

1FA INFORMATION (ITC) LTD.
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER, 1997



IFA INFORMATION (ITC) LTD.

DIRECTORS' REPORT

The directors submit the annual report and accounts of the Company for the year ended 31st December, 1997.

ACCOUNTS AND REVIEW OF BUSINESS DEVELOPMENT

The Company acts as nominee company. It has not traded during the year.

ULTIMATE PARENT COMPANY

On 8th December 1997, Swiss Bank Corporation, the Company's ultimate parent, announced its intention to merge with Union Bank of Switzerland. Subject to certain regulatory and other approvals, which are expected during the second quarter of 1998, the resultant successor entity will become the Company's ultimate parent.

DIRECTORS

Messrs. S.P. Carr, J.V. Ozanne, N.R. Stocks and A.D. Williams served as directors of the Company throughout the year.

As at 31st December, 1997, none of the directors held any interest in the shares of the Company, its ultimate holding company or other subsidiaries thereof which require disclosure under the Companies Act 1985.

AUDITORS

Ernst & Young are the appointed auditors of the Company.

8th May, 1998
1 Finsbury Avenue,
London, EC2M 2PP

By order of the board,

N.R.

N.R. Stocks
Secretary

DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS

1FA INFORMATION (ITC) LTD.

The following statement, which should be read in conjunction with the auditors' statement of their responsibilities set out on the following page, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the accounts.

The directors are required by the Companies Act 1985 to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period.

The directors consider that in preparing the accounts the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the accounts 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.

REPORT OF THE AUDITORS, ERNST & YOUNG , TO THE MEMBERS OF

1FA INFORMATION (ITC) LTD.

We have audited the accounts set out on pages 4 and 5, which have been prepared under the historical cost convention and on the basis of the accounting policy set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on the previous page the Company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of affairs of the Company at 31st December, 1997 and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young
Chartered accountants
Registered auditors

London

8 May, 1998

1FA INFORMATION (ITC) LTD.

BALANCE SHEET AS AT 31ST DECEMBER, 1997

	Note	31st December, 1997 £	31st December, 1996 £
CURRENT ASSETS			
Amount due from parent undertaking		100	100
NET CURRENT ASSETS		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	6	100	100
Shareholders' funds		<u>100</u>	<u>100</u>


J.V. OZANNE

8th May , 1998

1FA INFORMATION (ITC) LTD.

NOTES ON THE ACCOUNTS FOR THE YEAR TO 31ST DECEMBER, 1997

1 Accounting policy

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

2 The Company did not trade during the period to 31st December, 1997, and therefore made no profit or loss. Accordingly no profit and loss account has been prepared and no cash flow statement..

3 There were no recognised gains and losses during the year to 31st December, 1997 (year ended 31st December, 1996 nil).

4 None (year ended 31st December, 1996 none) of the directors who served during the year received any emoluments for services to the Company.

5 Audit costs are borne by the ultimate holding company. Administrative costs are borne by a fellow subsidiary undertaking.

	31st December, 1997	31st December, 1996
6 Called up share capital	£	£
Authorised, allotted and fully paid Shares of £1 each	100	100
	<u> </u>	<u> </u>

7 The Company has taken advantage of the exemption from disclosing transactions with the related parties that are part of the Swiss Bank Corporation group.

8 The Company is a wholly-owned subsidiary of SBCI Swiss Bank Corporation Investment banking Ltd. (SBCIb), a company incorporated and registered in England, whose ultimate parent company is Swiss Bank Corporation, a company incorporated in Switzerland. SBCIb has included the Company in group accounts, copies of which may be obtained from 1 High Timber Street, London EC4V 3SB.