

Registered number 2604355

O2 Mobiles Limited

Annual Report and Financial Statements for the year ended 31 March 2003

Directors

Mr P N Bramwell
Mr R J Harwood

Secretary and registered office

O2 Secretaries Limited

Wellington Street
Slough
Berkshire SL1 1YP



O2 Mobiles Limited

Directors' Report

The directors submit their annual report and the unaudited financial statements for the year ended 31 March 2003.

Review of activities

The Company has not traded during the year to 31 March 2003 and has made neither profit nor loss. The Directors do not anticipate any changes in the foreseeable future.

Directors and Directors' Interests

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

Philip Bramwell
Robert Harwood

Directors' interests in the ordinary shares of mmO2 plc

The Register of Directors' Interests indicated that the Directors who held office at the end of the financial year had the following interests in mmO2 plc's ordinary shares of 0.1p each.

	Interest at 1 April 2002	Shares Acquired/(Disposed)	Interest at 31.3.03
	No.	No.	No.
Robert Harwood	1,862	3,218	5,080

Executive Share Options

The table below shows the options granted under the mmO2 plc Share Option Plan. Vesting is subject to the satisfaction of certain performance criteria as detailed in the mmO2 plc annual report.

Number of options during the year							
	At 1 April 2002	Granted	Lapsed	At end of period	Exercise price	Market price at date of exercise	Date from which exercisable
	No.	No.	No.	No.	pence	pence	
R. Harwood		61,956		61,956	46.0		25 Jul 2005 24 Jul 2012

No share options granted to Directors lapsed or were exercised during the year. There were no unrealised gains on executive share options as at 31 March 2003.

Sharesave Options

The table below shows the options over mmO2 plc ordinary shares held by Directors during the year, through their participation in the mmO2 Sharesave Plan:

Number of options during the year

O2 Mobiles Limited

Directors' Report

	At 1 April 2002	Granted	Lapsed	At end of period	Exercise price	Market price at date of exercise pence	Date from which exercisable	Lapse date
	No.	No.	No.	No.	pence			
R. Harwood	12,978		12,978	0	73.2		14 Feb 2005	13 Aug 2005
R. Harwood		21,477		21,477	44.0		14 Feb 2006	13 Aug 2006

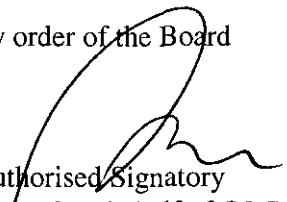
Mr Bramwell is also a director of O2 Limited, the Company's parent, and his interests are shown in the Directors' Report of that company.

The closing market price of mmO2 plc shares at 31 March 2003 was 44.75p and the range from 1 April 2002 to that date was 37p to 68p.

Auditors

The Company has been dormant within the meaning of Section 249AA, Companies Act 1985, throughout the year, and has remained dormant to this date. Consequently, no auditors have been appointed.

By order of the Board


Authorised Signatory
For and on behalf of O2 Secretaries Limited
Company Secretary

20 JULY 2003

O2 Mobiles Limited

Balance Sheet at 31 March 2003

	<i>Note</i>	2003 £'000	2002 £'000
Current assets			
Investments	<i>1</i>	75,281	75,281
Capital and reserves			
Called up share capital	<i>2</i>	107,000	107,000
Profit and loss account		(31,719)	(31,719)
Shareholders' funds		<u>75,281</u>	<u>75,281</u>

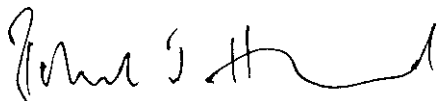
The notes on page 5 form part of these financial statements.

The Company does not trade and therefore has no profit, loss or cash flows for the year ended 31 March 2003. There were no other recognised gains or losses in the period.

For the year ended 31 March 2003, the Company was entitled to exemption under section 249AA(1) of the Companies Act 1985. No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 249b(2). The directors acknowledge their responsibility for:

- (i) ensuring the Company keeps accounting records which comply with section 221; and
- (ii) 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 of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company.

These financial statements were approved by the board of directors on 21 July 2003 and were signed on its behalf by



Director

O2 Mobiles Limited

Balance Sheet at 31 March 2003

Notes to the Financial Statements

	2003 £'000	2002 £'000
1. Investments		
Shares in subsidiary undertakings at cost	75,281	75,281
2. Called up share capital		
<i>Authorised</i>		
Ordinary shares of £1 each	<u>107,000</u>	<u>107,000</u>
<i>Allotted</i>		
Ordinary shares of £1 each	<u>107,000</u>	<u>107,000</u>

3. Parent company and controlling party

At the end of the year, the immediate parent company was O2 Limited. The ultimate parent company and controlling party is mmO2 plc, a company incorporated in England and Wales.

Copies of the financial statements of mmO2 plc may be obtained from the Secretary, mmO2 plc, Wellington Street, Slough, Berkshire SL1 1YP.