

Registration No. 53914

KELVIN ELECTRICAL INDUSTRIES LIMITED

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000**



KELVIN ELECTRICAL INDUSTRIES LIMITED**DIRECTORS' REPORT**

The Directors present their report and the balance sheet of the Company for the year ended 31 March 2000.

1. **ACTIVITIES AND RESULTS**

The Company has not traded during the year; consequently there is no profit or loss.

2. **DIRECTORS' INTERESTS**

(a) The Directors who served during the year were:

Mr R K Miller (resigned 1 September 1999)
Miss J C Polley
Mrs C B Wheatley

(b) As of 28 November 1999 the ultimate parent company became Marconi plc ("Marconi"). Prior to this date the ultimate parent company was The General Electric Company, p.l.c. ("GEC"). According to the Register kept by the Company under Section 325 of the Companies Act 1985, the interests of those Directors holding office at the end of the year in the shares of the Company, the Company's ultimate parent company, Marconi or its subsidiaries were as follows:

Ordinary shares of 5p each, fully paid

	At 31.03.2000*	At 01.04.1999+
Miss J C Polley	5,773	5,724

+Interests in ordinary shares of GEC

*Interests in ordinary shares of Marconi

In accordance with the terms of the reconstruction of GEC, ordinary shares of 5 pence each were issued by Marconi, credited as fully paid to the former holders of GEC ordinary shares of 5 pence each on the register at the close of business on 26 November 1999, on the basis of one ordinary share of 5 pence each in Marconi for one ordinary share of 5 pence each in GEC.

Table A shows the interests of the Directors in options over ordinary shares of 5 pence each in GEC under the GEC Employee 1992 Savings-Related Share Option Scheme, the GEC 1997 Executive Share Option Scheme and the GEC Phantom Option Scheme for the period 1 April 1999 to 28 November 1999.

All options granted by GEC became exercisable immediately prior to the listing of Marconi. The Directors were given the opportunity to exchange their GEC options for Marconi options on a value-for-value basis and for those Directors who elected to exchange, details are shown in the opening column of Table B.

KELVIN ELECTRICAL INDUSTRIES LIMITED**DIRECTORS' REPORT (CONTINUED)**

In addition, Table B shows the interests of the Directors in options over ordinary shares of 5 pence each in Marconi under the Marconi 1999 Stock Option Plan, the Marconi UK Sharesave Plan and the Marconi Launch Share Plan for the period 29 November 1999 to 31 March 2000.

TABLE A

	At 01.04.1999	Granted during period	Exercised during the period	Lapsed during the period	At 28.11.1999
	No.	No.	No.	No.	No.
Miss J C Polley	18,274	-	-	-	18,274
Mrs C B Wheatley	9,900	-	-	-	9,900

TABLE B

	At 29.11.1999	Granted during period	Exercised during the period	Lapsed during the period	At 31.03.2000
	No.	No.	No.	No.	No.
Miss J C Polley	22,579	18,214	-	-	40,793
Mrs C B Wheatley	12,223	14,259	-	-	26,482

Table A represents interests in ordinary shares of GEC
All other interests represent Marconi share options

By Order of the Board



C B Wheatley
Secretary

Registered Office:

One Bruton Street
London
W1J 6AQ

Dated: 24 November 2000

KELVIN ELECTRICAL INDUSTRIES LIMITED

BALANCE SHEET AS AT 31 MARCH 2000

	<u>2000</u> £	<u>1999</u> £
<u>CURRENT ASSETS</u>		
<u>Debtors: amounts falling due within one year</u>		
Amount(s) owed by group companies	37,161	37,161
<u>Creditors: amounts falling due within one year</u>		
Amount(s) owed to group companies	-	-
	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES	37,161	37,161
	<hr/>	<hr/>
 <u>CAPITAL AND RESERVES</u>		
<u>Called up share capital</u>		
Ordinary shares of 50p each allotted and fully paid (authorised share capital: £20,000)	7,630	7,630
<u>Profit and loss account</u>	29,531	29,531
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EQUITY SHAREHOLDERS' INTEREST	37,161	37,161
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The Company was dormant throughout the year ended 31 March 2000 within the meaning of section 250 of the Companies Act 1985, as amended.

Approved by the Board of Directors on 24 November 2000

Signed on behalf of the Board by


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J C Polley
Director

NOTE

The Company's ultimate parent undertaking is Marconi plc ("Marconi"). The Marconi group is the only group of which the Company is a member for which group accounts are prepared. Copies of the group accounts are available from the Secretary, One Bruton Street, London W1J 6AQ.