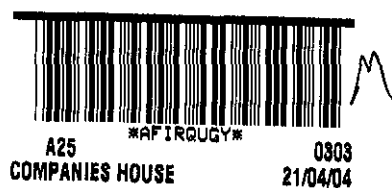


SPECTRIS PENSION TRUSTEES LIMITED

REGISTRATION NO 698174
REGISTERED IN ENGLAND

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

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SPECTRIS PENSION TRUSTEES LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 December 2003.

ACTIVITIES

The Company acts as Sole Trustee for the pension funds of Spectris plc.

DIRECTORS DURING THE YEAR

| | |
|----------------|-------------------------|
| A.D. Garey | (resigned 5 July 2003) |
| J.W. Poulter | |
| E.M. Rhodes | |
| R.J. Stephens | |
| D.J. Watson | (appointed 5 July 2003) |
| J.G. Zacharias | |

DIRECTORS' INTERESTS

Except as shown below, no directors, who were not also directors of the holding company, had any interest in the shares of any group company. The following are in respect of ordinary shares of 5p each in Spectris plc, the ultimate parent company.

| | Spectris plc | |
|---------------|--|---|
| | 01 January, 2003 (or date of appointment) 5p ordinary shares | 31 December, 2003 (or date of resignation) 5p ordinary shares |
| A.D. Garey | - | 1,444 |
| E.M. Rhodes | 375 | - |
| R.J. Stephens | 29,612 | 16,568 |
| D.J. Watson | 3,528 | 7,861 |

The interests of directors who were also directors of the holding company are shown in the accounts of the holding company.

Spectris Pension Trustees Limited
Report and Accounts for the Year Ended
31 December 2003

SPECTRIS PENSION TRUSTEES LIMITED

REPORT OF THE DIRECTORS

The following options, each of which carries an entitlement to subscribe for one ordinary 5p share in Spectris plc, were outstanding at 31 December 2003.

| | | | | | | Exercise Price | Market Price at Date of Exercise | Date from which Exercisable | Expiry Date |
|---------------------------------|---------|---------|-------------------|----------|---------------------------------|----------------|----------------------------------|-----------------------------|-------------|
| During the year | | | | | | | | | |
| At 01.01.03 (or appointment) | | Granted | Options Exercised | Lapsed | At 31.12.03 (or resignation) | | | | |
| Directors | | | | | | | | | |
| A.D. Garey | | | | | | | | | |
| | 512 | - | - | - | 512 | 395.7310p | - | Sep-02 | |
| SAYE | 1,444 | - | (1,444) | - | - | 238.8032p | 430p | Dec-03 | |
| SAYE | 852 | - | - | - | 852 | 395.7310p | - | Dec-04 | |
| SAYE | 1,062 | - | - | - | 1,062 | 357.5p | - | Dec-04 | |
| | - | 393 | - | - | 393 | 468.5p | - | Dec-06 | |
| | 2,426 | 393 | (1,444) | - | 2,819 | | | | |
| R.J. Stephens | | | | | | | | | |
| | 10,259 | - | - | - | 10,259 | 618.9389p | | Oct-00 | Oct-07 |
| | 4,924 | - | - | - | 4,924 | 550.7095p | | Mar-01 | Mar-08 |
| | 10,259 | - | - | - | 10,259 | 321.6533p | | Mar-02 | Mar-09 |
| | 10,259 | - | (10,259) | - | 0 | 5p | | Mar-02 | Mar-06 |
| | 19,485 | - | - | - | 19,485 | 513.1832p | | Mar-03 | Mar-10 |
| | 36,292 | - | - | (24,072) | 12,220 | 498.5p | | Mar-04 | Mar-11 |
| | 25,000 | - | - | - | 25,000 | 516.5p | | Mar-05 | Mar-12 |
| | 32,500 | - | - | - | 32,500 | 342.5p | | Sep-05 | Sep-12 |
| | - | 40,000 | - | - | 40,000 | 279p | | Mar-06 | Mar-13 |
| | - | 28,000 | - | - | 28,000 | 468.5p | | Sep-06 | Sep-13 |
| SAYE | 7,222 | - | - | - | 7,222 | 238.8032p | | Dec-03 | Jun-04 |
| | - | 1,969 | - | - | 1,969 | 468.5p | | Dec-06 | Jun-07 |
| | 156,200 | 69,969 | (10,259) | (24,072) | 191,838 | | | | |
| D.J. Watson | | | | | | | | | |
| | 1,000 | - | - | - | 1,000 | 525p | | Oct-03 | Oct-10 |
| SAYE | 4,333 | - | (4,333) | - | - | 238.8032p | 430p | Dec-03 | Jun-04 |
| SAYE | 1,062 | - | - | - | 1,062 | 357.5p | | Dec-04 | Jun-05 |
| SAYE | 1,181 | - | - | - | 1,181 | 468.5p | | Dec-06 | Jun-07 |
| | 7,576 | - | (4,333) | - | 3,243 | | | | |
| E. Rhodes | | | | | | | | | |
| | 750 | - | - | - | 750 | 357.5p | | Oct-04 | Oct-11 |
| SAYE | 7,222 | - | (7,222) | - | - | 238.8032p | 430p | Dec-03 | Jun-04 |
| | 7,972 | - | (7,222) | - | 750 | | | | |

Shares other than those marked SAYE relate to executive share option grants. Entitlement to exercise such grants is conditional upon a performance criterion requiring compound growth in normalised earnings per share ("EPS") over the three financial years after grant of at least 2% per annum (3% for grants on or after March 2000) in excess of the increase in the retail prices index. Entitlement to exercise Matching Options (5p) is conditional upon a performance criterion which requires compound growth in EPS over the three consecutive financial years following grant of between 2% and 10% per annum in excess of growth in the retail prices index in order to achieve a match of 20% to 100%.

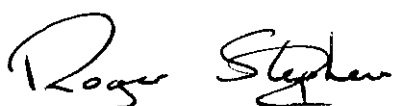
At 31 December 2003 the mid share price on the London Stock Exchange was 425.75p. The highest share price in the year was 500p and the lowest was 266.50p. At 31 December 2003 some of the directors were deemed to have a non-beneficial interest in 3,263,000 (2002: 3,379,456) ordinary shares held by the Trustee of the Spectris plc Employee Benefit Trust.

The interests of the directors who were also directors of the ultimate holding company, Spectris plc, are shown in the financial statements of that company.

ANNUAL GENERAL MEETING

In accordance with Section 366A of the Companies Act 1985, the Company has elected to dispense with the holding of Annual General Meetings.

BY ORDER OF THE BOARD



R.J. Stephens
Secretary

ISh April 2004

Spectris Pension Trustees Limited
Report and Accounts for the Year Ended
31 December 2003

SPECTRIS PENSION TRUSTEES LIMITED

BALANCE SHEET AT 31 DECEMBER 2003

| | <u>Notes</u> | <u>2003</u> £ | <u>2002</u> £ |
|-------------------------------|--------------|------------------|------------------|
| CURRENT ASSETS | | | |
| Amount due from group company | | 100 | 100 |
| | | — | — |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 2 | 100 | 100 |
| | | - | - |
| | | <u>100</u> | <u>100</u> |

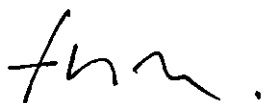
For the year ended 31 December 2003 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

- i) ensuring the company keeps accounting records that comply with section 221; and
- ii) preparing accounts that give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements on pages 2 to 6 were approved by the Board of Directors on 15th April 2004 and were signed on its behalf by:



Director

SPECTRIS PENSION TRUSTEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

The accounts are prepared in accordance with the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

2. CALLED UP SHARE CAPITAL

| | <u>2003</u> £ | <u>2002</u> £ |
|-------------------------------------|------------------|------------------|
| Authorised 100 shares of £1 each | <u>100</u> | <u>100</u> |
| Allotted, called-up and fully paid | <u>100</u> | <u>100</u> |

3. ULTIMATE HOLDING COMPANY

The Company's ultimate holding company is Spectris plc, which is incorporated in Great Britain and registered in England. Copies of the financial statements of Spectris plc can be obtained from the Registrar of Companies at Companies House.