

DRILEX (UK) LIMITED

Registered Office:
Watson House
54 Baker Street
London
W1U 7WH

DIRECTORS' REPORT

The Directors present their Report and the Balance Sheet as at 31st December 2002.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company did not trade during the year.

DIRECTORS

The names of the Directors during the year ended 31st December 2002 were:-

P J Woolley
G Reekie

No Director had any beneficial interest in the share capital or debentures of the United Kingdom Holding Company or any of its subsidiaries during the year.

FINANCIAL

The Directors do not recommend the payment of a dividend.

AUDITORS

The Company, being dormant, no Auditors were appointed.

BY ORDER OF THE BOARD


G Reekie
Director

Date: 13th January 2003



DRILEX (UK) LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2002

| | 2002 | 2001 |
|---|-------------|-------------|
| | £ | £ |
| <u>FIXED ASSETS</u> | | |
| Investments | 348,652 | 348,652 |
| | <hr/> | <hr/> |
| <u>CURRENT LIABILITIES</u> | | |
| Creditors - Amounts owed to Group Companies | (1,064,849) | (1,064,849) |
| | <hr/> | <hr/> |
| <u>TOTAL NET CURRENT ASSETS</u> | (716,197) | (716,917) |
| | <hr/> | <hr/> |
| <u>CAPITAL AND RESERVES</u> | | |
| Called up Share Capital | 5,100 | 5,100 |
| Profit and Loss Account | (721,297) | (721,297) |
| | <hr/> | <hr/> |
| <u>SHAREHOLDERS FUNDS</u> | (716,197) | (716,197) |
| | <hr/> | <hr/> |

The Company was dormant and did not trade during the year.

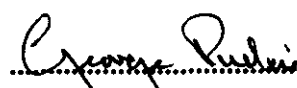
For the year ended 31st December 2002 the company was entitled to exemption under section 294AA(1) of the Companies Act 1985.

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

The directors acknowledge their responsibility for:

- Ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and its profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

The Balance Sheet was approved by the Board of Directors on 13th January 2003 and was signed on its behalf by:



G Reekie
Director