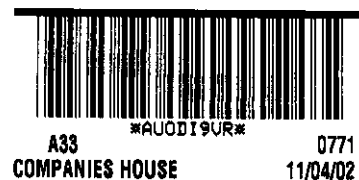


ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH SEPTEMBER 2001

FOR

ASTRA GAMES HOLDINGS LTD



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FOR THE YEAR ENDED 30TH SEPTEMBER 2001**

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**COMPANY INFORMATION
FOR THE YEAR ENDED 30TH SEPTEMBER 2001**

DIRECTORS: E Morales-Hermo
R A Watts
B A Marchini appointed 11 December 2001

SECRETARY: N Paramore

REGISTERED OFFICE: Brocastle Avenue
Waterton Industrial Estate
Bridgend
CF31 3UX

REGISTERED NUMBER: 3737622

AUDITORS: Sealey Pugh
Chartered Accountants
and Registered Auditors
5 Station Road
Radyr
Cardiff
CF15 8AA

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH SEPTEMBER 2001**

The directors present their report with the financial statements of the company for the year ended 30th September 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company. The company did not trade during the year under review.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 30th September 2001.

DIRECTORS

The directors during the year under review were:

E Morales-Hermo

R A Watts

M J Murphy

- resigned 16/3/2001

The beneficial interests of the directors holding office on 30th September 2001 in the issued share capital of the company were as follows:

	30.9.01	1.10.00
Ordinary £1 shares		
E Morales-Hermo	28,333	28,333
R A Watts	15,001	15,001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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;
- 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.

AUDITORS

The auditors, Sealey Pugh, will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

ON BEHALF OF THE BOARD:


N Paramore - SECRETARY

Dated: 23rd January 2002

**REPORT OF THE INDEPENDENT AUDITORS TO
ASTRA GAMES HOLDINGS LTD
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements on pages four to ten, together with the full financial statements of the company for the year ended 30th September 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

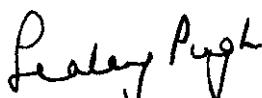
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages four to ten are properly prepared in accordance with that provision.



Sealey Pugh
Chartered Accountants
and Registered Auditors
5 Station Road
Radyr
Cardiff
CF15 8AA

Dated: 24th January 2002

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH SEPTEMBER 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
GROSS PROFIT		-	-
OPERATING PROFIT	3	-	-
Interest payable and similar charges	4	<u>-</u>	<u>(7,295)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(7,295)
Tax on loss on ordinary activities	5	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		-	(7,295)
Deficit brought forward		<u>(38,319)</u>	<u>(31,024)</u>
DEFICIT CARRIED FORWARD		<u>£(38,319)</u>	<u>£(38,319)</u>

DISCONTINUED OPERATIONS

All of the company's activities were discontinued during the previous year.

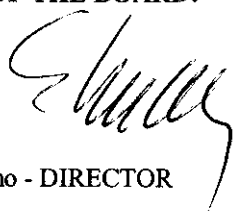
TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the previous year.

**ABBREVIATED BALANCE SHEET
30TH SEPTEMBER 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
FIXED ASSETS:			
Investments	7	751,587	751,587
		<u>751,587</u>	<u>751,587</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		751,587	751,587
CREDITORS: Amounts falling due after more than one year	8	(714,517)	(718,239)
		<u>£37,070</u>	<u>£33,348</u>
CAPITAL AND RESERVES:			
Called up share capital	9	75,389	71,667
Profit and loss account		<u>(38,319)</u>	<u>(38,319)</u>
SHAREHOLDERS' FUNDS:	11	<u>£37,070</u>	<u>£33,348</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:


E Morales-Hermo - DIRECTOR

Approved by the Board on 23rd January 2002

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2001**

		<u>2001</u>	<u>2000</u>
	Notes	£	£
Net cash (outflow)/inflow from operating activities	1	(3,722)	7,295
Returns on investments and servicing of finance	2	<u>-</u>	<u>(7,295)</u>
		(3,722)	-
Financing	2	<u>3,722</u>	<u>-</u>
Increase in cash in the period		<u>-</u>	<u>-</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		<u>-</u>	<u>-</u>
Change in net debt resulting from cash flows		<u>-</u>	<u>-</u>
Movement in net debt in the period		-	-
Net debt at 1st October		<u>-</u>	<u>-</u>
Net debt at 30th September		<u>-</u>	<u>-</u>

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2001**
1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
(Decrease)/Increase in creditors	<u>(3,722)</u>	<u>7,295</u>
Net cash (outflow)/inflow from operating activities	<u>(3,722)</u>	<u>7,295</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2001 £	2000 £
Returns on investments and servicing of finance		
Interest paid	<u>-</u>	<u>(7,295)</u>
Net cash outflow for returns on investments and servicing of finance	<u>-</u>	<u>(7,295)</u>
Financing		
Cash receipt re share issue	<u>3,722</u>	<u>-</u>
Net cash inflow from financing	<u>3,722</u>	<u>-</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/10/00 £	Cash flow £	At 30/9/01 £
Net cash:			
Cash at bank and in hand	<u>-</u>	<u>-</u>	<u>-</u>

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2001**
1. ACCOUNTING POLICIES
Accounting convention

The financial statements have been prepared under the historical cost convention.

The company was dormant throughout the year ended 30th September 2001. However, reference to information relating to the year ended 30th September 2000 has been made where appropriate.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Investments

Fixed assets investments are stated at cost less provision for diminution in value.

Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. STAFF COSTS

There were no staff costs for the year ended 30th September 2001 nor for the year ended 30th September 2000.

The average monthly number of employees during the year was as follows:

	2001	2000
Directors	<u>2</u>	<u>3</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2001 £	2000 £
Directors' emoluments	<u>-</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Loan	<u>-</u>	<u>7,295</u>

5. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 30th September 2001 nor for the year ended 30th September 2000.

6. PRIOR YEAR ADJUSTMENTS

In previous years assets and liabilities relating to the shareholders have been reflected in investments and other creditors. It has now been deemed more appropriate to offset the balances, and the figures have been amended in line with the current year.

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2001

7. FIXED ASSET INVESTMENTS

	£	
COST:		
At 1st October 2000		
and 30th September 2001		<u>751,587</u>
NET BOOK VALUE:		
At 30th September 2001		<u>751,587</u>
At 30th September 2000		<u>751,587</u>
	2001	2000
	£	£
Unlisted investments	<u>751,587</u>	<u>751,587</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Astra Games Limited

Nature of business: design and manufacture of gaming machines

	%
Class of shares:	holding
Ordinary	100.00

	2001	2000
	£	£
Aggregate capital and reserves	962,282	305,958
Profit/(Loss) for the year	<u>256,324</u>	<u>(387,941)</u>

8. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	2001	2000
	£	£
Owed to subsidiary undertaking	<u>714,517</u>	<u>718,239</u>

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2001**

9. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2001 £	2000 £
200,000 (2000 - 71,667)	Ordinary	£1	200,000	71,667
			<u> </u>	<u> </u>
Allotted, issued and fully paid: Number:	Class:	Nominal value:	2001 £	2000 £
75,389 (2000 - 71,667)	Ordinary	£1	75,389	71,667
			<u> </u>	<u> </u>

The following shares were allotted and fully paid for cash at par during the year:

3,722 Ordinary shares of £1 each

On 12 July 2001 the company increased its authorised £1 ordinary share capital by 128,333 to 200,000.

10. ULTIMATE PARENT COMPANY

The company is controlled by SEGA SA SONIC, a company registered in Spain.

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Loss for the financial year	-	(7,295)
Issued share capital	<u>3,722</u>	<u>-</u>
Net addition/(reduction) to shareholders' funds	3,722	(7,295)
Opening shareholders' funds	<u>33,348</u>	<u>40,643</u>
Closing shareholders' funds	<u>37,070</u>	<u>33,348</u>
Equity interests	<u>37,070</u>	<u>33,348</u>