product brochure, a special TV campaign was launched, direct marketing promotions instigated and adverts taken up in various trade journals in collaboration with specialist bike shops. Batavus also participates in specialised trade fairs. Batavus also sponsors a professional cycling team and the Heerenveen first division football team. All the aforementioned efforts have been directed at the various consumer target groups and in order to intensify its links with the bike trade.

In order to help Batavus set itself apart from the competition, there is an additional focus on design and innovation vis-à-vis the bikes and their components. The fruits of these labours became visible in 2001, when our M'Pact model won the prestigious Bike of the Year award, which was awarded by an independent jury of experts. This also forms an important marketing tool to strengthen the Batavus brandname status.

Be One

Be One is the brandname for high-quality mountain bikes, with the product range being very closely matched to the needs and wishes of the various target groups. The specialised pan-European brand Be One is sold in more than 20 countries, focusing particularly on the European market. In addition to the range of mountain bikes, high-quality mountain bike accessories and clothing are sold.

For this brand, the most important marketing tools (in addition to product information) are a professional mountain bike team and participation in trade fairs and events. The professional mountain bike team competes in the Downhill and Cross Country disciplines. The team achieved excellent results in 2001 in the World Cup competitions, winning two events. Many winner's podium placings were achieved in all the year's national, international and world championship events.

The materials and technologies used for the bikes, clothing and accessories means that Be One is able to set itself apart from the competition.

Loekie

A small number of producers are active in the European market for children's bikes. Loekie is the biggest brandname in children's bikes in the Netherlands. Safety plays an important role in the development of children's bikes and accessories. The brand is distributed via specialised bike shops and other channels, namely small-scale private label sales.

When parents and their children choose a children's bike, in addition to design and appearance close attention is paid to safety and price. As part of its safety drive, special attention is being focused on features such as lighting, handlebars, brake levers, brake mechanisms and the avoidance of all sharp components.

Sparta

Bikes have been sold under the brandname Sparta since 1917. Nowadays, Sparta specialises in electrically assisted bikes and folding bikes. In addition to these specialisations, Sparta carries a full range of children's bikes, city bikes, recreational bikes and hybrid bikes, as well as certain niche bikes such as the special bike for mothers. The brand is sold to the Dutch, Belgian and German markets. Electrical bikes, where Sparta is the European market leader, are exported throughout Europe.

Improved bike designs have led to the electrical bike and the folding bike gaining in popularity with the consumer. Better pedal support and greater travelling range has meant that more and more consumers are becoming interested in buying an electrically assisted bike. Ongoing innovations have enabled Sparta to improve its electrically powered cycles. To this end, a development project was started in 2001. The improved comforts and the ease with which the bike can be folded and unfolded have meant that the modern-day folding bike has become an interesting alternative solution to today's mobility problems. Continual technical developments mean that in the future these products will become even more advanced.

In the awards for Children's Bike of the Year, the Sparta Masari was awarded the prize of Best Children's Bike in the category 'Bikes for everyday use' for the second time.

Koga-Miyata

Koga-Miyata, with its high-tech range of racing bikes, trekking bikes and mountain bikes, is active at the very top end of the market. This is a market segment where consumers are on the lookout for exclusivity, prestige and lifestyle products. This brand has a good market position in the top segment of the Dutch, German and Belgian bike markets. These market positions were further improved in the existing markets, and international demand for this top brand increased.

A guaranteed level of service is vital. Koga-Miyata has built up a selective network of dealers who can call on employees who are real specialists and who combine the Koga-Miyata philosophy with good advice, service and a special focus on customer needs.

The brand is supported by tailor-made marketing tools. In addition to exclusive product information and participation in trade fairs, the image of sporting excellence and reliability is supported through targeted sponsoring. Examples are the professional cycling team headed by Leontien van Moorsel and the global traveller Timann Waldthaler.

Lapierre

Lapierre is a brand well-known in France for sporting innovation. In 2001, the revolutionary X-control design was introduced, which pushed the brand to the forefront of technological innovation in this field. It was not just the press that praised this new suspension design; the commercial and sporting performances were spectacular too. Its uniquely conceived range of mountain bikes and racing bikes has made the Lapierre brand synonymous with sporting excellence and exclusivity. For years now, Lapierre's racing bikes have been part of its specialism. It was announced in 2001 that a sponsorship contract had been signed with a professional French cycling team that will be participating in Tour de France 2002, so this brand will definitely be in the spotlight this year too.

In an otherwise stagnating market, Lapierre was able to achieve strong growth.

Lapierre's slogan 'Lapierre, Ultimate Cycles' underlines its commitment to - and passion for - service, quality, exclusive products and excellent sporting performance in 2002.

Mercier

The main Mercier brand products are mountain bikes and racing bikes, supplied to the large-scale distribution chains, a market segment characterised by intensive price competition. By focussing on the brandname and the product's distinctive design, flexible distribution and good service, Mercier has been able to maintain its market share in France, despite its distribution channel (hypermarkets) being under pressure. Related products are supplied under private labels.

Hercules

Hercules, launched in 1889, is Accell Group's oldest brand. Hercules occupies a leading position in the German specialist bike shop sector. It enjoys a strong position vis-à-vis the organised purchasing associations. This, the largest market in Western Europe, is very fragmented, with both price and product specification being very important.

The downturn in sales hit Hercules badly in 2001. In response to falling turnover, radical reorganisation plans were announced in 2001 with production in Germany being moved to a cheaper location in Hungary. In 2002 design, quality and use of innovations will be important platforms on which to strengthen its market position. To this end, close collaboration with purchasing organisations is essential.

Winora

On 29 Oct 2001, Accell Group acquired all the shares of the German Winora Group from the former Derby Group. Winora Group is based in Schweinfurt and consists of two divisions: bikes and bike accessories.

In addition to Winora, Staiger is another brand which forms part of the group. Products are sold exclusively to the independent specialist bike shops. Bike assembly is contracted out to third parties but in the medium term this will be contracted out within the Accell Group. The acquisition of Winora Group has strengthened Accell Group's position in the sector of free specialist shops in Germany, a market segment where Accell Group's existing brands were underrepresented. In this market, the downturn in branded bike sales was smaller.

In addition to the sale of bikes, Winora Group is active in the sale of bike components and accessories to the specialist bike shops. Measured by turnover, this division is the third largest supplier of bike components and accessories in Germany.

The organisation

Board of Directors

R.J. Takens (47), CEO

Mr. Takens joined Accell Group in 1999 as Mr. Wezenaar's successor. He began his career with the Svedex Bruynzeel Group, where he worked for ten years, most recently as General Managing Director. He then worked for CSM NV for seven years in the function of General Managing Director Italy.

H.H. Sybesma (34), CFO

Mr. Sybesma joined the Accell Group in 1995 as controller of the Atag Cycle Group and Finance Manager of the Batavus subsidiary. He began his career as financial consultant at PricewaterhouseCoopers where he worked for five years. During his time there, Mr. Sybesma was closely involved with various subsidiaries of Accell Group. Mr. Sybesma was appointed CFO of Accell Group N.V. effective from April 2001.

Structure

The Group is characterised by an organisational structure with independent operating companies, whereby Accell Group fulfils a holding company function. Apart from the Board of Directors, a further three staff members at Accell Group are involved in product development, treasury functions, financial control, business development and investor relations. In addition, all ICT activities are centralised in the holding company. All companies work with a uniform computer system.

Synergy benefits are achieved by integrating back office activities where possible. The automation system developed in-house allows business processes at the independent operating companies to be managed with just a small indirect organisational structure.

Product support activities

Accell Group has production facilities in the Netherlands, Germany and France. By investing in high-quality production techniques (including spraypainting techniques) and automation, Accell Group has been able to market high-quality popular products. The production methods used are environmentally friendly, including the use of water-based paints and the elimination of emissions of hazardous substances. Accell Group has decided to site its end-product assembly and spraypainting facilities within Europe, close to its main markets. Only in exceptional cases will end products be imported whole from countries outside Europe.

In 2001, the decision was taken to start construction of a new factory in Hungary that should become operational in mid-2002. The development and production of electrically driven bikes and folding bikes has been centralised at Sparta. These bikes are sold under other brandnames.

At the production sites, a great deal of attention is paid to internal training. A number of production employees work on the basis of flexible contracts. This allows seasonal changes in production levels to be capitalised on.

Brand support activities

Design & Development

With its balanced brand policy and focus on an individual identity, image and culture, the Accell Group brands are active in the geographically differentiated bike market. Each brand has its own Design & Development teams that concentrate on the development of new components, models and colours. Each year, they present their new collections. Innovation takes place in three areas:

1. Colour
2. Specific components, by using the latest components from suppliers, and
3. Complete revamping of existing models.

In addition to the development of new collections for the different brands, a number of long-term, innovative projects are worked on that are steered centrally. These are innovations that can be used throughout the Accell Group and relate to the combining of development, design and production activities, leading to the creation of specialised centres of knowhow. In this way, synergy benefits can lead to further cost savings and faster innovation.

Marketing & Sales Support

The main distribution channel used for Accell Group products are the independent bike dealers, which have a history of brand loyalty and focus on quality and service.
The nationally strong brands have their own positioning in the market and have large market shares in their relevant markets. Each brand has its own sales, marketing, design and development, service and guarantee organisation. This organisation ensures that the brand's brand policy remains focussed in the market. To do this, they deploy such communication tools as adverts, public relations, in-store promotional activities, the Internet and direct marketing. Carefully targeted sponsoring is used too. Sales efforts are steered according to market share and margin in each key market segment. Accell Group is responsible for the positioning and co-ordination of the various brands with regard to national markets and sales.

Share (price) support activities

Investor relations

Over the past year, Accell Group has been in the news regularly. The annual figures for 2000 and the half-yearly figures for 2001 were presented to shareholders, the press and analysts.

In addition to this published material, various tours were organised for investors and shareholders and presentations were held at various locations for the benefit of private investors in particular.

The appointment of two liquidity providers guaranteed permanent trading of the share during the changeover to Euronext Amsterdam’s new trading system. The Accell Group share was also included in the new Euronext NextPrime segment for the first time.

With a closing price of € 11.55 on 31 December 2001, the Accell Group share was one of the top ten performers on Euronext Amsterdam for the year 2001, being ranked 8th with a 30% gain in share price over the year.

The corporate website, www.accell-group.com, provides the latest news, general information about the company, financial results and shareholder information. The Annual Report, press releases, financial calendar and information on any transactions by Accell Group in its own shares can be accessed at the site too.

Accell Group will continue to provide all interested parties with the latest information on the financial calendar, the latest news, financial publications, recent presentations and all other Accell Group share information, via the various media.

Dividend policy

When the Accell Group N.V. shares were listed on to the Amsterdam Stock Exchange in October 1998, it was announced that a stable dividend policy would be pursued, with at least 40% of the net income being distributed. This made it clear to investors that Accell Group wishes to pay out a higher than average proportion of net income compared to other listed shares. In addition, we pay close attention to the dividend yield.

It is proposed that a combined dividend of € 0.50 and 0.03 shares per existing shares, or € 0.85[2], be paid out, which is equivalent to a payout of 50% of the earnings per share figure. This is equivalent to a dividend yield of 7.4%, based on the share price at the end of 2001.

The Board of Directors is of the opinion that this yield and type of dividend offer advantages over those of similar listed companies.

[2] Based on the share price of 31 december 2001.

Risk factors

The most important risks that could affect the development of Accell Group are:

Exchange rate risk and interest rate risk

The treasury activities of Accell Group have been centralised. Some bike components that the Group procures are purchased in foreign currencies, in particular US dollars and Japanese yen. Accell Group strategy is to minimise exchange rate risk. Accordingly, it is also policy to cover the requirements in these currencies on a bike-season-by-bike-season basis (September to August inclusive). The average forward rates used for hedging are taken into account when setting selling prices. In addition to the management of exchange rate risk, a number of tools are used to manage interest rate risk. Financing is taken out in euros and is mainly short-term in nature. Financial derivatives are only used when there is an underlying commercial basis for this.

The weather

Demand in the markets in which Accell Group is active fluctuates according to a number of factors, including certain weather conditions. Bad weather in the spring and/or extremely hot or bad weather in the summer can negatively affect bike sales in general.

Logistics

One facet of Accell Group's policy is to contract out activities to third parties, when this results in benefits and cost savings. This means that to some extent the business operations of the Group companies are dependent on the availability of the procured goods. Should these components not be available when needed, then this can cause problems with bike delivery deadlines.

A number of suppliers have a dominant position. If component supply were to be disrupted, this could have a negative effect on business operations. Delivery time for components can be as much as 4-6 months. Should the actual demand in the market for bikes deviate from budgeted sales, this could lead to too few or too many components being available, which could have a negative impact on turnover and/or inventory marketability.

Future prospects

Accell Group believes that for the year 2002 the situation with respect to the relevant markets will remain the same. The increasing popularity of bikes (in terms of kilometres travelled) for commuting and recreational purposes, together with the rising demand for innovative, comfortable and safe products, are positive trends for Accell Group's strong brands. Accell Group should be able to capitalise on these developments, by concentrating on its strong brands, by continuing to work together with the specialised bike shops, and by deploying targeted marketing campaigns at sales outlets.

Within the organisation, synergy benefits should be achieved through the integration of Winora Group and through the start-up of the new production facilities in Hungary. In addition, cost savings from the closing of production at the German Hercules plant should have a positive effect on results.

Accell Group will have to grow further if it wants to achieve economies of scale benefits in the fields of procurement, production and marketing. In addition to organic growth, this will have to be achieved through acquisitions, which is why Accell Group continues to search for potential acquisition candidates.

On the basis of current market prospects, and barring any unforeseen circumstances, Accell Group expects turnover and share profits to improve further in 2002.

Heerenveen, 22 February 2002

R.J. Takens, CEO

Notes to the financial figures

General

In the year 2001, turnover rose by 1.0% to € 205.6 million. This increase in turnover took place against the background of a market with falling sales volumes, which meant that in 2001 Accell Group too sold fewer bikes.
This means that the average price of the bikes sold rose, not as a result of the rise in sales prices but as a result of the greater focus on the sale of quality bikes and better positioning of the brands.
The new acquisition Winora Group was consolidated as at 1 November, which meant that in 2001 its contribution to turnover and result was still modest. In the year under review, net income from ordinary activities rose by 19.4%. Earnings per share rose to € 1.72, an 18.6% rise.
Foreign exchange rates continue to have a major influence on Accell Group product prices. The stabilisation of the American dollar and the Japanese yen exchange rates in the spring of 2001 meant that no major adjustments to selling prices were needed.
The difficult start to the season in the spring, factors that had a negative effect on sales such as the foot-and-mouth crisis and long periods of bad weather, together with the necessary reorganisation of our German operations, tested to the full the ability of our organisation to adapt to changing conditions. In the second half of the year, the balance between sales and production was found again and inventory positions were normalised again. This in turn allowed Accell Group to capitalise on market demand, even in segments where the market trend has not always been so positive.

Results

In 2001, the net income from ordinary activities rose by 19.4% to € 5.0 million. The operating result rose by more than 18% to € 11.4 million, equivalent to 5.5% of turnover (in 2000: 4.7%).
The average higher cost of components and the difficult seasonal problems at the beginning of the year meant that the average level of capital employed in the first half of the year was higher than normal, as were the resulting interest charges.

Turnover per segment

The increase in turnover in 2001 was achieved through growth in the sport and trekking segments. A feature of these segments is the relatively more complex nature of the products, which is where the application of Accell Group's specialist knowhow in the fields of logistics, development and design comes into its own. Accell Group was able to increase its market share in the racing bike and electrical bike segments.

Turnover – geographical breakdown

The breakdown figures for 2002 show an increase in turnover for the Dutch market. The share of total turnover earned in the German market, on the other hand, fell compared to 2000.
In France demand for quality bikes via the specialist trade grew, signifying a 4% in turnover.
The share taken by France remained at around 15% of the total Accell Group turnover.
Accell Group's most important market continues to be the Netherlands (57% of total turnover).

Number of employees

In 2001, the average total workforce rose to 1,051 employees. This includes 112 employees working under temporary employment contracts. This increase averages out at 53 employees. Part of this increase is accounted for by the 134 employees employed by Winora, the company acquired in 2001, even though these were only included in the overall total for two months. The number of temporary employment contracts fell, which shows that Accell Group had sufficient workforce flexibility to adjust to the fluctuations in sales volume.

Costs

In 2001, materials consumption was equivalent to 64.9% of turnover (in 2000: 64%).
The difference between the first and second half of the year was less than in the previous year.
In the first half, the materials component was equivalent to 66% of turnover (in 2000: 66%) but in the second half of the year was still 64% (in 2000: 61%).
Personnel costs fell by almost 4% to € 33.7 million. The item Other operating expenses depends for a large part on variations in turnover. In 2001, these costs fell to € 24.8 million, which is equivalent to 12.1% of turnover (in 2000: 13.3%). In 2001, the Interest charges item rose. On the one hand, this was caused by the autonomous rise in interest rates paid, and on the other by increased employment of working capital due to the factors negatively affecting sales in the first half of the year. In the second half of the year, working capital employment could be normalised again, although additional interest charges resulted from the financing of the Winora acquisition.

Balance sheet

The balance sheet total has risen by almost 22% to € 17.5 million. The main reasons for this are the full consolidation of Winora Group and the investment in the new production facility in Hungary.The imposition of stricter controls on working capital meant that the inventory position in raw and ancillary materials could be reduced. There was a considerable rise in the inventory of finished product, caused partly by the consolidation of Winora. An important point here is that when the balance sheet was drawn up, Accell Group had a sufficiently large strategic inventory of finished product to keep delivery times as short as possible for the coming bike season. The rise in the Accounts receivable item was likewise caused by the consolidation of Winora group. The use of supplier credit rose at the end of the year under review.

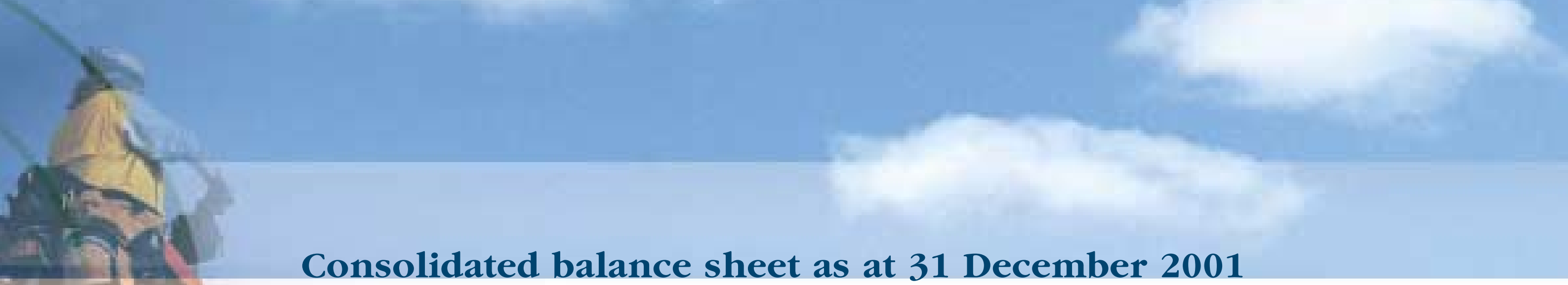
In 2001, the financing of Accell Group underwent a number of changes. A € 3.1 million share issue to finance the takeover of Winora Group was launched at the end of the year.
The revaluation reserve (badwill) increased by € 2.7 million. The solvency of the company amounted to 32% of the balance sheet total when it was drawn up.

In 2001, investments totalled € 5.5 million. Investments in land and buildings totalled € 1.6 million and mainly relate to the extension of the Batavus goods dispatch hall and the plant being built in Hungary. The investments in plant and equipment total € 2.1 million and relate to a relatively large number of replacements. In 2001, € 1.7 million was invested in the new production facility in Hungary.

annual accounts 2001

Annual Accounts 2001

ACCELL GROUP N.V.



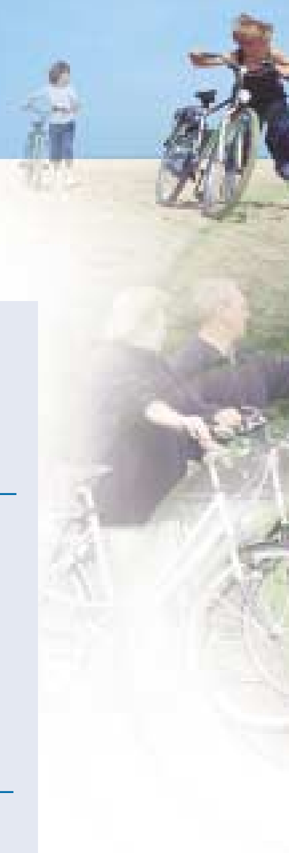
Consolidated balance sheet as at 31 December 2001

before profit appropriation (in thousands of euros)

Assets	2001	2000
Fixed assets		
Intangible fixed assets (1)	558	0
Tangible fixed assets (2)	21,432	13,296
Financial fixed assets (3)	3,700	3,822
	25,690	**17,118**
Current assets		
Inventory (4)	57,961	50,422
Accounts receivable (5)	33,818	28,953
Cash at bank and in hand	31	7
	91,810	**79,382**
Total assets	**117,500**	**96,500**

Liabilities		
Group equity (6)	37,437	28,242
Equalisation account for investment grants	224	245
Provisions (7)	8,482	5,685
Long-term debt (8)	15,320	14,176
Short-term debt (9)	56,037	48,152
Total liabilities	**117,500**	**96,500**

The figures in brackets relate to the Notes on pages 32 to 35



Consolidated profit and loss account for 2001

(in thousands of euros)

	2001	2000
Turnover (10)	205,634	203,670
Other operating income (11)	563	1,501
Net turnover	**206,197**	**205,171**
Cost of raw and ancillary materials	133,997	131,083
Personnel costs (12)	33,717	35,075
Depreciation (13)	2,303	2,332
Other operating expenses	24,821	27,089
	194,838	**195,579**
Operating result	11,359	9,592
Financial expenses	-3,562	-3,021
Result from ordinary activities before tax	7,797	6,571
Taxation	-2,764	-2,357
Net income from ordinary activities	**5,033**	**4,214**
Extraordinary income (14)	70	67
Tax on extraordinary income	0	0
Extraordinary result after tax	**70**	**67**
Net income	**5,103**	**4,281**

The figures in brackets relate to the Notes on pages 32 to 35

Consolidated cash flow statement

(in thousands of euros)

Cash flow from operating activities	2001	2000
Net income	5,103	4,281
Depreciation	2,303	2,355
Movement in investment subsidies	- 21	- 23
Movement in provisions	2,797	- 508
Movement in inventory	1,077	- 15,754
Movement in accounts receivable	275	- 1,587
Movement in working capital through new consolidations	-11,209	0
Movement in short-term debt	407	3,269
Net cash flow from operating activities	**732**	**- 7,967**

Cash flow vis-à-vis investments		
Investments in intangible fixed assets	-558	0
Investments in tangible fixed assets	-3,865	-2,365
Investments in tangible fixed assets through consolidation	-6,616	0
Disposals of tangible fixed assets	25	23
Other movements	139	495
Net cash flow from operating activities	**- 10,875**	**- 1,847**

Cash flow vis-à-vis financing activities		
Share issue	3,061	0
Long-term debt: borrowings	1,406	0
Long-term debt: repayments	- 262	- 207
Conversion of loans	0	0
Movement in bank credit	4,931	11,115
Dividend payout	0	-1,756
Implementation of dividend with stock option	0	724
Movement in third-party interest	50	0
Other movements	981	- 65
Net cash flow vis-à-vis financing activities	**10,167**	**9,811**

Liquidity		
Total net cash flow	24	- 3
Cash at bank and in hand: opening balance as at 1 January	7	10
Cash at bank and in hand: closing balance as at 31 December	**31**	**7**

Accounting principles used for the Annual Accounts

General accounting principles for the preparation of the consolidated Annual Accounts

Intragroup relationships

Accell Group N.V. heads a group of legal entities. A summary of the information required by virtue of the Netherlands Civil Code Book 2 Articles 379 and 414 is set out on page 40 of this Annual Report.

Basis for consolidation

The consolidated annual accounts for Accell Group N.V. includes the financial information for the companies belonging to the Group. The consolidated Annual Accounts have been prepared using the accounting policies of Accell Group N.V. The financial information for the group companies is included in full in the consolidated Annual Accounts, with the elimination of intragroup relationships and transactions. Third-party interests in the equity and in the result of group companies are shown separately in the consolidated Annual Accounts. The results of newly acquired participating interests are consolidated from the time when they joined the Group. The results for participating interests disposed of shall, in so far as this shall relate to a corporate spin-off or direct sale, be included in the consolidation up to the time when the participating interest left the Group. Results of participating interests where a decision has been taken to wind up the company shall be deconsolidated as at 1 January of the year in which this decision was taken. The financial information for Accell Group N.V. shall be included in the consolidated Annual Accounts such that, utilising Netherlands Civil Code Book 2 Article 402, it shall be sufficient to publish a summarised profit and loss account in the company Annual Accounts.

General

Assets and liabilities are valued on the basis of historical cost. Unless stated otherwise for the relevant item, assets and liabilities have been included at nominal value. Income and expenditure have been allocated to the year to which they relate. Profits have only been included to the extent that they have been realised. Losses and risks that originate before the end of the year under review shall be taken into account in the relevant year.

Translation of foreign currency

Accounts receivable and debts and commitments denominated in foreign currencies shall be translated at the exchange rate prevailing as at balance sheet date, excepting where and to the extent that the exchange rate risk has been hedged. In such cases, valuation shall be made on the basis of the agreed forward rates. Transactions denominated in foreign currencies during the period under review have been included in the Annual Accounts at the settlement rate. Exchange rate differences arising from translation as at balance sheet date have been included in the profit and loss account. The exchange rate as at balance sheet date has been used for the translation of the annual accounts of the foreign Group companies and non-consolidated participating interests. The translation differences that occur shall be directly credited to or charged to Group equity.

Accounting principles for valuation of assets and liabilities and for the determination of the result

The most important principles are as follows:

Intangible fixed assets

Intangible fixed assets are valued at cost minus cumulative depreciation. Annual depreciation is set at a percentage of cost.

Tangible fixed assets

Tangible fixed assets are valued at acquisition price minus the cumulative depreciation, calculated taking the expected useful life of the relevant asset into account, along with any residual value.

Financial fixed assets

Those participating interests where significant influence in the areas of commercial policy and financial policy is exercised are valued at net asset value. This value is calculated using the same principles that Accell Group uses for valuation and result determination. Participating interests where no significant influence is exercised are valued at acquisition price. Valuation of participating interests takes into account any decrease in value, provided that this is permanent.

Inventory

Inventory is valued at cost, minus a provision for unmarketability should this be deemed necessary.

Accounts receivable

The provision for bad debt risk is deducted from the accounts receivable item.

Revaluation reserve/badwill

The badwill arising from the acquisition of participating interests is credited to the profit and loss account pro rata to the remaining useful life of the related non-monetary asset.

Equalisation account for investment grants

Claims for investment grants are credited to the profit and loss account from the time they are first used pro rata to the depreciation instalments for the relevant asset.

Provisions

Provisions are not related to specific assets. They are formed in respect of commitments and risks associated with business operations.

Pensions

The pension provision is based on actuarial calculations and is included at present value.

Deferred taxes

The provision for deferred taxes includes the temporary differences that arise from the fact that deviations between the valuation in the Annual Accounts and the fiscal valuation of assets and liabilities cause a postponement of the tax levy at that time.

The provision formed for this purpose is calculated at the nominal rate.

Turnover

Turnover is deemed to mean the revenue from goods and services supplied to third parties, excluding taxes.

Extraordinary income and expenditure

Extraordinary income and expenditure relates to results that are not related to ordinary business operations.

Taxes on income

Taxes are calculated on the result determined in accordance with the above-mentioned accounting principles. The taxes on the result from ordinary activities are determined taking applicable tax incentives into account; the extraordinary result takes account of the nominal tax burden.

Accounting policies for the cash flow statement

General

The cash flow statement is drawn up using the indirect method. The funds stated in the cash flow statement consist entirely of liquid funds. Cash flows in foreign currencies are translated at the exchange rates as at balance sheet date. Receipts and expenditure arising from interest and taxes on income are included in the cash flow from operating activities.

Dividends to be paid are included under the cash flow from financing activities. Transactions for which no cash has been exchanged, including financial leasing, have not been included in the cash flow statement.

Composition of cash at bank and in hand

This item consists entirely of cash balances present and is at the free and immediate disposal of the company.

Notes to the cash flows

The item Investment in intangible fixed assets only includes those investments where cash balances were spent during 2001. The investments partly relate to replacements.

Notes to the consolidated figures

(in thousands of euros)

1. Intangible fixed assets

This involves the capitalisation of costs relating to a major development project.

A statutory reserve has been formed equivalent to the size of this capitalisation.

2. Tangible fixed assets

	Land and buildings	Plant and machinery	Tangible fixed assets (work in progress)	Total tangible fixed assets
Book value as at 31 December 2000	8,901	4,395	0	13,296
Investments	1,701	2,091	1,732	5,524
Investments in acquisitions	4,186	771	0	4,957
Disposals	0	-25	0	-25
Depreciation	-692	-1,632	0	-2,324
Various movements	-169	173	0	4
Exchange rate differences	0	0	0	0
Book value as at 31 December 2001	**13,927**	**5,773**	**1,732**	**21,432**
Balance as at 31 December 2001				
Purchase price	20,216	30,637	1,732	52,585
Cumulative depreciation	-6,289	-24,864	0	-31,153
Book value at 31 December 2001	**13,927**	**5,773**	**1,732**	**21,432**

The following depreciation rates are used for fixed assets:

Land	0%
Buildings	3-5%
Plant and machinery	10-35%

3. Financial fixed assets

This relates to the long-term portion of the deferred tax claim arising from offsettable losses on participating interests.

4. Inventory	2001	2000
Raw and ancillary materials	20,653	25,063
Semi-finished goods	3,992	3,375
Finished product	33,316	21,984
	57,961	**50,422**

5. Accounts receivable		
Trade receivables	32,380	27,733
Other receivables and prepayments and accrued income	1,438	1,220
	33,818	**28,953**

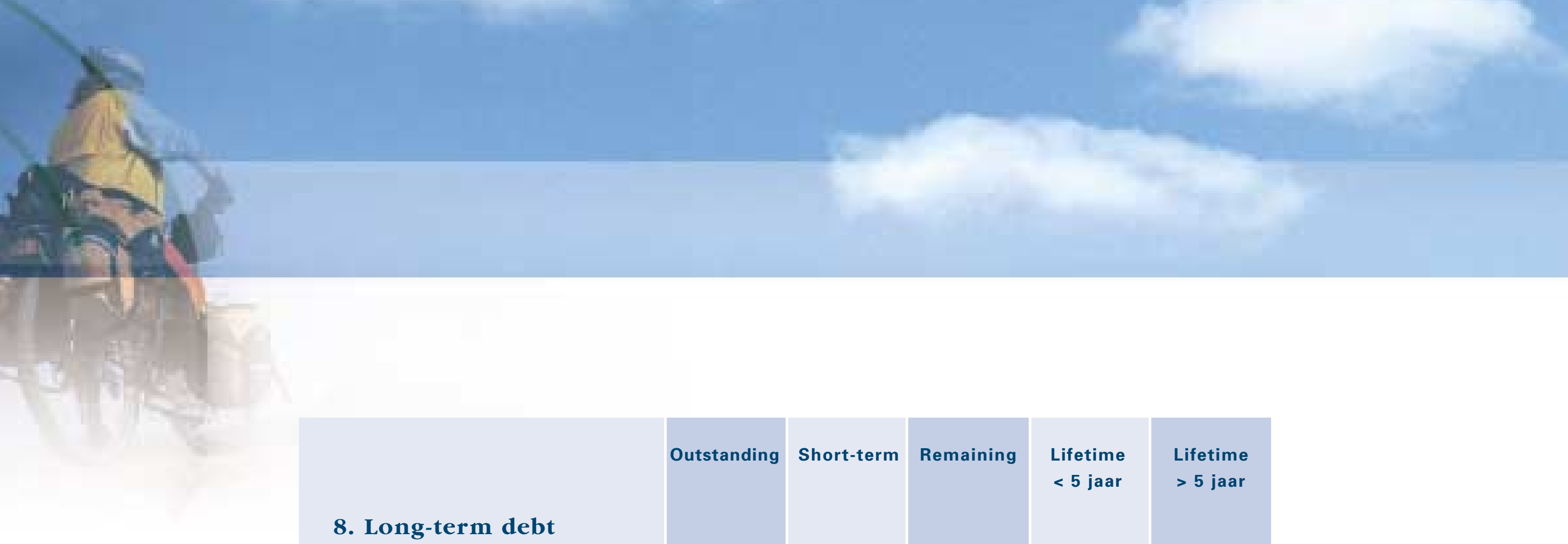
The 'Other receivables' item is short-term in nature.

6. Group equity		
Shareholders' equity *)	37,387	28,242
Third-party interest in group companies	50	0

Please refer to the Notes to the company balance sheet for notes on the company's shareholders' equity.
**) As a result of changes to the Guidelines for Annual Reports, from now on the dividend proposal for the current financial year must be presented under the equity item. These new guidelines have been anticipated in the 2001 annual accounts and the balance sheet has been drawn up for profit appropriation. Accordingly, comparable figures for previous years have been adjusted in these Annual Accounts.*

7. Provisions		
Pensions	2,626	2,310
Deferred taxes	645	706
Guarantees	903	1,137
Other provisions	4,308	1,532
	8,482	**5,685**

The provisions for pensions, taxes and guarantees are mainly long-term in nature.
The item Other provisions relates to, in addition to limited provisions for major repairs and the environment, provisions for the reorganisation of the German activities. Provisions for the reorganisation of the German activities had already been included in the balance sheet for Accell Group N.V. as at 31 December 2000, and additional provisions for the reorganisation of the German activities were formed at the time of the acquisition of Winora. The total figure for the Other provisions item covers all reorganisation costs.



8. Long-term debt

	Outstanding	Short-term	Remaining	Lifetime < 5 jaar	Lifetime > 5 jaar
a) Rollover loan	13,613	0	13,613	13,613	0
b) Mortgage (real estate)	1,406	320	1,086	1,086	0
c) Other loans	301	199	102	102	0
	15,320	**519**	**14,801**	**14,801**	**0**

9. Short-term debt

	2001	2000
Credit institutions *	41,446	36,515
Suppliers	9,401	4,109
Taxes and social security charges	305	2,635
Other liabilities and accruals and deferred income	4,885	4,893
	56,037	**48,152**

** With the exception of a number of general conditions, no security has been provided for the bank loans. The interest rate is variable.*

Additional information regarding current value

The determination of equity and result on the basis of current value leads to results that deviate from those included in the Annual Accounts. The influence of changes in prices is calculated as follows: The value of land is calculated on the basis of price estimates from external sources. The current value of the company buildings is determined on the basis of valuations from independent appraisers. The current value of the inventories is, for all intents and purposes, the same as the balance sheet valuation. A provision is formed in respect of the deferred tax commitments for the value adjustments calculated in this way, said provision being calculated on the basis of the applicable nominal rate. Application of the above leads to a figure for shareholders' equity on the basis of current value that is approximately € 6.0 million greater than the equity figure in the consolidated balance sheet as at 31 December 2001. The adjustment of the figure for the result for 2001 due to greater depreciation on the basis of current value is estimated to be, after deduction of taxes, approximately € 0.75 million.

10. Turnover

	2001	2000
The breakdown in turnover for the Netherlands, Germany, France, other EU countries and the rest of Europe is as follows:		
The Netherlands	117,793	107,613
Germany	43,390	50,924
France	31,243	29,925
Other EU countries	12,767	14,810
Other countries	441	398
	205,634	**203,670**

11. Other operating income

This item relates to that portion of costs accounted for by the movement in inventory levels.

12. Personnel costs

Wages and salaries	24,718	25,951
Social security charges	6,747	7,147
Pension contributions	1,428	1,288
Profit-sharing scheme	824	689
	33,717	**35,075**

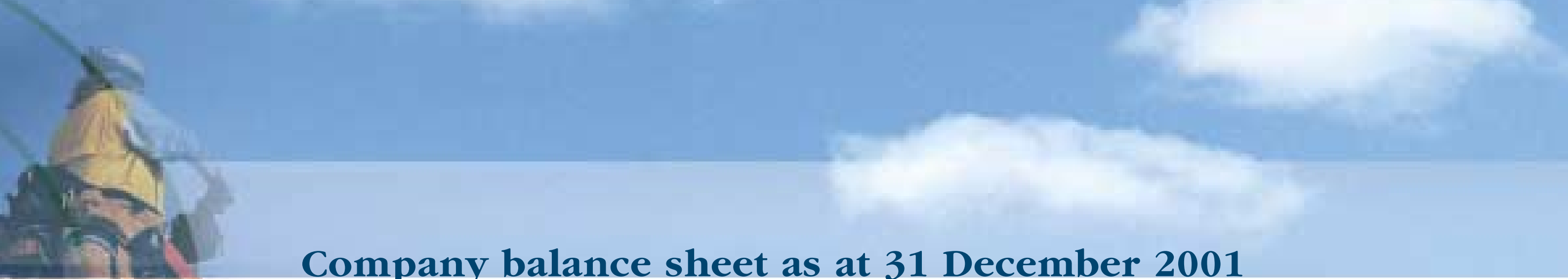
In accordance with the provisions of the Netherlands Civil Code Book 2 Article 383 paragraph 1, we disclose that in the year under review the following has been charged to the company:
- as remuneration for present and former directors € 478,000.=
- as remuneration for present and former members of the Supervisory Board € 44,000.=
The average number of employees was 1,051 (2000: 998).

13. Depreciation

Tangible fixed assets	2,324	2,355
Investment grants	- 21	- 23
	2,303	**2,332**

14. Extraordinary income

The badwill revaluation reserve formed at the time of the acquisition of Sparta (1999) and Winora (2001) will be credited to the result in seven years' time. No corporation tax is due on this. The costs related to the reorganisation of the German activities are covered in full by existing provisions and provisions created at the time of the takeover of Winora and shall not, therefore, lead to the creation of an extraordinary expenditure item in the 2001 Annual Accounts.



Company balance sheet as at 31 December 2001

before profit appropriation (in thousands of euros)

Assets	2001	2000
Fixed assets		
Intangible fixed assets	558	0
Tangible fixed assets	0	0
Financial fixed assets (A)	61,947	56,540
Current assets		
	515	384
Total assets	**63,020**	**56,924**

Liabilities		
Shareholders' equity (B)		
Issued capital	146	133
Share premium reserve	12,233	9,185
Revaluation reserve for participating interests	2,929	200
Statutory reserve	558	0
Other reserves	21,521	18,724
	37,387	**28,242**
Short-term debt		
Debts vis-à-vis group companies	3,769	731
Credit institutions	21,864	27,951
Other debt	0	0
	25,633	**28,682**
Total liabilities	**63,020**	**56,924**

The letters in brackets refer to the Notes on pages 38 and 39.

Company profit and loss account for 2001

(in thousands of euros)

	2001	2000
Result from participating interests after tax	5,196	4,237
Other results	-93	44
Net income	**5,103**	**4,281**

Supervisory Board

S.W. Douma, Chairman

D.J. Haank

J.H. Menkveld

J.J. Wezenaar

Directie

R.J. Takens, CEO

Heerenveen, 22 February 2002

Notes to the company balance sheet

(in thousands of euros)

A) Financial fixed assets	2001	2000
The course of the financial fixed assets is as follows:		
Participating interests		
Balance as at 1 January	28,848	24,156
Results	5,196	4,237
	34,044	**28,393**
Investments/disposals	152	0
Other movements	1,194	455
Balance as at 31 December	**35,390**	**28,848**
Claims on group companies		
Balance as at 1 January	27,692	23,023
Loans provided	3,906	4,669
Loans repaid	-5,041	0
Balance as at 31 December	**26,557**	**27,692**
Total financial fixed assets	**61,947**	**56,540**

Off-balance sheet liabilities

The legal entity is part of the tax entity Accell Group N.V. and as a result is liable for the tax liability of the tax entity as a whole.

Share option schemes

The company has set up a share option scheme for the Board of Directors. In the event of full exercising of the option rights granted up to now, the number of shares issued will increase by 2%. The total number of outstanding options as at the end of 2001 is 62,400. In 2001, a total of 17,500 options with a lifetime of approximately five years were granted to the Board of Directors.

B) Shareholders' equity

The authorised capital totals f 1,300,000 divided into 5,500,000 ordinary shares of Accell Group, 1,000,000 'F' preference shares and 6,500,000 'B' preference shares, each with a nominal value of f 0.10. Of these, 3,215,853 ordinary shares have been issued and fully paid, so that the share capital in issue totals € 145,929.05.

	2001
I. Issued capital	
Balance as at 31 December 2000	133
Share issues	13
Balance as at 31 December 2001	**146**
II. Share premium reserve	
Balance as at 31 December 2000	9,185
Share issues	3,048
Balance as at 31 December 2001	**12,233**
III. Revaluation reserve vis-à-vis participating interests	
Balance as at 31 December 2000	200
From new acquisitions	3,000
Realised	- 271
Balance as at 31 December 2001	**2,929**
IV. Statutory reserve	
Balance at 31 December 2000	0
Movements	558
Balance as at 31 December 2001	**558**
V. Other reserves	
Balance as at 31 December 2000	18,724
Result for financial year 2001	5,103
Dividend payment for the year 2000	- 1,756
Movements in reserve for valuation differences	0
Other movements	-550
Balance as at 31 December 2001	**21,521**
Total shareholders' equity	**37,387**

Subsidiaries

Group companies	% age holding
Batavus B.V., Heerenveen	100
Koga B.V., Heerenveen	100
Hadee B.V., Kesteren	100
Sparta B.V., Apeldoorn	100
Accell Duitsland B.V., Heerenveen	100
Accell-Hercules Fahrrad GmbH & Co. KG, Nuremberg, Germany	100
Winora Staiger GmbH, Sennfeld, Germany	100
E. Wiener Bike Parts GmbH, Sennfeld, Germany	100
Accell Group France S.A., Andrézieux, France	100
Cycles Mercier France-Loire S.A., Andrézieux, France	100
Cycles Lapierre S.A., Dijon, France	100
Accell Hunland Kft., Tószeg, Hungary	74

Other information

Provisions in the Articles of Association regarding profit appropriation

Article 26 (part)

Paragraph 4

The Board of Directors has, with the approval of the Supervisory Board, the authority to determine which part of the profit, after payment of dividend to the holders of both the 'B' preference shares and 'F' preference shares, shall be allocated to the reserves.

Paragraph 5

After the allocation to the reserves in accordance with the preceding paragraph, the profit shall be placed at the disposal of the General Meeting of Shareholders. In the balance sheet, the profit appropriation has been included after application of Article 26 of the Articles of Association.

Dividend proposal

That a combination of dividend in cash amounting to € 0.50 plus € 0.03 shares per ordinary share of f 0.10 nominal value, be paid, to be charged to the share premium reserve.

Foundation for Preference shares of the Accell Group

The Foundation for Preference shares of the Accell Group has been incorporated in accordance with Dutch law and has its registered office in Heerenveen. An agreement has been entered into with Stichting Preferente Aandelen Accell Group, under which 'B' preference shares may be placed with the Stichting.

At the current time, no 'B' preference shares in the company's capital have been issued.

The Stichting's board consists of two 'A' board members, namely Messrs. H.J.M.N. Honée and B. van der Meer, and one 'B' board member, Mr. G.F.W.M. Pikkemaat.

In the joint opinion of the company and the Stichting's board, the Stichting is independent of the company within the meaning of Schedule X of the Listing and Issuing Rules of Amsterdam Exchanges N.V.

Audit opinion

Introduction

We have audited the Annual Accounts 2001 of Accell Group N.V., Heerenveen, included in this annual report. These annual accounts are the responsibility of the company's management. Our responsibility is to express an opinion on these Annual Accounts based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. These standards require that we plan and perform the audit in such a way as to obtain a reasonable assurance as to whether the Annual Accounts are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Annual Accounts. An audit also includes assessing the accounting principles used for financial reporting and the important estimates made by the management, as well as evaluating the overall presentation of the annual accounts. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the annual accounts for Accell Group N.V. give a true and fair view of the size and composition of the assets of the company as at 31 December 2001 and of the result for the year then ended, in accordance with accounting principles for financial reporting generally accepted in the Netherlands, and comply with the statutory requirements regarding annual accounts as set out in Part 9 Book 2 of the Netherlands Civil Code.

Amersfoort, 22 February 2002
Deloitte & Touche Accountants

Long-term overview

(in millions of euros, unless stated otherwise)

Year	2001	2000	1999	1998	1997 pro forma
Turnover	205.6	203.7	150.3	149.4	137.2
Personnel costs	33.7	35.1	27.6	26.3	25.1
Operating result	11.4	9.6	6.0	8.8	6.4
Interest	3.6	3.0	1.4	1.7	1.8
Taxes	2.8	2.4	1.6	2.6	1.6
Net income*	5.0	4.2	3.0	4.4	3.0
Depreciation	2.3	2.3	2.2	2.1	2.2
Cash flow	7.3	6.6	5.2	6.6	5.2
Investments	5.5	2.4	3.5	1.7	1.5
Balance sheet total	117.5	96.5	79.7	65.0	60.3
Tangible fixed assets	21.4	13.3	13.3	12.1	12.6
Capital employed	102.9	84.9	70.7	55.6	47.5
Shareholders' equity	37.4	28.2	24.5	21.6	18.6
Provisions	8.5	5.7	6.2	4.9	5.4
Average number of employees	1,051	998	768	785	758
No. of shares in issue as at year-end	3,215,853	2,925,853	2,851,328	2,762,537	2,603,707
Average number of shares	2,933,798	2,901,011	2,821,731	2,686,545	2,574,339
Data per share **					
Shareholders' equity [1]	12.76	9.74	8.68	8.06	7.22
Cash flow	2.50	2.28	1.80	2.31	1.89
Net income*	1.72	1.45	1.03	1.56	1.10
Dividend	0.85	0.60	0.41	0.60	pro memoria
Ratios (in %)					
ROCE	11.04	11.31	8.53	15.76	13.60
ROE [1]	13.44	14.92	12.18	20.62	16.31
Operating result/turnover	5.52	4.71	4.02	5.86	4.70
Net income*/turnover	2.44	2.06	1.99	2.98	2.22
Cash flow/turnover	3.57	3.24	3.47	4.40	3.80
Balance sheet total/turnover	57.14	47.37	53.02	43.50	43.96
Solvency [1]	31.86	29.27	30.75	33.32	30.81
Payout percentage	49.55	41.38	38.46	40.03	pro memoria

** Net income from ordinary activities*

*** On the basis of weighted average number of shares*

[1]) As a result of the above-mentioned change in presentation for the dividend proposal in the annual accounts, the comparable figures have been adjusted accordingly. Please find below a comparison of the affected ratios before and after adjustment:

		2001	**2000**
Shareholders' equity:	*- new presentation*	*37,437*	*28,242*
	- old presentation	*35,837*	*26,486*
Return on equity:	*- new presentation*	*13.44*	*14.92*
	- old presentation	*14.04*	*15.91*
Solvency:	*- new presentation*	*31.86*	*29.27*
	- old presentation	*30.50*	*27.45*

The Accell Group share

Accell Group N.V. has been listed on the Amsterdam Stock Exchange since 1 October 1998. On the 31 December 2001, 3.215.853 ordinary shares each of nominal value f 0.10 were in issue.

Main interests in listed companies disclosed on the basis of the Disclosure of Major Holdings in Listed Companies Act

The following notifications have been made by virtue of the above-mentioned Act:

B.V. Algemene Holding en Financierings Mij.
CGNU Plc..
Darlin N.V.
Driessen Beleggingen B.V.
Friesland Bank N.V.
Fortis Utrecht N.V.
Holding Aarts-Heerkens B.V.
J.H. Langendoen
West-End B.V.
Zipart B.V.

Share option scheme

At the time of the stock exchange listing, the Supervisory Board implemented a share option scheme for the Board of Directors of Accell Group.

Share trading volumes for the Accell Group share during 2001:

	Number of shares	High	Low	Closing price
January	141,052	10.40	8.70	10.10
February	177,854	12.25	10.00	11.75
March	66,633	11.95	10.25	10.90
April	72,259	12.00	10.95	12.00
May	101,687	12.50	11.30	12.30
June	88,743	13.50	11.95	12.15
July	90,728	12.50	11.05	11.30
August	44,212	11.50	10.65	11.00
September	36,192	11.00	8.40	9.40
October	26,446	11.25	9.05	11.00
November	30,157	11.40	11.00	11.35
December	49,716	12.05	11.20	11.50

Source: Euronext Amsterdam N.V.

Important dates for 2002

General Meeting of Shareholders: 18 April 2002 at 2.00 p.m., to be held at subsidiary Batavus B.V., Industrieweg 4, 8444 AK Heerenveen.

Publication of half-yearly figures: 18 July 2002, prior to official stock exchange opening hours

THE PREMIER EUROPEAN CYCLE GROUP

ACCELL GROUP

Accell Group N.V.
P.O. Box 435
8440 AK Heerenveen
The Netherlands

Industrieweg 4
8444 AR Heerenveen
The Netherlands

T +31 513 638 703
F +31 513 638 709

e-mail info@accell-group.com
website www.accel-group.com

Batavus B.V.
P.O. Box 515
8440 AM Heerenveen
The Netherlands

Industrieweg 4
8444 AR Heerenveen
The Netherlands

T +31 513 638 999
F +31 513 638 262
e-mail info@batavus.com
website www.batavus.com

Hadee B.V.
P.O. Box 11
4040 DA Kesteren
The Netherlands

Industrieweg 2
4041 CR Kesteren
The Netherlands

T +31 488 481 817
F +31 488 482 709
e-mail info@cool-loekie.com
website www.cool-loekie.com

Koga B.V.
P.O. Box 167
8440 AD Heerenveen
The Netherlands

Tinweg 9
84445 PD Heerenveen
The Netherlands

T +31 513 630 111
F +31 513 633 289
e-mail info@koga.com
website www.koga.com

Sparta B.V.
P.O. Box 5
7300 AA Apeldoorn
The Netherlands

Prins Willem Alexanderlaan 926
7312 GE Apeldoorn
The Netherlands

T +31 553 578 700
F +31 553 578 704
e-mail info@sparta.com
website www.sparta.com

Herculus Fahrrad GmbH & Co. KG
Industriestrasse 32-40
D-90616 Neuhof/Zenn
Germany

Industrieweg 4
8444 AR Heerenveen
The Netherlands

T +49 9107 9230
F +49 9107 923 333
e-mail info@herculus-bikes.de
website www.herculus-bikes.de

Cycles Lapierre S.A.
Boîte Postale 173
21005 Dijon Cedex

Rue Edmond Voisenet
Z.I. Dijon - Sud
21005 Dijon Cedex
France

T +33 380 525 186
F +33 380 520 851
e-mail info-lapierre@accel-group.com
website www.cycles-lapierre.fr

Cycles Mercier France-Loire S.A.
Boîte Postale 61
42161 Andrézieux-Bouthéon Cedex

Rue Branley
42161 Andrézieux-Bouthéon Cedex
France

T +33 477 555 400
F +33 477 366 543
e-mail info-mercier@accel-group.com

Winora Group
Max-Planck Str. 6
D-97526 Sennfeld
Germany

T +49 9721 65940
F +49 9721 659 445
e-mail info@winora.de
website www.winora.de

THE PREMIER EUROPEAN CYCLE GROUP
ACCELL GROUP

colophon

CO-ORDINATION, DESIGN AND LAYOUT: BOERMA RECLAME ADVIESBURO • WADDINXVEEN

PRODUCTION AND DISTRIBUTION: VELDWIJK VAN LOON GRAFISCHE PRODUCTIES • WADDINXVEEN