

ATEC CONSULTING LLP

CONSOLIDATED REPORT AND ACCOUNTS

PERIOD 19 JANUARY 2004 TO 31 DECEMBER 2004



ATEC CONSULTING LLP

I N D E X

Period 19 January 2004 to 31 December 2004

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ATEC CONSULTING LLP

GENERAL INFORMATION

Period 19 January 2004 to 31 December 2004

Designated members	Hans-Martin Schneeberger Mahnaz Schneeberger
Registered office	Rotherwick House 3 Thomas More Street London EIW 1YX
Registered number	OC 306560
Auditors	Dixon Wilson (PO Box 900) Rotherwick House 3 Thomas More Street London EIW 1YX
Bankers	HSBC Bank Plc 91 High Road Willesden Green London NW10 2TA
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH

ATEC CONSULTING LLP

MEMBERS' REPORT

Period 19 January 2004 to 31 December 2004

The members present their report and financial statements for the period 19 January 2004 to 31 December 2004.

Activities

The principal activities of the LLP are consulting services in the field of linear guideway technology and buying, holding and selling real estate or intangible assets.

On 10 December 2004, the LLP merged with ATEC Holding AG and its subsidiary Schneeberger Holding AG.

Review of the business and future developments

The LLP was incorporated on 19 January 2004. Both the level of business and the period end financial position were satisfactory, and the members expect that the present level of activity will be sustained for the foreseeable future.

Designated members

The designated members during the period are as shown on page 2.

Capital and drawings

No member is obliged to make any further capital contributions. Drawings are paid at the members' discretion.

Results for the period and allocation to members

The profit for the period available for division among the members was £192,742 (Group - profit £4,855,191).

Statement of members' responsibilities

Legislation applicable to limited liability partnerships requires the members to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.
- prepare the financial statements in accordance with applicable accounting standards.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Limited Liability Partnership Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Dixon Wilson as auditors in accordance with section 385 of the Companies Act 1985 will be proposed at the forthcoming annual general meeting.

Approved by the members on

27 October

2006 and signed on their behalf by:-


HANS MARTIN SCHNEEBERGER
Designated member

ATEC CONSULTING LLP

AUDITORS' REPORT

Period 19 January 2004 to 31 December 2004

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATEC CONSULTING LLP

We have audited the financial statements of ATEC Consulting LLP for the period 19 January 2004 to 31 December 2004 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet and Partnership Balance Sheet, the Consolidated Cash Flow Statement, the Accounting Policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the members of the Limited Liability Partnership (LLP), as a body, in accordance with section 235 of the Companies Act 1985 as applicable under the Limited Liability Partnerships Act 2000. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditor's 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 LLP and the LLP's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As described in the Statement of Members' Responsibilities, the members are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, the LLP has not kept proper accounting records, and if we have not received all the information and explanations we require for our audit.

We read the members' report for the above period and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the LLP, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the LLP and of the group as at 31 December 2004 and of its profit for the period 19 January 2004 to 31 December 2004 and have been properly prepared in accordance with the Companies Act 1985 as applicable under the Limited Liability Partnerships Act 2000.



DIXON WILSON
Chartered Accountants and Registered Auditors
Rotherwick House
3 Thomas More Street
London E1W 1YX
31 October 2006

ATEC CONSULTING LLP**CONSOLIDATED PROFIT AND LOSS ACCOUNT****Period 19 January 2004 to 31 December 2004**

	Note	Group £
Turnover	1	62,132,237
Cost of sales		(26,571,535)
Gross profit		35,560,702
Administrative expenses		(27,821,983)
Other operating income		186,905
Operating profit	2	7,925,624
Interest receivable		77,334
Interest payable	4	(1,581,877)
Profit on ordinary activities before taxation		6,421,081
Taxation	5	(1,080,960)
Profit on ordinary activities after taxation		5,340,121
Minority interests - equity interests		(484,930)
Profit for the financial period	14	4,855,191

All amounts relate to operations acquired in the period. There are no recognised gains or losses other than those included in the above profit and loss account.

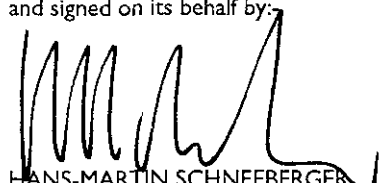
ATEC CONSULTING LLP

**CONSOLIDATED BALANCE SHEET AND
PARTNERSHIP BALANCE SHEET**

At 31 December 2004

	Note	Group £	LLP £
Fixed assets			
Intangible assets	6	29,315	-
Tangible assets	7	23,061,561	-
Investments	8	26,567	4,501,260
		<u>23,117,443</u>	<u>4,501,260</u>
Current assets			
Stock	10	8,159,582	-
Debtors	11	12,742,375	609,738
Cash at bank		1,179,560	16,498
		<u>22,081,517</u>	<u>626,236</u>
Creditors: amounts falling due within one year	12	(24,009,447)	(419,678)
Net current (liabilities)/assets		<u>(1,927,930)</u>	<u>206,558</u>
Total assets less current liabilities		<u>21,189,513</u>	<u>4,707,818</u>
Loans and other debts due to members	14	(7,025)	(7,025)
Creditors: amounts falling due after more than one year	13	(13,648,772)	-
Minority interests - equity interests		(1,299,410)	-
Net assets		<u>6,234,306</u>	<u>4,700,793</u>
Members' other interests			
Members' capital		4,700,793	4,700,793
Other reserves		4,662,449	-
Consolidation reserve		(3,128,936)	-
	14	<u>6,234,306</u>	<u>4,700,793</u>
Total members' interests			
Loans and other debts due to members	14	7,025	7,025
Members' other interests		6,234,306	4,700,793
		<u>6,241,331</u>	<u>4,707,818</u>

The financial statements on pages 5 to 19 were approved by the members of the LLP on 27 October 2006 and signed on its behalf by:



HANS-MARTIN SCHNEEBERGER
Designated member

ATEC CONSULTING LLP**CONSOLIDATED CASH FLOW STATEMENT****Period 19 January 2004 to 31 December 2004**

	Note	2004 £
Net cash inflow from operating activities	15 (a)	8,838,116
Return on investments and servicing of finance		
Interest received		79,644
Interest paid		(1,581,877)
Taxation paid		(1,080,960)
Net cash outflow for returns on investments and servicing of finance		(2,583,193)
Acquisitions and disposals		
Payments to acquire fixed assets		(1,370,007)
Receipts from sale of fixed assets		736,751
Net cash inflow for acquisitions and disposals		(633,256)
Transactions with members and former members		
Payments to members		(187,020)
Contributions by members		1,303
Net cash outflow from transactions with members and former members		(185,717)
Financing		
Repayment of loans		(4,043,833)
Repayment of finance leases		(1,555,515)
Net cash outflow from financing		(5,599,348)
Decrease in cash in the period	15 (c)	(163,398)

ATEC CONSULTING LLP

ACCOUNTING POLICIES

Period 19 January 2004 to 31 December 2004

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice: Accounting by Limited Liability Partnerships.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements consolidate the financial statements of the LLP and its subsidiary undertakings on a merger accounting basis.

The profit and losses of the merged entities are consolidated from the date of creation of the LLP. The difference between the cost of acquisition of shares in subsidiaries and the book cost of the separable net assets acquired is shown in members' interests as a consolidation reserve.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions during the period are recorded at an average monthly rate. All exchange differences are taken to the profit and loss account.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Members' remuneration

A member's share in the profit or loss for the period is accounted for as an allocation of profits.

Turnover

Turnover is accounted for on the basis of work done in the period, computed at the appropriate rate.

Tangible fixed assets

Tangible fixed assets are recorded at cost less accumulated depreciation. Depreciation is provided so as to write off the cost on a straight line basis over the asset's useful economic life:

Buildings	- 30-40 years
Plant and machinery	- 5-10 years
Computer equipment	- 3-5 years
Motor vehicles	- 5 years

Intangible fixed assets

In 2001 the group won the rights to work on the contracts for some of Syngran's mineral smelting clients. These are being amortised over 5 years.

Stocks

Stocks are valued at the lower of cost and net realisable value. The value of slow moving stocks is adjusted accordingly.

Research and development costs

Research and development costs are taken to the profit and loss account.

ATEC CONSULTING LLP

ACCOUNTING POLICIES (continued)

Period 19 January 2004 to 31 December 2004

Deferred tax

Provision is made for deferred tax liabilities in respect of all timing differences arising from the different treatment of items for accounting and taxation purposes without discounting. Deferred tax assets in respect of such timing differences are recognised to the extent that they are regarded as being, more likely than not, recoverable in the short to medium term, and are not discounted.

Leases

Assets held under finance leases and the related lease obligations are recorded in the balance sheet at the cost of the assets at the inception of the leases. The amounts by which lease payments exceed the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation.

Rentals payable under operating leases are charged to the profit and loss account in equal annual amounts over the period of the lease.

ATEC CONSULTING LLP**NOTES TO THE FINANCIAL STATEMENTS****Period 19 January 2004 to 31 December 2004****1. Turnover****Group
2004
£**

The contributions of the various activities of the group to turnover are set out below:

By activity:

Elements (components and minirail)	14,677,066
Systems	16,634,539
Monorail	22,659,917
Mineral casting technology	2,948,991
Commercial products	5,058,586
Consultancy	153,138
	<u>62,132,237</u>

By geographical market:

Europe	41,036,286
North America	13,160,035
Asia	6,665,717
Rest of the world	1,270,199
	<u>62,132,237</u>

2. Operating profit**Group
£**

This is stated after charging/(crediting):

Auditors' remuneration - for audit services	106,789
Exchange gain	17,294
Depreciation of tangible fixed assets (note 7)	3,075,131
Amortisation of intangible fixed assets (note 6)	26,254
Operating lease rentals	<u>371,203</u>

Remuneration paid to the LLP's auditors for non-audit services amounted to £5,730.

3. Staff costs

Employee costs during the year (including directors):

Wages and salaries	15,153,729
Social security costs	1,822,351
Other pension costs	550,657
	<u>17,526,737</u>

Number

Average number of persons employed (including directors):

- Administration	164
- Production	250
	<u>414</u>

ATEC CONSULTING LLP**NOTES TO THE FINANCIAL STATEMENTS****Period 19 January 2004 to 31 December 2004**

3. Staff costs (continued)	Group £
Directors' remuneration:	
For management services	75,432
	<hr/>
Company contributions to money purchase schemes in relation to directors' pensions	4,073
	<hr/>
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4. Interest payable	
Loan interest	1,581,877
	<hr/>
<hr/>	
5. Tax on profit on ordinary activities	
Based on the profit for the year:	
UK corporation tax	-
Non-UK corporation tax	312,387
	<hr/>
	312,387
	<hr/>
Deferred taxation	768,573
	<hr/>
	1,080,960
	<hr/>
Factors affecting tax charge for period:	
Profit on ordinary activities before tax	6,421,081
	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	1,926,324
	<hr/>
Effect of foreign tax rules	(1,245,130)
Profits not chargeable to corporation tax	(368,807)
	<hr/>
	312,387
	<hr/>

ATEC CONSULTING LLP
NOTES TO THE FINANCIAL STATEMENTS
Period 19 January 2004 to 31 December 2004

6. Intangible fixed assets		Contracts
Group		£
Cost		
At 19 January 2004		754,855
Additions		1,832
At 31 December 2004		<u>756,687</u>
Amortisation		
At 19 January 2004		701,118
Charge for period		26,254
At 31 December 2004		<u>727,372</u>
Net book value		
At 31 December 2004		<u>29,315</u>
At 19 January 2004		<u>-</u>

7. Tangible fixed assets					
Group	Land and buildings	Plant and machinery	Fixtures and fittings	Motor vehicles - finished and under construction	Total
	£	£	£	£	£
Cost					
At 19 January 2004	21,341,151	28,652,437	4,929,919	333,455	55,256,962
Additions	171,308	678,362	269,329	249,176	1,368,175
Disposals	(283,529)	(953,188)	(91,608)	(5,038)	(1,333,363)
At 31 December 2004	<u>21,228,930</u>	<u>28,377,611</u>	<u>5,107,640</u>	<u>577,593</u>	<u>55,291,774</u>
Depreciation					
At 19 January 2004	7,459,724	17,626,284	4,428,693	300,691	29,815,392
Charge for period	563,229	2,191,314	278,681	41,907	3,075,131
Disposals	(59,413)	(526,190)	(74,267)	(440)	(660,310)
At 31 December 2004	<u>7,963,540</u>	<u>19,291,408</u>	<u>4,633,107</u>	<u>342,158</u>	<u>32,230,213</u>
Net book value					
At 31 December 2004	<u>13,265,390</u>	<u>9,086,203</u>	<u>474,533</u>	<u>235,435</u>	<u>23,061,561</u>
At 19 January 2004	<u>13,881,427</u>	<u>11,026,152</u>	<u>501,226</u>	<u>32,764</u>	<u>25,441,570</u>

The net book value at 31 December 2004 of assets held under finance leases was £5,382,008 and the depreciation charge for the period thereon was £1,003,250.

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Period 19 January 2004 to 31 December 2004

8. Fixed asset investments £

Group

Other investments - unlisted	26,567
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Other unlisted investments are carried at market value.

Movements during the period:

At 19 January 2004 and 31 December 2004	26,567
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LLP

Shares in group undertaking	4,501,260
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The above investment is unlisted.

Movements during the period:

Shares in group undertaking
£

At 19 January 2004	-
Acquisition of subsidiary	4,501,260
At 31 December 2004	4,501,260

£4,501,260 represents the cost of the LLP's merger with 100% of the share capital of ATEC Holding AG, a company registered in Switzerland.

9. Merger of ATEC LLP and ATEC Holding AG

On 10 December 2004 100% of the issued share capital of ATEC Holding AG was acquired by members' capital contribution of £4,501,260. This has been accounted for by the merger method of accounting. The income and expenses of the merged entities have been consolidated from the date the LLP was created, 19 January 2004. The difference between the book cost of the assets of ATEC Holding AG and the consideration has been taken to reserves. The amount transferred to consolidation reserve was £3,128,936.

ATEC Holding AG owns 90.583% of the issued share capital of Schneeberger Holding AG.

The cost of the investment in Schneeberger Holding AG in ATEC Holding AG's accounts was replaced with the book value of the net assets of Schneeberger Holding AG for the purposes of calculating the book cost of the assets acquired.

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Period 19 January 2004 to 31 December 2004

9. Merger of ATEC LLP and ATEC Holding AG (continued)

Analysis of results pre and post merger

	Pre merger 19/01/04 - 09/12/04 Schneeberger Holding AG £	Pre merger 19/01/04 - 09/12/04 ATEC Holding AG £	Pre merger 19/01/04 - 09/12/04 ATEC Consulting LLP £	Pre merger consolidation adjustments £	Post merger 10/12/04 - 31/12/04 All entities £
Turnover	58,238,980	-	545,760	(387,765)	3,735,262
Cost of sales	(25,000,348)	-	(358,237)	387,765	(1,600,715)
Gross profit	33,238,632	-	187,523	-	2,134,547
Administrative expenses	(26,303,761)	(6,674)	(9,433)	177,453	(1,679,568)
Other operating income	175,626	-	-	-	11,279
Operating profit	7,110,497	(6,674)	178,090	177,453	466,258
Interest receivable	204,372	6	3,122	(134,783)	4,617
Interest payable	(1,458,958)	(162,191)	(101)	134,783	(95,410)
Profit on ordinary activities before taxation	5,855,911	(168,859)	181,111	177,453	375,465
Taxation	(1,017,136)	1,406	-	-	(65,230)
Profit on ordinary activities after taxation	4,838,775	(167,453)	181,111	177,453	310,235
Minority interest	(455,668)	-	-	-	(29,262)
Profit for the financial period	4,383,107	(167,453)	181,111	177,453	280,973

10. Stocks

	Group £	LLP £
Raw materials	652,254	-
Parts	2,896,665	-
Work in progress	4,144,375	-
Finished goods	466,288	-
	8,159,582	-

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Period 19 January 2004 to 31 December 2004

11. Debtors	Group £	LLP £
Trade debtors	10,283,987	-
Loans to group undertakings	-	583,029
Other loans	292,254	-
Other debtors	1,085,863	5,663
Prepayments and accrued income	8,450	21,046
Deferred tax asset	1,071,821	-
	<u>12,742,375</u>	<u>609,738</u>

Accrued income of the LLP includes £12,596 due from group undertakings.

Other debtors of the LLP include £916 due from group undertakings.

The deferred tax asset arises due to tax losses in the German group company for years 1997 to 2003. The management believe these losses can be utilised in the future.

12. Creditors: amounts falling due within one year	Group £	LLP £
Obligations under finance leases	1,590,326	-
Trade creditors	5,827,226	-
Other creditors	1,167,094	23,359
Loans	13,575,059	-
Accruals and deferred income	1,849,742	396,319
	<u>24,009,447</u>	<u>419,678</u>

13. Creditors: amounts falling due after more than one year

Loans	7,565,958	-
Obligations under finance leases	3,813,668	-
Deferred tax liability	1,377,794	-
Other creditors	891,352	-
	<u>13,648,772</u>	<u>-</u>

	Group £
Obligations under finance leases:	
Amounts payable:	
Within two to five years	<u>3,813,668</u>

ATEC CONSULTING LLP
NOTES TO THE FINANCIAL STATEMENTS
Period 19 January 2004 to 31 December 2004

13. Creditors: amounts falling due after more than one year (continued)	Group £
Deferred taxation provided in the financial statements is as follows:	<u>1,377,794</u>
Movement in the period:	
At 19 January 2004	1,331,415
Movement in the period	<u>46,379</u>
At 31 December 2004	<u>1,377,794</u>

14. Members' interests - Group	Members' capital £	Other reserves £	Consolidation reserve £	Total £	Loans and other debts due to/(from) members £	Total members' interests
Members' interests at 19 January 2004	-	-	-	-	-	-
Profit for the financial period	-	4,855,191	-	4,855,191	-	4,855,191
Members' interests after profit for the period	-	4,855,191	-	4,855,191	-	4,855,191
Allocated profits	-	(192,742)	-	(192,742)	192,742	-
Consolidation reserve	-	-	(3,128,936)	(3,128,936)	-	(3,128,936)
Introduced by members	4,700,793	-	-	4,700,793	1,303	4,702,096
Drawings	-	-	-	-	(187,020)	(187,020)
Members' interests at 31 December 2004	<u>4,700,793</u>	<u>4,662,449</u>	<u>(3,128,936)</u>	<u>6,234,306</u>	<u>7,025</u>	<u>6,241,331</u>

Members' interests - LLP

Members' interests at 19 January 2004	-	-	-	-	-	-
Profit for the financial period available for division among members	-	192,742	-	192,742	-	192,742
Members' interests after profit for the period	-	192,742	-	192,742	-	192,742
Allocated profits	-	(192,742)	-	(192,742)	192,742	-
Introduced by members	4,700,793	-	-	4,700,793	1,303	4,702,096
Drawings	-	-	-	-	(187,020)	(187,020)
Members' interests at 31 December 2004	<u>4,700,793</u>	<u>-</u>	<u>-</u>	<u>4,700,793</u>	<u>7,025</u>	<u>4,707,818</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in a winding up.

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Period 19 January 2004 to 31 December 2004

15. Notes to the cash flow statement				Group 2004 £
(a) Reconciliation of operating profit to net cash inflow from operating activities				
Operating profit				7,925,624
Depreciation				3,075,131
Amortisation				26,254
Profit on disposal of fixed assets				(63,698)
Increase in debtors				(362,272)
Increase in creditors				(1,762,923)
Net cash inflow from operating activities				<u>8,838,116</u>
(b) Reconciliation of net cash flow to movement in net debt				
Increase in cash in period				5,656,542
Acquired in merger				(31,021,993)
Movement in net funds in period				<u>(25,365,451)</u>
Net debt at 19 January 2004 (note 15 (c))				-
Net debt at 31 December 2004 (note 15 (c))				<u>(25,365,451)</u>
(c) Analysis of changes in net debt				
	At 19 January 2004 £	Cash flows £	Acquired in merger £	At 31 December 2004 £
Cash at bank and in hand	-	(163,398)	1,342,958	1,179,560
Loans due within one year	-	1,811,145	(15,386,204)	(13,575,059)
Loans due after one year	-	2,453,280	(10,019,238)	(7,565,958)
Finance leases	-	1,555,515	(6,959,509)	(5,403,994)
	<u>-</u>	<u>5,656,542</u>	<u>(31,021,993)</u>	<u>(25,365,451)</u>
(d) Assets acquired due to merger				
Net assets acquired				
Tangible fixed assets				25,441,570
Intangible fixed assets				76,181
Stocks				6,139,154
Debtors				12,566,040
Cash at bank and in hand				1,342,958
Creditors				(43,236,594)
Minority shareholders' interests				(956,985)
				<u>1,372,324</u>
Consolidation reserve				3,128,936
				<u>4,501,260</u>
Satisfied by				
Capital introduced by members (note 18)				<u>4,501,260</u>

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Period 19 January 2004 to 31 December 2004

16. Profit of the LLP

As permitted by section 230 of the Companies Act 1985 (as modified for application to LLPs), the profit and loss account of the LLP is not presented as part of these financial statements. The LLP's profit for the period was £192,742.

17. Information in relation to members

The average number of members during the period was two.

18. Introduction of capital

	£
Fixed asset investments	4,501,260
Loans to group undertakings	220,592
Accrued interest on loan to group undertaking	2,310
Accrued expenses	(467)
Liability for unpaid share capital in ATEC Holding AG	(22,902)
	<u>4,700,793</u>

19. Related party transactions

During the period, the group carried out transactions with the following parties, who were considered to be related parties as defined in Financial Reporting Standard No 8:

Related party	Reason
(i) ATEC LP	Partnership controlled by Hans-Martin Schneeberger

Transactions

- (i) ATEC LP charged a consultancy fee of £381,243 which was still outstanding at the year-end.

Transactions with group undertakings that have not been eliminated on consolidation.

- (a) The LLP charged Schneeberger Holding AG fees of £153,139 for the period 19 January 2004 to 9 December 2004.

Period end balances have been eliminated on consolidation.

20. Financial commitments

The group has commitments for annual payments under lease agreements which will expire:

	£
Within one year	212,074
Within two to five years	177,263
	<u>389,337</u>

ATEC CONSULTING LLP

NOTES TO THE FINANCIAL STATEMENTS

Period 19 January 2004 to 31 December 2004

21. Contingent liability

A group company is involved in a pending legal case. A decision was in the first instance made in favour of the company, but the proceedings continue. The management are of the opinion that no material additional liabilities will arise from this case. For this reason, no provision has been made for this eventuality.

22. Control

The partnership is controlled by its members.

THE ADDITIONAL INFORMATION ON THE FOLLOWING PAGE HAS BEEN PREPARED FROM THE ACCOUNTING RECORDS OF THE LLP. WHILE IT DOES NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS, IT SHOULD BE READ IN CONJUNCTION WITH THEM AND THE AUDITORS' REPORT THEREON.

ATEC CONSULTING LLP**DETAILED PROFIT AND LOSS ACCOUNT - LLP****Period 19 January 2004 to 31 December 2004**

	£	LLP £
Turnover		580,809
Cost of sales		(381,243)
Gross profit		<u>199,566</u>
Administrative expenses		
Legal & professional fees	17,003	
Audit fees	7,730	
Motor vehicle expenses	1,233	
Entertaining and subsistence	800	
Bank charges	405	
Office sundries	160	
Exchange gain	(17,294)	
		<u>(10,037)</u>
Operating profit		<u>189,529</u>
Interest receivable		3,322
Interest payable		(109)
		<u></u>
Profit for the financial period available for division among members		<u>192,742</u>