

INT GROUP LIMITED

DIRECTORS' REPORT AND ACCOUNTS
PERIOD ENDED 31 DECEMBER 2000



Company Registered Number: 4045072

INT GROUP LIMITED

REPORT AND ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 2000

Contents	Page
Directors' Report	1-3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Accounts	6

INT GROUP LIMITED

REPORT OF THE DIRECTORS

The Directors submit their report and the audited financial statements of the Company for the period from incorporation on 27 July 2000 to 31 December 2000.

Principal Activities

The Company did not trade during the period and has not commenced to trade as at the date of this report.

Dividend

The Directors do not propose to declare a dividend for the period ended 31 December 2000.

Directors

The directors who served during the period under review are listed below:-

A P Poole (appointed 27 July 2000)

M Singleterry (appointed 27 July 2000)

Waterlow Nominees Ltd resigned as a director of the Company on 27 July 2000.

No director had an interest in any contract to which the Company was a party. No director had any beneficial interest in the shares of the Company or any other company within the Lattice Group except for their beneficial interests in the shares of the ultimate parent Company, Lattice Group plc at the end of the period under review, (interests at 27 July 2000 are in BG Group plc shares and at 31 December 2000 are in Lattice Group plc shares), as follows:-

Beneficial Holdings

	Ordinary Shares <u>27 July 2000</u>	Ordinary Shares <u>31 December 2000</u>
A P Poole	3,097	3,097
M Singleterry	1,759	2,895

Savings Related Share Options

	Options over shares in BG Group plc			Options over shares in Lattice Group plc	
	Options over Ordinary Shares as at <u>27 July 2000</u>	<u>Exercised</u>	<u>Lapsed</u>	<u>Granted</u>	Options over Ordinary Shares as at <u>31 December 2000</u>
A P Poole	898	823	75	1,641	1,641
M Singleterry	951	526	425	8,209	8,209

All options were given under the terms of the relevant ultimate parent company's Savings Related Share Option Schemes, details of which are given in that company's annual report and accounts. Under the terms of the Demerger Proposals all outstanding options over shares in BG Group plc, held

at the date of the approval of the Demerger, were exercised to the extent of savings and any accumulated interest held in the Optionholders account at that date.

Long Term Incentive Scheme

	<u>BG Group plc Shares</u>			<u>Lattice Group plc Shares</u>		
	<u>Ordinary Shares 27 July 2000</u>	<u>Transferred</u>	<u>Lapsed</u>	<u>Reconstituted</u>	<u>Allocated</u>	<u>Ordinary Shares 31 December 2000</u>
A P Poole	4,947	1,940	3,007	4,129	-	4,129
M Singleterry	2,852	711	2,141	4,029	-	4,029

During the period under review, the October 1999 allocation was reconstituted after Demerger using the average share price of the first ten days of trading of shares in Lattice Group plc and BG Group plc immediately following Demerger, as proportions of the aggregate of the two to produce a factor for adjustment. As a result the initial allocation was increased by a factor of 2.879670 in the Lattice Group Long Term Incentive Scheme.

In accordance with the Listing Particulars published in September 2000, allocations made in October 1995, March and October 1997 and October 1998 were transferred to participants at Demerger. For every one share in BG Group plc, participants also received one share in Lattice Group plc. The October 1995, March 1997 and October 1997 allocations had completed their performance periods and 68%, 100% and 100% respectively were transferred net of tax. The October 1998 allocation was measured against performance up to Demerger, and 81.7% was transferred.

Directors' Insurance

The ultimate parent company has purchased insurance to cover the directors against liabilities in relation to the Company.

Directors Responsibilities

The Directors are required by the UK Companies Act 1985 to prepare financial statements for each financial year 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 income or loss for the financial year.

The Directors consider that in preparing the financial statement on page 4 the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and that all accounting standards which they consider to be applicable have been followed.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

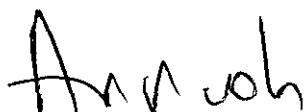
The Directors, having prepared the financial statements, have requested the auditors to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their report.

Ultimate Holding Company

The ultimate holding company is Lattice Group plc, which is registered in England and consolidates the accounts of the Company. Copies of the consolidated accounts of Lattice Group plc may be obtained from 130 Jermyn Street, London SW1Y 4UR.

Prior to demerger of the Lattice Group of companies from BG Group on 23 October 2000, the ultimate parent company of the Company was BG Group plc, which is registered in England.

By Order of the Board

A handwritten signature in black ink, appearing to read 'A P Poole'.

A P Poole
Secretary

Date 29 MAY 2001

Registered Office:
130 Jermyn Street
London
SW1Y 4UR

INT GROUP LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2000

The Company has not traded during the period ended 31 December 2000 and has received no income and incurred no expenditure. Consequently, during the period the Company has made neither a profit nor a loss nor were there any recognised gains and losses during the year.

The notes on page 6 form part of these accounts.

INT GROUP LIMITED

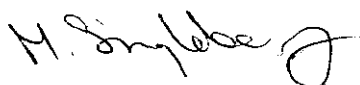
BALANCE SHEET AS AT 31 DECEMBER 2000

	<u>Notes</u>	<u>31 December 2000</u> £
CURRENT ASSETS		
Debtors (amount falling due within one year)	4	2
CAPITAL AND RESERVES		
Called up share capital	5	2

The company was dormant (within the meaning of Section S250 of the Companies Act 1985) throughout the accounting period ending on the date of this balance sheet.

Approved by the Board on

29 MAY 2001



M Singletery, Director

Dated:

29 MAY 2001

The notes on page 6 form part of these accounts.

INT GROUP LIMITED

NOTES TO THE ACCOUNTS – 31 DECEMBER 2000

1. OWNERSHIP

INT Group Limited is an indirect wholly owned subsidiary undertaking of Lattice Group plc which is registered in England. Lattice Group plc is the only company to consolidate the accounts of this Company. Copies of the parent company's report and accounts can be obtained from Lattice Group plc, 130 Jermyn Street London SW1Y 4UR.

2. BASIS OF ACCOUNTING

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

3. DIRECTORS' EMOLUMENTS AND EMPLOYEES

No director received emoluments in respect of his services to the Company during the period. The Company had no employees during the period.

4. DEBTORS (amounts falling due within one year).

	<u>31 December 2000</u>
	£
Amounts owed by group undertakings	2

5. SHARE CAPITAL

	<u>31 December 2000</u>	
	£	£
Authorised:		
1,000 ordinary shares of £1 each	1,000	
Allotted, issued and fully paid ordinary shares of £1 each		2