

Registration number: 1899316

BRIDGEPOINT CAPITAL (HOLDINGS)

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2004



Report of the directors

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 2004.

Principal activity and review of business

The principal activity of the Company is that of an investment holding company.

Results and dividends

The results for the year are shown on page 5. The directors have proposed a dividend of £5,250,000 (2003: £8,500,000) and the retained loss of £176,000 (2003: loss £371,000) will be transferred to reserves.

Directors

The directors who held office during the year were as follows:

B Bassi		A S Lewis	
G Belli		J M Maldonado	
M N Black	Appointed (01/01/05)	R P Moores	
M R Davy		J G Murray	
G Dewhurst		C G Oldroyd	
A R Gibbons		J L Quesada	
V M L Gwilliam		K P Reynolds	
M J Harford		D R Shaw	
J R Hughes		V G Texier	Appointed (01/01/05)
W N Jackson		G P Weldon	
W Lenoir	Resigned (01/10/04)	M G Wordsworth	Resigned (31/07/04)

Directors' interests

None of the Directors at 31 December 2004 held any interest in the share capital of the company.

The interests, all beneficial, of those who were directors of the Company at 31 December 2004 in the ordinary shares of Bridgepoint Capital Group Limited were:

	Original ordinary shares of 1p each		Series II ordinary shares of 1p each	
	As at 1 January 2004*	As at 31 December 2004	As at 1 January 2004*	As at 31 December 2004
B Bassi	102,000	102,000	-	38,000
G Belli	102,000	102,000	-	-
J M Maldonado	90,000	90,000	-	-
J L Quesada	90,000	90,000	-	-

* or date of appointment if later

Report of the directors (continued)

Directors' interests (continued)

The interests of the directors not listed above are disclosed in the financial statements of the following companies.

M R Davy	Bridgepoint Capital Limited	Fellow subsidiary
G Dewhirst	Bridgepoint Capital Limited	Fellow subsidiary
A R Gibbons	Bridgepoint Capital Limited	Fellow subsidiary
V M L Gwilliam	Bridgepoint Capital Limited	Fellow subsidiary
M J Harford	Bridgepoint Capital Group Limited	Ultimate parent company
J R Hughes	Bridgepoint Capital Limited	Fellow subsidiary
W N Jackson	Bridgepoint Capital Group Limited	Ultimate parent company
A S Lewis	Bridgepoint Capital Limited	Fellow subsidiary
R P Moores	Bridgepoint Capital Limited	Fellow subsidiary
J G Murray	Bridgepoint Capital Limited	Fellow subsidiary
C G Oldroyd	Bridgepoint Capital Limited	Fellow subsidiary
K P Reynolds	Bridgepoint Capital Limited	Fellow subsidiary
D R Shaw	Bridgepoint Capital Group Limited	Ultimate parent company
G P Weldon	Bridgepoint Capital Limited	Fellow subsidiary

No other Director had any interest in any group company at the year end.

Statement of directors' responsibilities

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 for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

Auditor

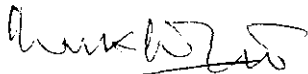
The Company has passed an Elective Resolution to dispense with the annual appointment of its auditor; accordingly KPMG Audit Plc remains in office.

Report of the directors (continued)

Annual General Meeting

The company has passed a special resolution and is no longer required to hold, and lay accounts, before an Annual General Meeting.

By Order of the Board

A handwritten signature in dark ink, appearing to read 'M J Harford', written over a horizontal line.

M J Harford
Director

14 April 2005

Independent auditors' report

TO THE MEMBERS OF BRIDGEPOINT CAPITAL (HOLDINGS)

We have audited the financial statements on pages 5 to 11.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as the 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.

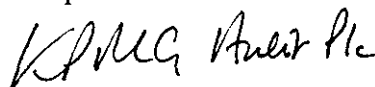
Basis of audit opinion

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 the Company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor
London

14 April 2005

Profit and Loss Account

For the year ended 31 December 2004

	Notes	2004 £'000	2003 £'000
Income from investment in group undertakings	2	5,150	8,150
Fees payable		(50)	(50)
Profit on ordinary activities before interest		<u>5,100</u>	<u>8,100</u>
Interest receivable		23	20
Profit on ordinary activities before taxation	3	<u>5,123</u>	<u>8,120</u>
Taxation on ordinary activities	4	(49)	9
Profit on ordinary activities after taxation		<u>5,074</u>	<u>8,129</u>
Dividends	5	(5,250)	(8,500)
Loss for the year	12	<u>(176)</u>	<u>(371)</u>

The results above relate to continuing operations.

The Company has no recognised gains or losses other than those included in the profit and loss account. Therefore, no statement of recognised gains or losses is included.

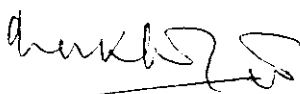
The notes on pages 7 to 11 form part of these financial statements.

Balance Sheet

As at 31 December 2004

	Notes	2004 £'000	2003 £'000
Investment in subsidiary undertakings	8	514	514
		<u>514</u>	<u>514</u>
Current assets			
Debtors	9	10,227	23,604
Cash at Bank		54	531
		<u>10,281</u>	<u>24,135</u>
Current liabilities			
Creditors: Amounts payable within one year	10	(5,387)	(19,065)
Net current assets		<u>4,894</u>	<u>5,070</u>
Net assets		<u>5,408</u>	<u>5,584</u>
Capital and reserves			
Called-up Share Capital	11	5,329	5,329
Profit & Loss Account	12	79	255
Equity shareholders' funds	12	<u>5,408</u>	<u>5,584</u>

The financial statements on pages 5 to 11 were approved by the Board of Directors on 14 April 2005 and were signed on its behalf by:



M J Harford
Director

14 April 2005

The notes on pages 7 to 11 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2004

1 Accounting policies

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Group Accounts

Group financial statements have not been prepared. The Company is a wholly-owned subsidiary of another company incorporated in Great Britain and is therefore exempt from the requirement to prepare group financial statements by virtue of S228 of the Companies Act 1985. Consolidated financial statements are prepared by the ultimate parent company.

(c) Cash flow Statement

Under Financial Reporting Standard 1 (revised), the Company is exempt from the requirement to prepare a Cash Flow Statement on the grounds that more than 90% of the voting rights are controlled within the Group and a consolidated cash flow is included in the ultimate parent company's financial statements.

(d) Related Party Transactions

Under Financial Reporting Standard 8, the Company is exempt from the management requirement to disclose related party transactions within the group on the grounds that more than 90% of the voting rights are controlled within the group.

(e) Investments and investment income

Investments in subsidiary undertakings are stated at cost less amounts written off. Provisions are only made where in the opinion of the Directors there is an impairment in value.

Dividends receivable from subsidiary undertakings are credited to the Company's profit and loss account.

(f) Taxation

Corporation tax is provided on taxable profits at the current rate.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the Company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing difference. Deferred tax balances are not discounted.

2 Income from investment in group undertakings

	2004 £'000	2003 £'000
Dividends receivable - unlisted investments	5,150	8,150

Notes to the financial statements (continued)

For the year ended 31 December 2004

3 Profit on ordinary activities before taxation

Audit fees are borne by the Company's subsidiary undertaking Bridgepoint Capital Limited and are disclosed in that company's financial statements.

4 Taxation

	2004 £'000	2003 £'000
The tax charge/(credit) for the year comprises:		
Current taxation charge/(credit)	49	(9)
Profit on ordinary activities before taxation	5,123	8,120
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2003 - 30%)	1,537	2,436
Effects of:		
Income not charged to UK Corporation tax	(1,545)	(2,445)
Partnership allocation	57	-
Current tax charge/(credit) for period	49	(9)

5 Dividends

	2004 £'000	2003 £'000
Dividend	5,250	8,500

6 Directors' remuneration

None of the Directors received any remuneration for their services to the company during the year or the preceding year.

7 Employees

The company did not employ any personnel during the year or the preceding year.

Notes to the financial statements (continued)

For the year ended 31 December 2004

8 Investments

£'000

At 1 January and 31 December 2004

514

The Company owns 100% of the ordinary share capital of the following subsidiary undertakings:

Company	Country of Incorporation	Activity
Bridgepoint Capital GmbH (Registered in Germany)	Germany	Venture Capital advisory Company
Bridgepoint Capital SpA* (Registered in Italy)	Italy	Venture Capital advisory Company
Bridgepoint Capital SA (Registered in Spain)	Spain	Venture Capital advisory Company
Bridgepoint Capital AB (Registered in Sweden)	Sweden	Venture Capital advisory Company
Bridgepoint Capital Limited (Registered in England & Wales)	UK	Venture capital management
Bridgepoint Private Equity Limited (Registered in England & Wales)	UK	Venture capital management
Bridgepoint Capital (GP) Limited (Registered in England & Wales)	UK	General Partner to Delaware Limited Partnership
Bridgepoint Capital Scottish GP Limited (Registered in Scotland)	UK	General Partner to UK Limited Partnership
Bridgepoint Capital Scottish GP II Limited (Registered in Scotland)	UK	General Partner to UK Limited Partnership
Bridgepoint Capital Trustee Limited (Registered in England & Wales)	UK	Trustee Company
Bridgepoint Capital Managerial Company Limited (Registered in England & Wales)	UK	Dormant
Bridgepoint Capital (Nominees) Limited (Registered in England & Wales)	UK	Dormant
PAH Syndications GP Limited (Registered in England & Wales)	UK	General Partner to UK Limited Partnership
PEPCO Services LLP (Registered in England & Wales)	UK	Collective Purchasing Negotiator

* Held 90% by the Company and 10% by Bridgepoint Capital Group Limited.

Notes to the financial statements (continued)

For the year ended 31 December 2004

9 Debtors

	2004 £'000	2003 £'000
Amounts owed by parent and fellow subsidiary undertakings	10,227	23,595
Group relief	-	9
	<u>10,227</u>	<u>23,604</u>

10 Creditors: amounts falling due within one year

	2004 £'000	2003 £'000
Amounts owed to parent and fellow subsidiary undertakings	88	10,565
Group relief	49	-
Dividends payable	5,250	8,500
	<u>5,387</u>	<u>19,065</u>

11 Called-up share capital

	2004 Number	2003 Number	2004 £'000	2003 £'000
<i>Authorised:</i>				
Ordinary Shares of £1	<u>5,329,000</u>	<u>5,329,000</u>	<u>5,329</u>	<u>5,329</u>
<i>Allotted, called-up and fully paid:</i>				
Ordinary Shares of £1	<u>5,329,000</u>	<u>5,329,000</u>	<u>5,329</u>	<u>5,329</u>

Notes to the financial statements (continued)

For the year ended 31 December 2004

12 Reconciliation of movement in shareholders' funds

	Share Capital £'000	Profit & Loss Account £'000	Share- holders' Funds £'000
Balance at 1 January 2003	5,329	626	5,955
Result for the year	-	8,129	8,129
Dividends	-	(8,500)	(8,500)
Balance at 31 December 2003	5,329	255	5,584
Result for the year	-	5,074	5,074
Dividends	-	(5,250)	(5,250)
Balance at 31 December 2004	5,329	79	5,408

13 Ultimate parent undertaking

The ultimate parent company is Bridgepoint Capital Group Limited.

The results of the company are consolidated in the group financial statements of Bridgepoint Capital Group Limited. These are the largest and smallest group of undertakings which include the results of the company. Copies of the financial statements of Bridgepoint Capital Group Limited are available at Companies House, Crown Way, Cardiff.