



Cinven Capital Management Limited

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**

for the period from 1 November 1997 to 31 December 1998

Cinven Capital Management Limited

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements of the Company for the period from 1 November 1997 to 31 December 1998. The Company has changed its accounting period end from 31 October to 31 December.

Activities

The principal activity of the Company is to act as General Partner of The Cinven Fund which closed in the sum of £301,000,000 on 15 November 1996, and the Second Cinven Fund which closed in the sum of £905,000,000 on 30 April 1998. The Company's ultimate parent company is Cinven Group Limited.

During the period, the administrative expenses of the Company were borne by Cinven Limited.

Review of Developments

Directors and their Interests

The present membership of the Board is set out below together with details of Directors who served within the period.

Mr R A Hall (Chairman)
Mr J F Brown
Mr I A Carslaw
Mr Y V Chotai
Mr J G G Clarke
Mr G B Davison
Mr A N Joy
Mr G J Keniston-Cooper
Mr H M Langmuir
Mr B A Linden
Mr A W Marchant
Mr R J Munton
Mr C D Nicholson Resigned 29 January 1999
Mr S N Rowlands
Mr N B Wheeler

The Directors have a beneficial interest in the shares of Cinven Group Limited. This beneficial interest is disclosed in the statutory accounts of Cinven Group Limited. The Directors have no beneficial interests in the shares of any other group company. Messrs Hall and Carslaw are Directors of Cinven Group Limited, the holding company of Cinven Limited.

Cinven Capital Management Limited

Year 2000

The Directors of Cinven Capital Management Limited are continuing to review the impact of the Year 2000 on the company's business. A Millennium Programme to ensure compliance is in progress and the project is subject to regular internal review.

Auditors

Deloitte & Touche have expressed their willingness to continue in office as auditors and in the absence of a notice proposing that the appointment be terminated, the auditors will be deemed to be re-appointed for the next financial year.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'J. C. Lewis', written over a horizontal line.

Secretary

13 April 1999

Cinven Capital Management Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors to prepare financial statements 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 and of the profit or loss of the Company 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;

prepare the financial statements on a 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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board

A handwritten signature in black ink, appearing to be 'J. J. J.', is written over the text 'By order of the Board'.

13 April 1999

Cinven Capital Management Limited

AUDITORS' REPORT TO THE MEMBERS OF CINVEN CAPITAL MANAGEMENT LIMITED

We have audited the financial statements on pages 5 to 7 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 3 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

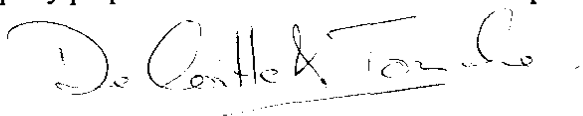
Basis of opinion

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 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 31 December 1998 and of the result of the Company for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche

Chartered Accountants and Registered Auditors

13 April 1999

Stonecutter Court

1 Stonecutter Street

London

EC4A 4TR

Cinven Capital Management Limited

PROFIT AND LOSS ACCOUNT

Period from 1 November 1997 to 31 December 1998

There were no transactions on revenue account or movements in shareholders' funds during the period or the preceding year. The expenses of administration were borne by Cinven Limited.

BALANCE SHEET

31 December 1998

	Note	31 December 1998 £	31 October 1997 £
Fixed assets			
Investments	2	810,722	426,122
Current assets			
Debtors - called up equity share capital not yet paid		2	2
Creditors : amounts falling due within one year	3	(810,722)	(426,122)
NET CURRENT LIABILITIES		(810,720)	(426,120)
TOTAL ASSETS LESS CURRENT LIABILITIES		2	2
TOTAL NET ASSETS		<u>2</u>	<u>2</u>
CAPITAL AND RESERVES			
Equity share capital	4	<u>2</u>	<u>2</u>

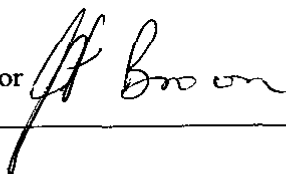
These financial statements were approved by the Board of Directors on 13 April 1999.

Signed on behalf of the Board of Directors

Director



Director



Cinven Capital Management Limited

NOTES TO THE FINANCIAL STATEMENTS

Period from 1 November 1997 to 31 December 1998

1. Accounting policies

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted by the Directors are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Investments

Investments are stated at cost less provisions for any permanent diminution in value.

2. Investments

	£
Cost	
Balance at 1 November 1997	426,122
Additions	443,400
Disposals	(58,800)
Balance at 31 December 1998	<u>810,722</u>

3. Creditors : amounts falling due within one year

	31 December 1998 £	31 October 1997 £
Amounts owed to parent company	<u>810,722</u>	<u>426,122</u>

Cinven Capital Management Limited

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Period from 1 November 1997 to 31 December 1998

4. Equity share capital

	31 December 1998		31 October 1997
	Number of shares	Share capital £	Number of shares
			Share capital £
Authorised:			
Ordinary shares of £1 each	1,000	1,000	1,000
Called up and allotted:			
Ordinary shares of £1 each	2	2	2

5. Capital Commitments

	31 December 1998	31 October 1997
	£000	£000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	4,502	424

6. Ultimate Parent Company

The Directors regard Cinven Limited as its immediate parent company and Cinven Group Limited as its ultimate parent company, both companies being registered in England and Wales. Copies of the ultimate parent's consolidated financial statements can be obtained from The Registrar of Companies, Crown Way, Maindy, Cardiff CF4 3UZ.