

**Independent auditors' statement to the directors of Nanotecture Group Limited  
pursuant to S43(3)(b) of the Companies Act 1985**

We have examined the balance sheet of Nanotecture Group Limited as at 1 November 2004.

Our statement has been prepared pursuant to the requirements of section 43(3)(b) of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this statement unless such a person is a person entitled to rely upon this statement by virtue of and for the purpose of section 43(3)(b) of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

*Basis of opinion*

The scope of our work for the purpose of this statement was limited to an examination of the relationship between the company's net assets and its called up share capital and undistributable reserves as stated in the unaudited balance sheet in connection with the company's proposed re-registration as a public company.

**Opinion**

In our opinion the balance sheet shows that at 1 November 2004 the amount of the company's net assets was not less than the aggregate of its called-up share capital and undistributable reserves.

*BDO Stoy Hayward LLP*

**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and Registered Auditors  
Southampton*

Date: *29 November, 2004.*

