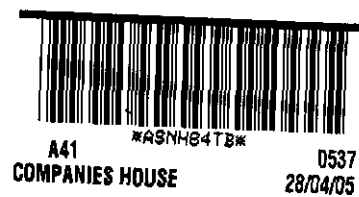


EUROPEAN MICROWAVE COMPONENTS HOLDINGS LIMITED

**ABBREVIATED
FINANCIAL STATEMENTS**

30 JUNE 2004



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
EUROPEAN MICROWAVE COMPONENTS HOLDINGS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of the company for the period ended 30 June 2004 prepared under section 226.

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 preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246 (5) and (6) of the act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts in accordance with sections 246 (5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



N W Consultants Limited
Registered Auditor
28 January 2005

EUROPEAN MICROWAVE COMPONENTS HOLDINGS LIMITED
BALANCE SHEET
30 JUNE 2004

	Note	2004 £
FIXED ASSETS		
Investments	1	1,470,000
 CREDITORS: Amounts falling due within one year		<u>199,900</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,270,100
 CREDITORS: Amounts falling due after more than one year	2	(1,270,000)
		<u>100</u>
 CAPITAL AND RESERVES		
Called-up share capital	3	100
Profit and loss account		<u>-</u>
SHAREHOLDERS' FUNDS		<u>100</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved and signed by the directors on 28 January 2005.

Mr M Usman



Mr M Quee



EUROPEAN MICROWAVE COMPONENTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2004

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

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

CASHFLOW STATEMENT

The company has taken advantage of the exemption in Financial Reporting Standard No1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

GROUP ACCOUNTS

The company has taken advantage of the exemption from preparing consolidated accounts conferred by sections 248 and 249 of the Companies Act 1985 on the basis that the company and its subsidiaries comprise a medium sized group.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life as follows:

Plant and machinery	- 15% reducing balance
Computer equipment	- 50% straight line
Motor vehicles	- 25% reducing balance

STOCK

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

LEASED ASSETS

The annual rentals on operating leases are charged to the profit and loss account on a straight line basis over the lease term.

PENSION CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

EUROPEAN MICROWAVE COMPONENTS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2004

1 FIXED ASSETS

	Investments £
Cost	
Additions	<u>1,470,000</u>
30 June 2004	<u>1,470,000</u>

Subsidiary undertaking

The company's investment in its subsidiary company represents the acquisition of the whole of the share capital of European Microwave Components Limited, a company registered in England and Wales, which distributes and markets electronic components.

2 CREDITORS: Amounts falling due after more than one year

(i) The company's loans and overdrafts are secured by debenture on all assets owned by the company's subsidiary.

(ii) Included in bank loans is an amount of £155,456 due in more than five years.

3 SHARE CAPITAL

	2004 £
Authorised share capital:	
1000 ordinary shares of £1 each	<u>1,000</u>
Allotted, called up and fully paid Ordinary shares of £1 each	<u>100</u>