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PROCTER & GAMBLE CO  
Form 11-K  
October 11, 2001

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 11-K

\X\ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934 FOR THE FISCAL YEAR ENDED JUNE 30, 2001, OR

\ \ FOR TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO  
\_\_\_\_\_

Commission file number 001-00434

- A. Full title of the plan and the address of the plan, if different from that of the issuer named below: The Procter & Gamble UK Matched Savings Share Purchase Plan, Cobalt 12, Silver Fox Way, Cobalt Business Park, Newcastle upon Tyne, NE27 0QW, United Kingdom/England.
- B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office: The Procter & Gamble Company, One Procter & Gamble Plaza, Cincinnati, Ohio 45202.

REQUIRED INFORMATION

- Item 1. Audited statement of financial condition as of the end of the latest two fiscal years of the plan (or such lesser period as the plan has been in existence). (See Page 2)
- Item 2. Audited statement of income and changes in plan equity for each of the latest three fiscal years of the plan (or such lesser period as the plan has been in existence). (See Page 3)

PROCTER & GAMBLE LIMITED  
MATCHED SAVINGS SHARE PURCHASE PLAN

Statements of Net Assets Available for Benefits  
as of June 30, 2001 and 2000,  
Statements of Changes in Net Assets Available for Benefits  
for the Years Ended June 30, 2001, 2000 and 1999,  
and Independent Auditors' Report

PROCTER & GAMBLE LIMITED  
MATCHED SAVINGS SHARE PURCHASE PLAN

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### INDEPENDENT AUDITORS' REPORT

To the Trustees of the Procter & Gamble Limited Matched Savings Share Purchase Plan:

We have audited the accompanying statements of net assets available for benefits of the Procter & Gamble Limited Matched Savings Share Purchase Plan ("the Plan") as of June 30, 2001 and 2000, and the related statements of changes in net assets available for benefits for each of the three years in the period ended June 30, 2001. 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 in accordance with auditing standards generally accepted in the United States of America. Those standards 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of June 30, 2001 and 2000, and the changes in net assets available for benefits for each of the three years in the period ended June 30, 2001, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE  
Newcastle upon Tyne, United Kingdom  
28 September, 2001

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STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
AS OF JUNE 30, 2001 AND 2000

	2001	2000
	(pounds)	(pounds)
<b>ASSETS:</b>		
Investment in the Company Stock, at fair value	42,358,636	31,678,169
Cash at bank and in hand	602,578	534,013
Investment income receivable	21,913	11,132
	-----	-----
Total assets	42,983,127	32,223,314
	-----	-----
<b>LIABILITIES:</b>		
Accrued administrative expenses	(55,415)	(12,935)
Distributions payable	(52,759)	(28,602)
Contributions received in advance	(516,317)	(503,608)
	-----	-----
Total liabilities	(624,491)	(545,145)
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	42,358,636	31,678,169
	=====	=====

See notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
FOR THE YEARS ENDED JUNE 30, 2001, 2000 AND 1999

	2001	2000
	(pounds)	(pounds)
<b>ADDITIONS (LOSSES):</b>		
Investment income:		
Net appreciation (depreciation) in fair value of		
Company Stock	6,407,100	(15,383,254)
Interest income	10,781	11,132
	-----	-----
Total investment income (loss)	6,417,881	(15,372,122)
	-----	-----
Contributions from Procter & Gamble companies	3,087,664	3,028,880
Contributions from participants	3,087,664	3,028,880
	-----	-----
Total contributions	6,175,328	6,057,760
	-----	-----
Other income	1,759	3,694

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Income from Procter & Gamble Limited	11,781	15,351
	-----	-----
Total additions (losses)	12,606,749	(9,295,317)
	-----	-----
DEDUCTIONS:		
Distributions and withdrawals to participants	(1,903,720)	(3,172,050)
Administrative expenses	(22,562)	(22,824)
	-----	-----
Total deductions	(1,926,282)	(3,194,874)
	-----	-----
NET INCREASE (DECREASE)	10,680,467	(12,490,191)
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	31,678,169	44,168,360
	-----	-----
End of year	42,358,636	31,678,169
	=====	=====

See notes to financial statements.

PROCTER & GAMBLE LIMITED  
MATCHED SAVINGS SHARE PURCHASE PLAN

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2001, 2000 AND 1999

1. PLAN DESCRIPTION

The following brief description of the Procter & Gamble Limited Matched Savings Share Purchase Plan ("Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

GENERAL - The Plan is a share purchase plan established by Procter & Gamble Limited ("Company") to provide a means for eligible UK employees to tax efficiently purchase shares in The Procter & Gamble Company ("Parent"). The scheme administrators on behalf of the Trustees of the Plan hold the Plan assets.

CONTRIBUTIONS - Employees can contribute up to 2.5% of their salary/wage, subject to a minimum monthly contribution of (pound)8.33. The participating Procter & Gamble companies (see note 7) match all contributions by employees in full.

WITHDRAWALS - Participants may withdraw shares from the scheme at any time subject to the following Plan rules. Participants cannot withdraw shares from the Plan within 5 years of purchase. Participants who withdraw shares from the Plan after 5 years can do so without attracting any income tax.

ADMINISTRATION - The Plan is administered by IRG Trustees Limited who were appointed by the Trustees of the Plan.

PARTICIPANT ACCOUNTS - Each participant's account is credited with an allocation of the Plan's shares. The benefit to which a participant is entitled is limited to the shares that can be provided from the

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participant's account.

PLAN TERMINATION - The Company is reviewing the future of the Plan in line with recent Inland Revenue legislative changes. The current Approved Profit Sharing Plan (the Procter & Gamble Matched Savings Share Purchase Plan) can no longer be operated subsequent to April 2002. This Plan will be replaced by a more tax efficient plan, which meets the requirements of the rules of the Inland Revenue's All Employee Share Ownership Plans. The Company has the right under the current scheme rules to terminate the Plan.

### 2. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The accompanying financial statements have been prepared on the accrual basis of accounting and the Plan's net assets and transactions are recorded at fair value. The Plan's investment in the Company common stock is valued at fair value and is translated into Sterling at the rate of exchange at June 30.

EXPENSES OF THE PLAN - Investment management expenses and all other fees/expenses are paid by the participating Procter & Gamble companies (see note 7).

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

### 3. TAX STATUS

The Inland Revenue (IR) has determined and informed the Company that it is an approved Employee Share Scheme under UK tax legislation. Therefore, the Plan Administrator believes that the Plan was qualified and tax-exempt as of June 30, 2001 and 2000 and no provision for income taxes has been reflected in the accompanying financial statements.

### 4. DISTRIBUTIONS PAYABLE

Distributions payable to participants at June 30, 2001 and 2000, are approximately (pound)47,080 and (pound)28,602, respectively.

### 5. COMPANY STOCK

At June 30, 2001 and 2000, 933,749 and 837,687 shares, respectively, of Company Stock were held by the Plan.

The cost of this stock at June 30, 2001 and 2000, was (pound)29,057,426 and (pound)24,784,058, respectively.

### 6. ACCRUED ADMINISTRATIVE EXPENSES

Included within accrued administrative expenses are amounts owed to participating Procter & Gamble companies of (pound)30,531 (2000: (pound)Nil), amounts due to members of (pound)10,223 (2000: (pound)2,615) and amounts due to Procter & Gamble Share Investment Scheme of (pound)14,661 (2000: (pound)10,320).

### 7. PARTICIPATING PROCTER & GAMBLE COMPANIES

The participating Procter & Gamble companies are as follows:

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Procter & Gamble UK  
Procter & Gamble Limited  
Procter & Gamble Pharmaceuticals UK Limited  
Procter & Gamble Product Supply (UK) Limited  
Procter & Gamble Technical Centres Limited  
Procter & Gamble (L&CP) Limited  
Procter & Gamble (Hair & Beauty Care) Limited

THE PLAN. 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, thereunto duly authorized, in the City of Newcastle upon Tyne United Kindgom, on September 21, 2001.

THE PROCTER & GAMBLE UK MATCHED SAVINGS SHARE PURCHASE PLAN

By: /S/MR. D. J. HAMMOND  
-----

[Mr. D J Hammond]  
Trustee/Chairman, The Procter & Gamble UK Matched  
Savings Share Purchase Plan

By: /S/MS. L. ULANOWSKI  
-----

[Ms L Ulanowski]  
Trustee, The Procter & Gamble UK Matched  
Savings Share Purchase Plan

By: /S/MR. T. CORPS  
-----

[Mr T Corps]  
Trustee, The Procter & Gamble UK Matched  
Savings Share Purchase Plan

By: /S/MS. C. SIMMEN  
-----

[Ms C Simmen]  
Trustee, The Procter & Gamble UK Matched  
Savings Share Purchase Plan

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Consent of Deloitte & Touche