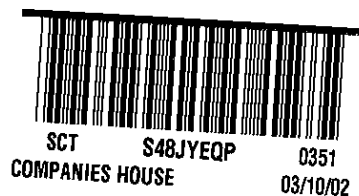


Altra Holdings Limited

Directors' report and financial statements
for the year ended 31 December 2001

Registered Number 167498



Altra Holdings Limited

Directors' report and financial statements

for the year ended 31 December 2001

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Altra Holdings Limited

Directors' report for the year ended 31 December 2001

The directors present their report and the audited financial statements of the company for the year ended 31 December 2001.

Principal activity

The principal activity of Altra Holdings Limited is to act as the parent company for its subsidiary undertaking which provides engineering and related technical consultancy services.

Review of business

On 1 October 2001, the company's intermediate parent company, Deutag Teifbohr-Aktiengesellschaft, was acquired by Abbot Group.

Directors and their interests

The directors who held office during the year were as follows:

H J Mainitz	(resigned 22 May 2001)
P J Milne	(appointed 15 October 2001)
R J Pearce	
M J L Salter	(appointed 15 October 2001)

The interests of Mr P J Milne and Mr M J L Salter, who are also directors of the ultimate parent company, Abbot Group plc, are shown in the annual report of that company.

The other director who held office at the end of the financial year had no interests in the shares of the company or other group companies as recorded in the register of directors' interests.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 year. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

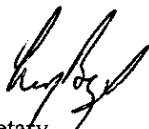
The directors confirm that suitable accounting policies have been used and consistently applied. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2001 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and 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, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the Board


Secretary
12 JUNE 2002

Altra Holdings Limited

Independent auditors' report to the members of Altra Holdings Limited

We have audited the financial statements on pages 3 to 6.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the directors' report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

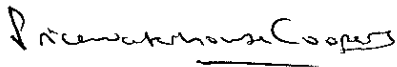
Basis of audit opinion

We conducted our audit in accordance with 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, 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 that 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 the company's affairs at 31 December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Aberdeen

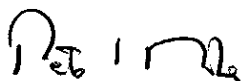
12 JUNE 2002

Altra Holdings Limited

Balance sheet as at 31 December 2001

	Note	2001 £'000	2000 £'000
Fixed assets			
Investments	4	20	20
Capitals and reserves			
Called up share capital	5	20	20
Profit and loss account		-	-
Total shareholder's funds	5	20	20

The financial statements on pages 3 to 6 were approved by the board of directors on 15 JUNE 2002 and were signed on its behalf by:



Director

Profit and loss account

During the period the company recorded neither income nor expenditure. Consequently during the year the company made neither a profit nor a loss.

Altra Holdings Limited

Notes to the financial statements for the year ended 31 December 2001

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Consolidated financial statements have not been prepared as the company is entitled to exemptions conferred by section 228 of the Companies Act 1985.

Changes in accounting policies

FRS 18 "Accounting Policies" has been adopted in the current year but this did not require any change in accounting policy.

Cash flow statement

The company is a wholly owned subsidiary of Deutag UK Limited, and the cash flows of the company are included in the consolidated group cash flow statement of its respective ultimate parent companies during the year, which are incorporated in the European Union. These consolidated financial statements are publicly available. Consequently the company is exempt under the terms of Financial Reporting Standard 1 from publishing a cash flow statement.

2 Directors' emoluments

The directors received no emoluments from the company during the year (2000 : nil).

3 Employee information

The company had no employees during the year (2000 : nil).

4 Fixed asset investments

	Shares in group undertakings
	£'000
Cost and net book value	
At 31 December 2000 and 31 December 2001	20

Altra Holdings Limited

The subsidiary undertaking of the company is as follows:

Subsidiary undertaking	Country of incorporation	Principal activity	Interest in ordinary shares
Altra Consultants Limited	Scotland	Consultant engineering provider for oil and gas operations	100%

In the opinion of the directors the aggregate value of the assets of the company consisting of the shares in, or amounts owing from, the company's subsidiary undertakings is not less than the aggregate of the amounts at which those assets are stated or included in the company's balance sheet.

5 Called up share capital

	2001 £'000	2000 £'000
Authorised		
Equity : 339,000 ordinary shares of 25p each	85	85
Non-equity : 60,000 redeemable preference shares of 25p each	15	15
Non-equity : 1,000 'A' ordinary shares of 25p each	-	-
	100	100
Allotted, called up and fully paid		
Equity : 20,000 ordinary shares of 25p each	5	5
Non-equity : 60,000 redeemable preference shares of 25p each	15	15
Non-equity : 1,000 'A' ordinary shares of 25p each	-	-
	20	20

The redeemable preference shares and 'A' ordinary shares carry no voting rights. Dividends in respect of all three types of shares shall be determined at the discretion of the ordinary shareholders.

The redeemable preference shares can be redeemed at any time at par provided six months' notice is given.

On a return of assets on liquidation or otherwise, the assets of the company remaining after the payment of its liabilities shall be applied as follows:

- 1) to the holders of the preference shares – 25p per share;
- 2) to the holders of the ordinary shares – 25p per share;
- 3) to the holders of the 'A' ordinary shares – 25p per share;
- 4) any remaining assets will be distributed to the ordinary shareholders according to the number of shares held by them respectively.

Altra Holdings Limited

6 Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8, Related Party Disclosures, not to disclose the transactions between companies included within the consolidated financial statements of Abbot Group plc.

There were no other material related party transactions.

7 Ultimate parent company

The Company's ultimate holding company is Abbot Group plc, which is incorporated in the United Kingdom.

The consolidated financial statements of Abbot Group plc may be obtained from Minto Drive, Altens, Aberdeen, AB12 3LW.