

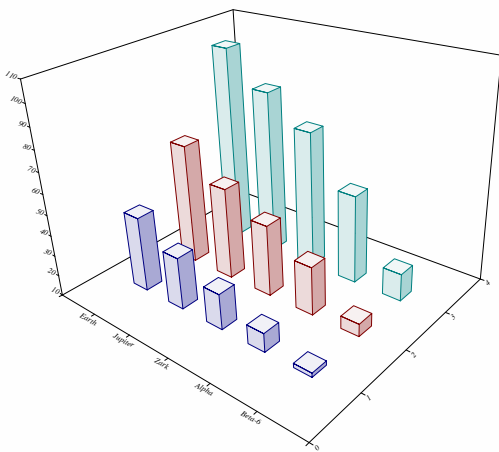
Sqn/Ldr Bill Fraser DSO
The Pines
Sutton-under-Tweed
Berwickshire
BW34 5LU

Report to Investors 1998

This has been a magnificent year for the Intergalactic Shoe Corporation. In the first quarter, we saw another 12 planets spread across 5 star systems all approach and then easily surpass the sales target that we set them last year.

Investors should be especially gratified to observe that not only is the Intergalactic Shoe Corporation showing a solid gain in market share, but that our short term trading position has also been solid across all our major markets.

Sales Performance



As you can see from the chart, we at Intergalactic Shoe have been working our socks off (ha ha) to make sure that *you*, our Class-A premier division (non-voting) shareholder, have had the very best return possible from our year's trading. In fact not only are we declaring an interim dividend of 5% – another steady advance on last year's

excellent performance – but we are also issuing over 100,000 bonus shares absolutely free of charge to all shareholders with more than 10 year's standing.

Breakdown by Region

| Earth | Jupiter | Zark | Mars | Io |
|-------|---------|------|------|----|
| 100 | 64 | 55 | 67 | 71 |
| 22 | 28 | 97 | 60 | 74 |
| 22 | 73 | 72 | 17 | 1 |

Note the particularly solid performance from the Footwear Division in the outer spiral arm of the Andromeda Galaxy. I was absolutely over the moon (ha ha) to award them the Intergalactic Shoe Corporation *Outstanding Achievement Award* for the second year in succession.

I look forward to meeting you at our shareholders' meeting, which will take place at our intergalactic HQ here on Ursa Minor at the end of the millenium.

Chairman