

BANKERS TRUST INVESTMENTS PLC
REPORT AND FINANCIAL STATEMENTS
DECEMBER 31, 2001

Registration number: 727694



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DIRECTORS AND ADVISORS

Directors

G W Chan
D Keen
R Shah
D K Thomas

Company Secretary

A P Rutherford

Registered Office

Winchester House
1 Great Winchester Street
London
EC2N 2DB

Auditors

KPMG Audit Plc
8 Salisbury Square
London
EC4Y 8BB

Company Registered Number: 727694

DIRECTORS' REPORT

The directors submit their report and financial statements for the year ended December 31, 2001.

Results and dividends

The loss after taxation amounted to \$1,077,000 (2000 – profit of \$10,272,000). No dividends were paid during the year (2000 - \$Nil). The directors do not recommend the payment of any dividend in respect of the year.

Principal activity and future developments

The Company is a holding company.

On November 16th, 2001 the Company subscribed for additional preference shares in Deutsche (Aotearoa) Capital Holdings New Zealand Limited, a company registered in New Zealand, for USD 675,000,000.

On October 30th, 2001 Rodo Nominees Limited, a subsidiary undertaking of the Company, was dissolved.

Directors and their interests

The directors of the Company during the year or at the date of this report were:

S W Blase	(resigned July 2, 2001)
J S Cross	(resigned June 30, 2001)
N D Harrison	(resigned September 20, 2001)
T M Quane	(resigned June 22, 2001)
D D O Keen	(appointed July 25, 2001)
G W Chan	(appointed November 22, 2001)
R Shah	(appointed November 22, 2001)
D K Thomas	(appointed November 22, 2001)

None of the Directors had an interest in the share capital of the Company during the year.

None of the Directors had any disclosable interest in the shares or debentures of any UK group undertaking at the end of the year, or were granted or exercised any right to subscribe for shares in, or debentures of, any UK group undertaking during the year.

There were no further changes during the year or subsequent to the year end.

Creditor payment policy

The Company has no suppliers. Expenses of the Company are paid for by a fellow group undertaking.

DIRECTORS' REPORT (continued)

Statement of directors' responsibilities in respect of the financial statements

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing those financial statements the Directors are required to:

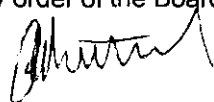
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Auditors

A resolution to re-appoint KPMG Audit Plc as auditors will be proposed at the Annual General Meeting.

By order of the Board of Directors this ^{25th} day of July 2002.



A P Rutherford
Company Secretary

**REPORT OF THE INDEPENDENT AUDITORS
to the Members of Bankers Trust Investments PLC**

We have audited the financial statements on pages 5 to 13.

Respective responsibilities of Directors and Auditors

The Directors are responsible for preparing the Director's report and as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at December 31, 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 Salisbury Square
London EC4Y 8BB

25 July 2002

PROFIT AND LOSS ACCOUNT

for the year ended December 31, 2001

	Notes	2001 \$'000	2000 \$'000
Income from shares in group undertaking		1,835	-
Interest receivable	4	28,060	100,566
Interest payable	5	(31,767)	(23,482)
Other interest receivable and similar income	6	795	-
Other interest payable and similar charges	7	-	(66,812)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,077)	10,272
Tax on profit/(loss) on ordinary activities	8	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(1,077)	10,272

The loss during the period has arisen from continuing operations. There is no difference between the loss on ordinary activities before tax and the loss retained for the year as stated above and their historical cost equivalents.

The notes on pages 8 to 13 form part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended December 31, 2001

	Notes	2001 \$'000	2000 \$'000
(Loss)/Profit for the year		(1,077)	10,272
Unrealised gain on revaluation of investments	9, 15	9,382	13,919
Currency translation differences on foreign currency investments	9, 15	(946)	(1,526)
Total recognised gains and losses relating to the year		<u>7,359</u>	<u>22,665</u>

The notes on pages 8 to 13 form part of these financial statements.

BALANCE SHEET
at December 31, 2001

	Notes	2001 \$'000	2000 \$'000
FIXED ASSETS			
Investments	9	1,877,842	1,194,406
		<u>1,877,842</u>	<u>1,194,406</u>
CURRENT ASSETS			
Investments - Listed		5,338	-
Debtors	10	-	474
Cash at bank	11	-	678,095
		<u>5,338</u>	<u>678,569</u>
CREDITORS: amounts falling due within one year	12	(260,906)	(258,060)
NET CURRENT (LIABILITIES) / ASSETS		<u>(255,568)</u>	<u>420,509</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,622,274	1,614,915
CREDITORS: amounts falling due after more than one year	13	(100,000)	(100,000)
NET ASSETS		<u>1,522,274</u>	<u>1,514,915</u>
CAPITAL AND RESERVES			
Called up share capital	14, 15	429,029	429,029
Share premium	15	144,097	144,097
Revaluation reserve	15	22,007	13,571
Profit and loss account	15	927,141	928,218
SHAREHOLDERS' FUNDS		<u>1,522,274</u>	<u>1,514,915</u>

Approved by the Board of Directors on *25th July 2002*

Said Kae

Director

The notes on pages 8 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
at December 31, 2001

1 Accounting policies

Basis of preparation

These financial statements have been prepared under the historical cost convention except for investments in the equity capital of subsidiary undertakings, and in accordance with applicable accounting standards.

Valuation of fixed asset investments

Investments in the equity capital and partnership interests of subsidiary undertakings are revalued to reflect current net asset values. In the situation where an undertaking's liabilities exceed its assets, the Company carries the investment at zero. Any surplus on revaluation, and any deficit which is deemed to be temporary, has been taken to revaluation reserves. Provision for any deficit which is deemed to be permanent is taken to the profit and loss account.

Debt securities and equity shares are held for investment purposes where they are intended for use on a continuing basis in the activities of the Group.

- (a) Debt securities held for investment purposes are valued at cost in the currency of purchase and revalued at the exchange rate current at the balance sheet date or if there is derivative instrument hedging the foreign currency investment at the exchange rate implicit in the hedge. The premium or discount arising on the purchase is amortised or accreted to the profit and loss account over the remaining life of the security.
- (b) Equity shares held for investment purposes are valued at cost less amounts provided for any permanent diminution in value.

Format of accounts

The Company does not produce a cash flow statement by virtue of an exemption contained in FRS 1 (Revised 1996). The Company's ultimate parent company, Deutsche Bank AG ("DB"), presents a cash flow statement in its Annual Report.

The Company is exempt by virtue of Section 228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not its group.

The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties which are part of the DB world-wide group.

Both of the exemptions above also rely on DB's consolidated financial statements being publicly available (see Note 16).

Reporting currency

The reporting currency of the Company's activities is US dollars. This is to achieve consistency with its holding company and also because of the international nature of the Company's business.

Foreign currency

Transactions in currencies other than US Dollars are recorded at the rate ruling at the date of the transaction. Assets and liabilities in currencies other than US Dollars are translated at the rates of exchange at the balance sheet date. Gains and losses on translation are taken to the profit and loss account, except for those arising from the re-translation of the assets and liabilities of subsidiary undertakings which are taken to the revaluation reserve.

NOTES TO THE FINANCIAL STATEMENTS
at December 31 2001 (continued)
1 Accounting policies (continued)**Deferred taxation**

Deferred taxation is provided on all timing differences using the liability method except where such timing differences are not expected to crystallise in the foreseeable future. The provision is calculated at the rate at which it is estimated that the tax will be payable.

2 Auditors' remuneration

The remuneration of the auditors for 2001 and 2000 is borne by a group undertaking.

3 Directors' emoluments

	2001 \$000	2000 \$000
Directors' emoluments	17	65
Amounts receivable under long term incentive schemes	1	-
	<u>18</u>	<u>65</u>
Company contributions to money purchase pension scheme	-	2
Compensation for loss of office	29	-
	<u>47</u>	<u>67</u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was \$13,000 (2000: \$39,000). He is not a member of a company pension scheme.

	Number 2001	of directors 2000
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	-	5
Defined benefit schemes	2	4
	<u> </u>	<u> </u>
The number of directors in respect of whose services shares were received or receivable under long term incentive schemes was	3	-
	<u> </u>	<u> </u>

No directors exercised share options during the year (2000: Nil).

NOTES TO THE FINANCIAL STATEMENTS
at December 31, 2000 (continued)
4 Interest receivable

	2001	2000
	\$'000	\$'000
Interest receivable from group companies	25,717	100,566
Interest receivable from Inland Revenue	2,343	-
	<u>28,060</u>	<u>100,566</u>

5 Interest payable

	2001	2000
	\$'000	\$'000
Interest payable to group companies	<u>31,767</u>	<u>23,482</u>

6 Other interest receivable and similar income

Amount relates to profit on translation of assets and liabilities in currencies other than US dollars.

7 Other interest payable and similar charges

Amount relates to loss on translation of assets and liabilities in currencies other than US dollars.

8 Taxation

There is no tax charge or credit for the current year as tax losses will be surrendered for nil consideration.

9 Investments

	Equity shares in subsidiary undertakings	Redeemable preference shares in subsidiary undertaking	Other investments other than loans	Total
	\$'000	\$'000	\$'000	\$'000
As at January 1, 2001	18,374	942,143	233,889	1,194,406
Additions	-	675,000	-	675,000
Foreign exchange movement	(946)	-	-	(946)
Increase/(Decrease) in net asset value	(1,391)	-	10,773	9,382
At December 31, 2001	<u>16,037</u>	<u>1,617,143</u>	<u>244,662</u>	<u>1,877,842</u>

NOTES TO THE FINANCIAL STATEMENTS
 at December 31, 2001 (continued)
9 Investments (continued)

The historical cost of shares in subsidiary undertakings at December 31, 2001 was \$1,855,835,000 (2000 - \$1,180,835,000).

Details of the principal subsidiary undertakings of the Company are as follows:

Name of Company	Country of registration	Class and proportion of shares held	Nature of business
Directly held			
Bankers Trust France S.A.	France	100% of ordinary shares of 1,000FF	Financial trading
Chambers Investments (Partnership)	Cayman Islands	99.9% of partnership interest	Investment
Deutsche (Aotearoa) Capital Holdings New Zealand Limited	New Zealand	100% of preference shares of NZD 1,000,000 and USD 1,000,000 maturing in 2010 (redeemable by issuer)	Investment

10 Debtors

	2001 \$'000	2000 \$'000
Amounts receivable from group undertakings	<u>-</u>	<u>474</u>

11 Cash at bank

	2001 \$'000	2000 \$'000
Deposits held at group undertakings	<u>-</u>	<u>678,095</u>

12 Creditors: amounts falling due within one year

	2001 \$'000	2000 \$'000
Amounts payable to group undertakings	<u>260,906</u>	<u>258,060</u>

NOTES TO THE FINANCIAL STATEMENTS
at December 31, 2001(continued)
13 Creditors: amounts falling due after more than one year

Amounts payable to group undertakings	2001 \$'000	2000 \$'000
Subordinated loans	<u>100,000</u>	<u>100,000</u>

The long term subordinated loan liabilities, which are unsecured and subordinated to the rights of ordinary creditors, are due to its parent company Bankers Trust Holdings (U.K.) Limited.

Payment of subordinated liabilities are due as follows:

	2001 \$'000	2000 \$'000
\$100m payable on December 31, 2014	<u>100,000</u>	<u>100,000</u>
	<u>100,000</u>	<u>100,000</u>

The interest rate applicable from 1 January to 30 December 2001 was 6.375%, the rate was refixed on 31 December 2001 to 2.876%.

14 Called up share capital

	2001 \$'000	2000 \$'000	2001 No'000	2000 No'000
Authorised:				
Ordinary shares of £1 each	85	85	50	50
Ordinary shares of \$1 each	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
	<u>600,085</u>	<u>600,085</u>	<u>600,050</u>	<u>600,050</u>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	85	85	50	50
Ordinary shares of \$1 each	<u>428,944</u>	<u>428,944</u>	<u>428,944</u>	<u>428,944</u>
	<u>429,029</u>	<u>429,029</u>	<u>428,994</u>	<u>428,994</u>

In all respects the sterling and US dollar ordinary shares have the same rights and rank equally.

NOTES TO THE FINANCIAL STATEMENTS
 at December 31, 2001 (continued)

15 Reconciliation of shareholders' funds and movements on reserves

	Share capital \$'000	Share premium \$'000	Revaluation reserve \$'000	Profit & loss account \$'000	Total \$' 000
At January 1, 2001	429,029	144,097	13,571	928,218	1,514,915
Retained loss for the year	-	-	-	(1,077)	(1,077)
Currency translation differences	-	-	(946)	-	(946)
Revaluation of investments	-	-	9,382	-	9,382
At December 31, 2001	<u>429,029</u>	<u>144,097</u>	<u>22,007</u>	<u>927,141</u>	<u>1,522,274</u>

16 Ultimate parent company

The Company's parent company of the smallest group for which financial statements are prepared, is Bankers Trust Holdings (U.K.) Limited, which is registered in England and prepares group financial statements.

Deutsche Bank AG, a company registered in Germany, is the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest such group for which group financial statements are drawn up.

Copies of the financial statements prepared in respect of Bankers Trust Holdings (U.K.) Limited and Deutsche Bank AG may be obtained from Winchester House, 1 Great Winchester Street, London EC2N 2DB.