

**LAZARD NORDIC LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**  
**REGISTERED NUMBER: 3486475**

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## **LAZARD NORDIC LIMITED**

### **REPORT OF THE DIRECTORS**

The directors present their report and the financial statements for the year ended 31 December 2007

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

### **PRINCIPAL ACTIVITY**

The Company is an investment holding company

### **REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The Company continues to act as a holding company and is expected to continue as a holding company

### **RESULTS OF THE YEAR**

The Company made neither a loss nor a profit for the year (2006 £nil)

On 31 January 2007, as part of a reorganisation of European subsidiaries within the Lazard Group LLC, Maison Lazard SAS, a French company acquired 66 67% of the Company

### **DIRECTORS DURING THE YEAR**

The names of the directors who served during the year, are as follows

C Sims	(resigned 2 April 2007)
M J Siviter	(appointed 12 October 2007)
R J Rountree	
J R White	(resigned 15 October 2007)

### **COMPANY SECRETARY**

R J Farrer-Brown (appointed 31 May 2007)  
J C Nightingale (resigned 15 March 2007)  
D A J Watson (appointed 15 March 2007 and resigned 31 May 2007)

In accordance with the Company's articles of association and subject to the provisions of and so far as may be permitted by law, directors are entitled to be indemnified by the Company out of its own funds against all costs, charges, losses, expenses and liabilities incurred by them in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or office

### **AUDITORS**

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 386 (2) of the Companies Act 1985

Each of the persons who is a director at the date of approval of the report confirms that

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. Relevant audit information is defined as information needed by the Company's auditors in connection with preparing their report (S234ZA(3))

## LAZARD NORDIC LIMITED

### REPORT OF THE DIRECTORS (continued)

#### DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare the accounts for the Company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP).

United Kingdom company law requires the directors to prepare such financial statements for each financial year which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the Company and of the profit or loss of the Company for that period and comply with UK GAAP and the Companies Act 1985. In preparing those financial statements, the directors are required to

- (a) select suitable accounting policies and then apply them consistently,
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether applicable accounting standards have been followed, and
- (d) 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.

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



Director / Secretary

50 Stratton Street  
London W1J 8LL

19<sup>th</sup> March 2008

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF LAZARD NORDIC LIMITED**

We have audited the financial statements of Lazard Nordic Limited for the year ended 31 December 2007 which comprise, the balance sheet and the related notes 1 to 10. 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' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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.

### **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 2007 and of its result for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors

London, England

20 March 2008

**LAZARD NORDIC LIMITED**

**BALANCE SHEET AT 31 DECEMBER 2007**

	Notes	2007 £	2006 £
FIXED ASSETS			
Investment in subsidiary	4	1,044,284	1,044,284
CURRENT ASSETS			
Cash at bank		5,723	5,723
NET CURRENT ASSETS		5,723	5,723
TOTAL ASSETS LESS CURRENT LIABILITIES		1,050,007	1,050,007
CAPITAL AND RESERVES			
Called up share capital	5	1,050,000	1,050,000
Profit and loss account	7	7	7
SHAREHOLDERS' FUNDS	6	1,050,007	1,050,007

These financial statements were approved by the Board of Directors on 19<sup>th</sup> March 2008

Signed on behalf of the Board of Directors



Director



## LAZARD NORDIC LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

#### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the provisions of the Companies Act and applicable law and accounting standards in the United Kingdom. The particular accounting policies which have been applied are set out below.

##### a) Basis of accounting

The financial statements have been prepared on the historical cost basis of accounting.

##### b) Group accounts

Group accounts of the Company and its subsidiary have not been prepared because the Company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a medium-sized group.

##### c) Investments

Investments held as fixed assets are shown at cost less provision for impairment.

##### d) Current tax

Current tax, including UK corporation tax, is recorded at amounts expected to be recovered or paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

#### 2. DIRECTORS' EMOLUMENTS

There were no directors' fees or other emoluments for their services to this Company during the current or previous years. The Company has no employees (2006: none).

#### 3. AUDITORS' REMUNERATION

The auditors' remuneration in the current year for audit services was £2,000 (2006: £3,000) and is borne by a related company.

#### 4. INVESTMENT IN SUBSIDIARY

	2007 £	2006 £
COST AND NET BOOK VALUE		
At 1 January and 31 December	<u>1,044,284</u>	<u>1,044,284</u>

Lazard Nordic Limited holds 100% of the ordinary share capital of Lazard AB (incorporated in Sweden) which is principally engaged in the business of investment banking.

**LAZARD NORDIC LIMITED**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2007 (continued)**

**5. SHARE CAPITAL**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Authorised, issued, called up and fully paid		
350,000 (2006 350,000) Ordinary 'A' shares of £1 each	350,000	350,000
350,000 (2006 350,000) Ordinary 'B' shares of £1 each	350,000	350,000
350,000 (2006 350,000) Ordinary 'C' shares of £1 each	350,000	350,000
	<hr/> 1,050,000	<hr/> 1,050,000

All shares are equity shares and rank *pari passu* as ordinary shares in the capital of the Company

**6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
At 1 January and 31 December	<hr/> 1,050,007	<hr/> 1,050,007

**7. RESERVES**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
At 1 January and 31 December	<hr/> 7	<hr/> 7

**8. CASH FLOW STATEMENT**

The Company has taken advantage of the exemption in paragraph 5 of the Financial Reporting Standard No 1 (revised 1996) "Cash Flow Statements"

**LAZARD NORDIC LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2007 (continued)**

**9. RELATED PARTY DISCLOSURES**

The Company has taken advantage of the exemption in paragraph 3(c) of Financial Reporting Standard 8, and accordingly has not disclosed transactions with entities that are part of the same group. There were no other related party transactions requiring disclosure.

**10. ULTIMATE PARENT COMPANY**

Lazard Ltd, a Bermudian company, is the parent company of the largest group which includes the Company and for which group accounts are to be prepared. The Company's ultimate parent company and ultimate controlling party is LAZ-MD Holdings LLC, a Delaware Limited Liability Company.

The parent company of the smallest group which includes the Company, and for which group accounts are to be prepared, is Maison Lazard SAS. Copies of Maison Lazard SAS accounts may be obtained from the Secretary, Maison Lazard SAS, 121 Boulevard Haussmann, Paris, 75382, France.