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AMETEK Holdings (UK) Limited

Report and Financial Statements

31 December 2005



Directors

H P Caroe
D V Greer
F S Hermance
D A Westmoreland
D A Zapico

Secretary

KE Sena/D A Westmoreland
P O Box 36
2 New Star Road
Leicester
LE4 9JQ

Auditors

Ernst & Young LLP
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

Bankers

Barclays Bank Plc
Southampton Corporate Banking Centre
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Southampton
SO14 2ZP

Registered office

P O Box 36
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LE4 9JQ

Directors' report

The directors present their report and financial statements for the year ended 31 December 2005.

Results and dividends

The profit for the year amounted to £501,000 (2004: £1,221,000). Ordinary dividends of £500,000 were paid during the year.

Principal activities and review of the business

The principal activity of the company during the year was that of a holding company. The company's subsidiaries are engaged in the manufacture and distribution of electro-mechanical testing equipment, electric motors, direct current circuits and the distribution of electronic detection instrumentation and ultra precision measurement instruments.

Derivatives and other financial instruments

The company's principal financial instruments comprise intercompany group balances. The main purpose of these financial instruments is to raise finance for the company's activities. The company does not enter into derivative transactions and it is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken.

Directors

The directors who served the company during the year were as follows:

F S Hermance
D V Greer
H P Caroe
D A Zapico
D A Westmoreland
P Smith

(resigned 2 February 2005)

There are no directors' interest requiring disclosure under the Companies Act 1985.

Directors' liabilities

A fellow group undertaking has indemnified, by means of directors and officers liability insurance, one or more directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the directors' report.

Elective resolutions

In accordance with Section 252 of the Companies Act 1985 the company has dispensed with the laying of accounts in general meeting. In accordance with Section 366A of the Companies Act 1985 the company has dispensed with the holding of an annual general meeting. In accordance with Section 386 of the Companies Act 1985 the company has dispensed with the obligation of appointing auditors annually.

On behalf of the board



D V Greer

Director

19th July 2006

Statement of directors' responsibilities in respect of the financial statements

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 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; and
- 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 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.

Independent auditors' report

to the members of AMETEK Holdings (UK) Limited

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

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 the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

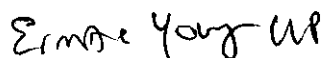
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report

to the members of AMETEK Holdings (UK) Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
Southampton

24 July 2006

Profit and loss account

for the year ended 31 December 2005

	<i>Notes</i>	<i>2005</i> <i>£000</i>	<i>2004</i> <i>£000</i>
Turnover		—	—
Administrative expenses		6	—
Operating loss		(6)	—
Income from shares in group undertakings	4	500	1,250
Interest receivable and similar income	5	20	—
Interest payable and similar charges	6	(13)	(41)
		507	1,209
Profit on ordinary activities before taxation		501	1,209
Tax on profit on ordinary activities	7	—	(12)
Profit for the financial year		501	1,221
Dividends:			
ordinary dividends on equity shares	8	500	100
Profit retained for the financial year		1	1,121

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £501,000 attributable to the shareholders for the year ended 31 December 2005 (2004 - profit of £1,221,000).

Balance sheet at 31 December 2005

	Notes	2005 £000	2004 £000
Fixed assets			
Investments	9	7,591	7,591
Current assets			
Debtors	10	36	—
Cash at bank		20	—
		56	—
Creditors: amounts falling due within one year	11	811	756
Net current liabilities		(755)	(756)
Total assets less current liabilities		6,836	6,835
Capital and reserves			
Share capital	12	—	—
Capital reserve	13	5,146	5,146
Profit and loss account	13	1,690	1,689
Shareholders' funds	13	6,836	6,835



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D V Greer
Director

19th July 2006

Notes to the financial statements

at 31 December 2005

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention.

In preparing the financial statements for the current year, the company has adopted FRS 17 'Retirement Benefits', FRS 21 'Events after the balance sheet date' and the presentation requirements of FRS 25 'Financial Instruments: Disclosure and Presentation'. Adoption of FRS 17, FRS 21 and FRS 25 has not required any revisions to the financial statements in either the current or prior years.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements.

Related parties transactions

The company is a wholly owned subsidiary of AMETEK Inc. group, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the AMETEK Inc. group.

Fixed assets

Fixed assets investments are carried at cost and are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Auditors' remuneration

Auditors' remuneration for audit services amounted to £4,000 for the current year (2004 - £nil).

3. Staff costs

No salaries or wages have been paid to employees, including the directors, during the year.

4. Income from shares in group companies

	2005 £000	2004 £000
Dividends received	500	1,250

5. Interest receivable

	2005 £000	2004 £000
Bank interest	20	--

Notes to the financial statements

at 31 December 2005

6. Interest payable and similar charges

	2005 £000	2004 £000
Interest payable to group companies	<u>13</u>	<u>41</u>

7. Taxation on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge/(credit) is made up as follows:

	2005 £000	2004 £000
<i>Current tax:</i>		
UK corporation tax	<u>-</u>	<u>(12)</u>
Total current tax (note 7(b))	<u>-</u>	<u>(12)</u>

(b) Factors affecting current tax charge/(credit)

The differences are reconciled below:

	2005 £000	2004 £000
Profit on ordinary activities before tax	<u>501</u>	<u>1,209</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax of 30%	150	363
Dividend income not taxable	<u>(150)</u>	<u>(375)</u>
Total current tax (note 7(a))	<u>-</u>	<u>(12)</u>

8. Dividends

	2005 £000	2004 £000
Equity dividends on ordinary shares:		
Interim paid	<u>500</u>	<u>100</u>

Notes to the financial statements

at 31 December 2005

9. Investments

*Shares in
subsidiary
undertakings
£000*

Cost:

At 1 January 2005 and 31 December 2005

7,591

The company owns 100% of the share capital of Lloyd Instruments Limited, a company incorporated in England and Wales, and through this company 88% of the share capital of AMETEK SAS, a company incorporated in France. The principal activities of these companies are the manufacture and distribution of electro-mechanical testing equipment, electric motors, direct current circuits and the distribution of electronic detection instrumentation and ultra precision measurement instruments.

AMETEK SAS (formerly Taylor Hobson SARL) was formed from the merger of Lloyd Instruments SAS and Taylor Hobson SARL on 31 December 2005.

On 26 September 2005, the company acquired the entire issued share capital of Solartron Metrology Limited from Roxboro Group plc for £19m and then transferred ownership to Taylor Hobson Limited on 21 December 2005 for the same amount.

Also on 26 September 2005, the company's subsidiary, Lloyd Instruments Limited, acquired the trade and assets of Solartron Analytical Limited from Roxboro Group plc for £12m.

The company is exempt, under section 228 of the Companies Act 1985, from producing consolidated financial statements.

10. Debtors

<i>2005</i>	<i>2004</i>
<i>£000</i>	<i>£000</i>

Amounts owed by group undertakings

<u>36</u>	<u>—</u>
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11. Creditors: amounts falling due within one year

<i>2005</i>	<i>2004</i>
<i>£000</i>	<i>£000</i>

Amounts owed to group undertakings

688	640
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Other creditors

117	116
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Accruals and deferred income

6	—
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<u>811</u>	<u>756</u>
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Notes to the financial statements

at 31 December 2005

12. Share capital

		<i>Authorised</i>	
		<i>2005</i>	<i>2004</i>
		<i>£000</i>	<i>£000</i>
Ordinary shares of £1 each		<u>—</u>	<u>—</u>
		<i>Allotted, called up and fully paid</i>	
	<i>No.</i>	<i>2005</i>	<i>2004</i>
		<i>£000</i>	<i>£000</i>
Ordinary shares of £1 each	2	—	—

13. Reconciliation of shareholders' funds and movement on reserves

	<i>Capital Reserve</i>	<i>Profit and loss</i>	<i>Total share-</i>
	<i>£000</i>	<i>account</i>	<i>holders' funds</i>
		<i>£000</i>	<i>£000</i>
At 1 January 2004	5,146	568	5,714
Profit for the year	—	1,221	1,221
Dividends	—	(100)	(100)
At 31 December 2004	5,146	1,689	6,835
Profit for the year	—	501	501
Dividends	—	(500)	(500)
At 31 December 2005	<u>5,146</u>	<u>1,690</u>	<u>6,836</u>

14. Ultimate parent company

The company's immediate parent undertaking is EMA Holdings UK Limited.

In the directors' opinion the company's ultimate parent undertaking and controlling party is AMETEK Inc., which is incorporated in America. Copies of its group financial statements, which include the company, are available from the Company Secretary at P O Box 36, 2 New Star Road, Leicester, LE4 9JQ.