

Registered Number 3686273

IS Group (Europe) Limited
Directors' report and financial statements
for the year ended 30 September 2004



IS Group (Europe) Limited

Directors' report and financial statements for the year ended 30 September 2004

Contents

Directors' report for the year ended 30 September 2004.....	1
Balance sheet as at 30 September 2004.....	2
Accounting policies.....	3
Notes to the financial statements for the year ended 30 September 2004	4

IS Group (Europe) Limited

Directors' report for the year ended 30 September 2004

The directors present their report and the audited financial statements of the company for the year ended 30 September 2004.

Principal activities and business review

The company was incorporated on 21 December 1998 and has not traded since this date.

Results for the period

As the company has not traded since incorporation and has incurred no costs, a profit and loss account has not been presented. The directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors of the company during the year and up to the date of this report were as follows:

I Henderson

D Twist

The directors have held no direct interest in the shares of the company during the period.

The interests of Mr I Henderson in the ordinary share capital of Diploma plc are disclosed in the financial statements of Diploma Plc, the ultimate parent undertaking.

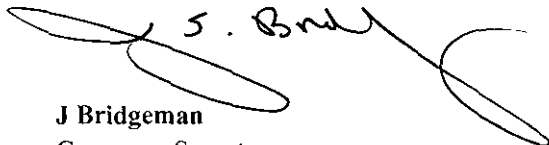
Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 September 2004, and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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



J Bridgeman
Company Secretary
1st July 2005

IS Group (Europe) Limited

Balance sheet as at 30 September 2004

	Note	30 September 2004 £	30 September 2003 £
Current assets			
Amounts owed by immediate parent undertaking		2	2
Net current assets		2	2
Total assets less current liabilities		2	2
Capital and reserves			
Called up share capital	2	2	2
Profit and loss account		-	-
Equity shareholders' funds	3	2	2

The notes on pages 3 - 4 form part of these financial statements.

For the year ended 30 September 2004 the company was entitled to the exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249(B)(2) of the Companies Act 1985.

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 the financial year, and of its profit or 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.

Approved by the Board on 1st July 2005]



K. J. French
Director

IS Group (Europe) Limited

Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

No audit fees were borne by the company (2003: £Nil).

IS Group (Europe) Limited

Notes to the financial statements for the year ended 30 September 2004

1 Employee information

The directors received no remuneration for their services to the company (2003: £Nil). There were no other persons employed by the company in the period (2003: Nil).

2 Share capital

	2004	2003
	£	£
Authorised		
Ordinary shares of £1 each	100	100
Issued		
Ordinary shares of £1 each	2	2

3 Reconciliation of movements in shareholders' funds

	2004	2003
	£	£
Opening and closing shareholders' funds	2	2

4 Parent undertakings

The immediate parent undertaking is Pride Limited, a company registered in England and Wales.

The company's ultimate parent undertaking and ultimate controlling party is Diploma Plc, a company incorporated in England, which is the smallest and largest group into which the results of IS Group (Europe) Limited are consolidated. Copies of the group's financial statements are available from the Company Secretary, Diploma Plc, 20 Bunhill Row, London EC1Y 8LP.