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FULLER H B CO  
Form 11-K  
June 30, 2003

FORM 11-K  
FOR ANNUAL REPORTS OF EMPLOYEE STOCK PURCHASE,  
SAVINGS  
AND SIMILAR PLANS PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934

For the fiscal year ended December 31, 2002

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OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-09225

H.B. FULLER COMPANY THRIFT PLAN

H.B. FULLER COMPANY  
1200 Willow Lake Boulevard, P.O. Box 64683  
St. Paul, Minnesota 55164-0683

H.B. Fuller Company  
Thrift Plan  
Financial Statements and Supplemental Schedules  
December 31, 2002 and 2001

H.B. Fuller Company Thrift Plan  
Index  
December 31, 2002 and 2001  
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Note: Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

Report of Independent Auditors

To the Participants and Administrator  
of the H.B. Fuller Company Thrift Plan

In our opinion, the accompanying statement of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the H.B. Fuller Company Thrift Plan (the "Plan") at December 31, 2002 and 2001, and the changes in net assets available for benefits for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of the H.B. Fuller Company Thrift Plan, as listed in the accompanying index, are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulation for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

By: /s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP  
Minneapolis, Minnesota  
June 20, 2003

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H.B. Fuller Company Thrift Plan  
Statement of Net Assets Available for Benefits  
December 31, 2002 and 2001

	2002	2001
Assets		
Cash	\$ 503,388	\$ 797,569
Investments, at fair value	134,161,949	159,904,130
Receivables		
Participant contributions receivable	322,174	183,485
Employer contributions receivable	146,258	90,146
Accrued income	982	10,760
	-----	-----
Total assets	135,134,751	160,986,090
Liabilities		
Trade settlements payable	209,564	119,076
	=====	=====
Net assets available for benefits	\$ 134,925,187	\$ 160,867,014
	=====	=====

The accompanying notes are an integral part of these financial statements.

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H.B. Fuller Company Thrift Plan  
Statement of Changes in Net Assets Available for Benefits  
Year Ended December 31, 2002

Additions	
Contributions	
Participant contributions	\$ 7,120,366
Employer contributions	3,195,364
	-----
Total contributions	10,315,730
	-----
Investment income (loss)	
Interest	198,349
Dividends	1,569,032
Net depreciation in fair value of investments	(17,590,045)
Other income	363,509
	-----
Total investment loss	(15,459,155)
	-----
Deductions	
Distributions paid to participants	(20,638,396)
Administrative expense	(160,006)
	-----
Total deductions	(20,798,402)
	-----
Net decrease	(25,941,827)
Net assets available for benefits	
Beginning of year	160,867,014
	-----
End of year	\$ 134,925,187
	=====

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The accompanying notes are an integral part of these financial statements.

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H.B. Fuller Company Thrift Plan  
Notes to Financial Statements  
December 31, 2002 and 2001

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### 1. Description of the Plan

The following brief description of the H.B. Fuller Company Thrift Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information regarding the Plan's definitions, benefits, eligibility and other matters.

#### General

The Plan is a contributory defined contribution plan covering all eligible employees of H.B. Fuller Company (the "Employer"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

#### Trustee

The trustee for the Plan is Wells Fargo Minnesota, N.A. (the "Trustee").

#### Eligibility and Contributions

All regular full-time and part-time employees may begin contributing to the plan as soon as administratively practicable after their date of hire. To be eligible for the Company matching contribution, a full-time employee must have six months of employment and a part-time employee must have twelve months of service. To become a participant in the Plan, an employee must agree to make contributions equal to 1 percent of pre-tax compensation up to a maximum of 12 percent of pre-tax compensation for highly compensated participants and 25 percent for non-highly compensated participants each subject to a statutory maximum of \$11,000 for 2002.

The Employer makes contributions to employees' accounts by matching 100 percent of an employee's contributions, up to 4 percent of the employee's eligible compensation in the form of H.B. Fuller Company Common Stock. A participant's contribution may be invested in any combination of the following participant directed investment funds or in H.B. Fuller Company Common Stock. Investment funds include the Wells Fargo Stable Return Fund, PIMCO Total Return Bond Fund, Wells Fargo Index Equity Fund ("S&P 500"), Wells Fargo Small Company Growth Equity Fund, Wells Fargo Growth Balanced Fund, Janus Twenty Fund, Janus Overseas Fund, Wells Fargo S&P Midcap Index Fund and Van Kampen Common Stock. A participant's investment option for past and future contributions can be changed daily. Investment income is allocated to all participants on the basis of their respective account balances at the close of each daily fund valuation.

A participant's voluntary contribution percentage amount can be changed or suspended at anytime. Employer contributions to the Plan cease during the suspension period.

#### Participant Accounts

Each participant's account is credited with (a) the participant's contribution, (b) the Employer's contribution, (c) an allocation of the Plan's investment income, and (d) discretionary Employer contributions.

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Allocations of the Plan's investment income are based on account balances, as defined in the Plan document.

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H.B. Fuller Company Thrift Plan  
Notes to Financial Statements  
December 31, 2002 and 2001

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### Payment of Benefits

On termination of service due to death or retirement, a participant may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account as defined in the Plan agreement. If the participant terminates employment at the age of 55 or older, he or she may elect to receive their distribution in installment payments as defined by the Plan agreement. For termination of service due to disability, a participant is eligible for distribution after 12 months of permanent disability. For termination of service due to other reasons, a participant will receive a lump sum amount equal to the value of the participant's vested interest in his or her account. The investment in H.B. Fuller Company Common Stock may be withdrawn in the form of shares of stock at the option of the Plan participant.

### Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company' matching and discretionary contribution portion of their accounts plus actual earnings thereon is based on years of eligible service. A participant is 100 percent vested after three years of credited service to the Employer, or upon age 65, disability or death.

### Participant Loans

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50 percent of their account balance, whichever is less. The loans are collateralized by the balance in the participant's account and bear interest at rates equal to the current Wells Fargo prime rate at the time of the loan (4.25 percent at December 31, 2002). The rate will remain fixed over the term of the loan, usually 5-15 years. Participant loans are collateralized by a borrower's vested account balance and are repaid through payroll deductions. Participant loans at December 31, 2002, had interest rates ranging from 4.25 percent to 9.5 percent and mature at various dates through 2017. Principal and interest are repaid ratably through payroll deductions.

### Forfeitures

Participants who terminate employment with the Employer forfeit the nonvested portion of the Employer's contribution to the participants' accounts. Amounts forfeited are used to reduce future Employer contributions. Forfeitures for the year ended December 31, 2002, were \$59,698.

### Plan Termination

Although it has no intention to do so, the Employer may, at any time, by action of its Board of Directors, terminate the Plan or discontinue contributions. Upon termination or discontinuance of contributions, all Employer contribution amounts in participant accounts will become fully vested.

## 2. Summary of Significant Accounting Policies

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### Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

### Investment Valuation

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H.B. Fuller Company Thrift Plan  
Notes to Financial Statements  
December 31, 2002 and 2001

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The fair values of the Plan's investments in H.B. Fully Company Common Stock are based on published quotations. The fair values of investments in securities of unaffiliated issuers are based on quoted market prices. Securities transactions are recorded on the trade date.

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H.B. Fuller Company Thrift Plan  
Notes to Financial Statements  
December 31, 2002 and 2001

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### Interest and Dividends

Interest income is recorded as earned on an accrual basis and dividend income is recorded on the ex-dividend date.

### Net Appreciation (Depreciation) in the Fair Value of Investments

The Plan presents in the Statement of Changes in Net Assets Available for Benefits, the net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

### Contributions

Participant contributions are recorded in the period the Employer makes the payroll deductions. Employer matching contributions are recorded based on participant contributions.

### Concentration of Market Risk

At December 31, 2002 and 2001, approximately 53 percent and 55 percent, respectively, of the Plan's net assets were invested in the common stock of H.B. Fuller Company. The underlying value of the H.B. Fuller Common Stock is entirely dependent upon the performance of H.B. Fuller Company and the market's evaluation of such performance. It is at least reasonably possible that changes in the fair value of H.B. Fuller Company Common Stock in the near term could materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

### Distributions to Participants

Distributions to participants are recorded when the distribution is made.

### Plan Expenses

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The Company pays a portion of the administrative expenses of the Plan and a portion is paid by Plan participants within the Plan. Certain asset management and administrative fees of the Plan are charged against the Plan's investment income.

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of investment earnings and expenses during the reporting period. Actual results could differ from those estimates.

### Risks and Uncertainties

The Plan provides for various investment options in any combination of stocks, bonds and other investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits and the Statement of Changes in Net Assets Available for Benefits.

### Payment of Benefits

Benefits are recorded when paid.

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H.B. Fuller Company Thrift Plan  
Notes to Financial Statements  
December 31, 2002 and 2001

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### 3. Investments

Investments, at fair value, include the following at December 31, 2002 and 2001:

	2002		2001
H.B. Fuller Company Common Stock, 2,778,725 and 3,098,465 shares, respectively **	\$ 71,913,414	*	\$ 89,142,
Wells Fargo Stable Return Fund, 507,907 and 509,961 shares, respectively	17,333,347	*	16,437,
Wells Fargo Index Equity Fund, 494,391 and 498,495 shares, respectively	17,422,329	*	22,885,
Wells Fargo Growth Balanced Fund, 421,580 and 467,836 shares, respectively	9,894,477	*	13,281,
Wells Fargo Small Company Growth Equity Fund, 268,948 and 265,947 shares, respectively	4,886,794		6,864,
PIMCO Total Return Bond Fund, 553,740 and 395,477 shares, respectively	5,908,410		4,136,
Janus Twenty Fund, 74,705 and 78,059 shares, respectively	2,167,202		3,002,
Janus Overseas Fund, 78,640 and 73,303 shares, respectively	1,202,410		1,488,

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Wells Fargo S&P Midcap Index Fund, 11,965 shares	381,794	
Van Kampen Common Stock Fund, 13,356 shares	164,813	
Participant loans receivable	2,886,959	2,665,
	-----	-----
	\$ 134,161,949	\$ 159,904,
	=====	=====

\* Represents 5 percent or more of the Plan's net assets at the beginning of the Plan year.

\*\* Nonparticipant directed investment, see Note 4.

During 2002, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$17,590,045 as follows:

Wells Fargo and Janus Mutual Funds	\$ (10,946,
H.B. Fuller Company Common Stock	(7,896,
Wells Fargo Stable Return Fund	996,
PIMCO Total Return Bond Fund	273,
Van Kampen Common Stock Fund	(16,
	-----
	\$ (17,590,
	=====

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H.B. Fuller Company Thrift Plan  
Notes to Financial Statements  
December 31, 2002 and 2001

4. Nonparticipant Directed Investments

Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant directed investments is as follows at December 31, 2002 and 2001:

	2002	2001
Net assets		
H.B. Fuller Company Common Stock	\$ 71,913,414	\$ 89,142,834
Distributions payable to participants	(211,973)	
Accrued income	982	9,495
	-----	-----
	\$ 71,702,423	\$ 89,152,329
	=====	=====
		Year Ended December 31, 2002

Changes in net assets



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Contributions	\$ 4,718,449
Interest	7,466
Dividends	1,263,256
Other income	175,473
Net depreciation of investments	(7,896,672)
Distributions paid to participants	(9,596,852)
Net transfers to participant directed investments	(6,114,718)
Administrative expenses	(6,308)
	-----
	\$ (17,449,906)
	=====

5. Tax Status

The Internal Revenue Service has determined and informed the Employer by a letter dated November 14, 1995, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter; however, the Plan's administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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H.B. Fuller Company Thrift Plan  
Notes to Financial Statements  
December 31, 2002 and 2001

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6. Related Party and Party-in-Interest Transactions

Plan investments include H.B. Fuller Company Common Stock which is invested in shares of stock of the Employer. H.B. Fuller Company is the Plan sponsor and, therefore, these transactions qualify as party-in-interest. Purchases and sales of H.B. Fuller Company Common Stock for the year ended December 31, 2002, amounted to \$7,355,058 and \$13,640,302, respectively.

The Plan also invests in various funds managed by Wells Fargo Minnesota, N.A. Wells Fargo Minnesota, N.A. is the trustee as defined by the Plan and, therefore, the related transactions qualify as party-in-interest. The Trustee is authorized to invest in securities under its management and control on behalf of the Plan. During 2002, the Trustee made purchases and sales of such securities amounting to \$24,366,413 and \$23,159,298, respectively.

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H.B. Fuller Company Thrift Plan  
Schedule of Assets (Held at End of Year)  
December 31, 2002

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Schedule I

(a)	(b)	(c)	(d)
Identity of Issuer,			

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Borrower or Similar Party	Description	Units/ Shares	Cost
* Wells Fargo Minnesota, N.A.	H.B. Fuller Company Common Stock	2,778,725	\$ 49,779,324
* Wells Fargo Minnesota, N.A.	Stable Return Fund Pooled, Common & Collective	507,907	**
* Wells Fargo Minnesota, N.A.	Index Equity Fund Common Stock	494,391	**
* Wells Fargo Minnesota, N.A.	Growth Balanced Fund Mutual Fund - Balanced	421,580	**
* Wells Fargo Minnesota, N.A.	Small Company Growth Equity Fund Common Stock	268,948	**
* Wells Fargo Minnesota, N.A.	PIMCO Total Return Bond Fund Corporate Bonds	553,740	**
* Wells Fargo Minnesota, N.A.	Janus Twenty Fund Common Stock	74,705	**
* Wells Fargo Minnesota, N.A.	Janus Overseas Fund Common Stock	78,640	**
* Wells Fargo Minnesota, N.A.	Van Kampen Common Stock Fund	13,356	**
* Wells Fargo Minnesota, N.A.	S&P Midcap Index Fund	11,965	**
* Participant Loans	Participant loans receivable, interest at 4.25 percent to 9.5 percent, due at various dates through 2017		**

Total investments at end of  
plan year

\* Represents party-in-interest.

\*\* Historical cost information is not required for participant directed  
investments.

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H.B. Fuller Company Thrift Plan  
Schedule of Reportable Transactions\*  
Year Ended December 31, 2002

Schedule II

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Five percent of series of transaction by security issue:

Number of	Total Dollar Amount	Transaction	Net
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Security Issue	Purchases	Sales	Purchases	Sales	Cost	Gain
H.B. Fuller Common Stock	27		\$ 7,355,058		\$ 7,355,058	
		46		\$ 13,640,302	8,181,895	\$ 5,458,

\* Transactions or series of transactions in excess of 5 percent of the current value of the Plan's assets at December 31, 2002, as defined in 29 CFR 2520.103-6 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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H.B. FULLER COMPANY THRIFT PLAN

EXHIBITS

The following documents are filed as exhibits to this Report:

Exhibit No.	Document
(23)	Consent of Independent Auditors
(99)	Certification pursuant to Section 906

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

H.B. FULLER COMPANY THRIFT PLAN

DATE June 30, 2003

By: /s/ Larry S. Morgan

Larry S. Morgan  
 Director of Compensation, Benefits and HRMS  
 H.B. Fuller Company  
 (Plan Administrator)

EXHIBIT INDEX

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Exhibit No. -----	Document -----	Method of Filing -----
(23)	Consent of Independent Auditors	Filed herewith electronically
(99)	Certification pursuant to Section 906	Filed herewith electronically