

# SIEMENS

Company Registration No. 02458094 (England and Wales)

SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

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**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**COMPANY INFORMATION**

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|--------------------------|--|
| <b>Directors</b>         | M Banham<br>G Langley<br>P Bichara<br>R Glazer                               |
| <b>Secretary</b>         | G Gent   |
| <b>Company number</b>    | 02458094   |
| <b>Registered office</b> | Faraday House<br>Sir William Siemens Square<br>Frimley<br>Surrey<br>GU16 8QD |
| <b>Auditors</b>          | Clarkson Hyde LLP<br>137-143 High Street<br>Sutton<br>Surrey<br>SM1 1JH      |
| <b>Business address</b>  | Knoll Road<br>Camberley<br>Surrey<br>GU15 3SY                                |

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# SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

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# SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

## DIRECTORS' REPORT

### FOR THE PERIOD ENDED 30 SEPTEMBER 2008

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The directors present their report and financial statements for the period ended 30 September 2008.

#### Principal activities

The principal activity of the company continued to be that of the provision of computer aided production engineering ('CAPE') software, related support services and maintenance contracts for the software sold.

#### Review of the business

The results for the year are set out on page 6. The directors are pleased with the performance of the company for the year.

The company earns revenue from three primary sources: license, maintenance and services, although the maintenance stream now accounts for 96% of the business. Total turnover for the period ended 30 September 2008 decreased by 19% (9 month period ended 30 September 2007 - £435k) to £352k which was principally due to a fall in services & software revenue, whereas the maintenance was stabilised (approximately 2% growth) through a consolidated renewal effort.

Despite the reduction in revenue the company is reporting a year end profit position, relating to a £304k swing from the reported loss of £201k for the 9 month period ended 30 September 2007. This was due to reducing operating costs for the period by 42% (9 month period ended 30 September 2007 - £916k) to £531k, largely attributed to a reduction in marketing rights recharges.

The nature of the company is now essentially to sustain the maintenance revenue which by nature is renewed by its existing customer base periodically (on expiry when due). The maintenance stream was created based on software sales in the company's past. When this company was acquired (on 1 April 2005 by as then known UGS Corp.), the company's products were incorporated into the full Siemens PLM portfolio. As such most new sales include licences from the full combined offering and are processed through a separate entity (namely Siemens PLM Software (GB) Ltd).

The balance sheet shows that net assets have increased by £102,264 resulting in a net asset position.

#### Principal risks and uncertainties

Our ability to compete successfully depends on factors both within and outside our control, including, amongst others, the successful and timely upgrades of our software, versions and features, software performance and quality, pricing, customer service and support and Product Lifecycle Management (PLM) industry and general economic trends.

- Market Conditions - If the PLM market does not develop as we anticipate, our revenue will be adversely affected.
- Competitiveness of our products - We consider that we have a world class hi-tech product portfolio available. If we are unable to deliver new and innovative cost effective PLM software products and services, our revenues will be adversely affected. Through research and development and managed new releases we strive to maintain and grow our relative competitiveness and deliver to known road maps across consistent licensing models.
- Economic environment - Our customer base includes a high percentage of manufacturing companies. Our inherent risk is that in any economic downturn, our customers may reduce their expenditure on PLM and related software.
- Competitive Environment - Our products provide solutions within highly competitive markets generally competed by providers of a similar status. We work to seek key wins in each industry and develop key customers to help profile our products, although if unsuccessful our performance may deteriorate.
- Retention rates on maintenance - Maintenance is, comparatively, a high margin revenue stream and our challenge is to maintain this through renewal. The business is managing through dedicated maintenance heads to aid renewals and additionally globally set inflationary renewal percentage increases.

## **SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

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#### **Intellectual property**

The group relies on a combination of contracts, copyrights, patents, trademarks and other common law rights such as trade secret and unfair competition laws to establish and protect the proprietary rights to our technology. Generally, the company distributes its products under software licenses that grant customers licenses to, rather than ownership of, our applications and that contain various provisions protecting our ownership and confidentiality of our licensed technology. The company continues to perform research and development work on behalf of the group.

#### **Policy and practice on the payment of creditors**

It is the company's policy to negotiate terms with its suppliers in all sectors and to ensure that they know the terms on which payment will take place when the business is agreed. It is our policy to abide by these terms.

#### **Subsequent events**

There were no significant reportable post balance sheet events.

#### **Environmental**

As a leading global company, Siemens PLM II (GB) Ltd has a responsibility to comply with the highest ethical and legal standards while protecting the environment and benefiting society as a whole.

#### **Equal opportunities**

The company is committed to equal opportunities for all, free from discrimination and harassment. Siemens PLM II (GB) Ltd values the contribution of all employees. All job applicants and employees, customers, visitors or contractors will receive equal treatment regardless of sex, race, disability, sexual orientation, religion or belief, age, colour, marital status, trade union membership, nationality or ethnic or national origins.

Within Siemens PLM II (GB) Ltd applicants and employees will be recruited, selected, trained and promoted on objective grounds, i.e. on the basis of their abilities to contribute most effectively to the success of the company. Wherever possible, we will assist disabled employees to enable them to work for the company and maximise their contribution and performance.

#### **Results and dividends**

The results for the period are set out on page 6.

The directors do not recommend payment of an ordinary dividend, (9 month period ended 30 September 2007: £nil)

#### **Directors**

The following directors have held office since 1 October 2007:

M Banham  
G Langley  
P Bichara  
R Glazer

#### **Political and charitable donations**

No political or charitable donations were made during the year, (period ended 30 September 2007: £nil)

#### **Auditors**

Clarkson Hyde LLP has notified the directors that they will not be seeking re-appointment in respect of the financial period commencing 1st October 2008. A Resolution for the appointment of Ernst & Young LLP as auditor of the Company in respect of the same is to be proposed.

**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

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**Directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 period. In preparing those financial statements, the directors are required to:

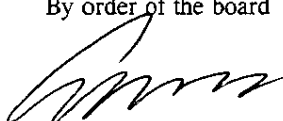
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



G Gent  
Secretary

27 March 2009

Siemens Product Lifecycle Management Software II (GB) Limited  
Faraday House  
Sir William Siemens Square  
Frimley  
Surrey  
GU16 8QD

## **SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE SHAREHOLDERS OF SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

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We have audited the financial statements of Siemens Product Lifecycle Management Software II (GB) Ltd for the period ended 30 September 2008 set out on pages 6 to 13. These financial statements have been prepared under the accounting policies set out therein.

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 the directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE SHAREHOLDERS OF SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

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**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2008 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



Clarkson Hyde LLP

Chartered Accountants  
Registered Auditor

27 March 2009

137-143 High Street  
Sutton  
Surrey  
SM1 1JH



Clarkson Hyde  
CHARTERED ACCOUNTANTS



**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**PROFIT AND LOSS ACCOUNT**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

|  |       | Year<br>ended<br>30 September<br>2008<br>£ | 9 Months<br>ended<br>30 September<br>2007<br>£ |
|--|-------|--|--|
|  | Notes |  |  |
| Turnover   | 2     | 352,305                                    | 435,130  |
| Cost of sales  |       | (363,002)                                  | (512,127)                                      |
| Gross loss   |       | (10,697)                                   | (76,997)                                       |
| Administrative expenses                              |       | (167,949)                                  | (404,120)                                      |
| Other operating income                               |       | 297,529                                    | 309,596  |
| Operating profit/(loss)                              | 3     | 118,883                                    | (171,521)                                      |
| Other interest receivable and similar income         | 4     | -  | 3,141  |
| Interest payable and similar charges                 | 5     | (16,619)                                   | (30,169)                                       |
| Profit/(loss) on ordinary activities before taxation |       | 102,264                                    | (198,549)                                      |
| Tax on profit/(loss) on ordinary activities          | 6     | -  | (2,758)  |
| Profit/(loss) for the period                         | 12    | 102,264                                    | (201,307)                                      |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**BALANCE SHEET**

**AS AT 30 SEPTEMBER 2008**

|   | Notes | 2008<br>£        | £             | 2007<br>£        | £               |
|---|-------|------------------|---------------|------------------|-----------------|
| <b>Fixed assets</b>                                   |       |                  |               |                  |                 |
| Tangible assets                                       | 7     |                  | 2,381         |                  | 8,189           |
| <b>Current assets</b>                                 |       |                  |               |                  |                 |
| Debtors   | 8     | 154,662          |               | 258,128          |                 |
| Cash at bank and in hand                              |       | -                |               | 395              |                 |
|   |       | <u>154,662</u>   |               | <u>258,523</u>   |                 |
| <b>Creditors: amounts falling due within one year</b> | 9     | <u>(132,546)</u> |               | <u>(344,479)</u> |                 |
| <b>Net current assets/(liabilities)</b>               |       |                  | <u>22,116</u> |                  | <u>(85,956)</u> |
| <b>Total assets less current liabilities</b>          |       |                  | <u>24,497</u> |                  | <u>(77,767)</u> |
| <b>Capital and reserves</b>                           |       |                  |               |                  |                 |
| Called up share capital                               | 11    |                  | 2,500,000     |                  | 2,500,000       |
| Profit and loss account                               | 12    |                  | (2,475,503)   |                  | (2,577,767)     |
| <b>Shareholders' funds</b>                            | 13    |                  | <u>24,497</u> |                  | <u>(77,767)</u> |

Approved by the Board and authorised for issue on 27 March 2009

M Banham  
Director

# SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                                |                   |
|--------------------------------|-------------------|
| Land and buildings Leasehold   | 15% straight line |
| Plant and machinery            | 25% straight line |
| Computer equipment             | 25% straight line |
| Fixtures, fittings & equipment | 15% straight line |

#### 1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

#### 1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### 1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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.

#### 1.9 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Siemens Product Lifecycle Management Software Inc, a company incorporated in the United States of America, and is included in the consolidated accounts of that company.

SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

2 Turnover

In the year to 30 September 2008, 0.25% (9 month period ended 30 September 2007 -1.13%) of the company's turnover was to markets outside the United Kingdom.

| 3 | Operating profit/(loss)  | 2008<br>£ | 2007<br>£ |
|---|--|-----------|-----------|
|   | Operating profit/(loss) is stated after charging:                                    |           |           |
|   | Depreciation of tangible assets  | 5,808     | 10,890    |
|   | Loss on foreign exchange transactions  | -         | 18,952    |
|   | Operating lease rentals  | 43,371    | 70,705    |
|   | Fees payable to the company's auditor for the audit of the company's annual accounts | 6,500     | 6,500     |
|   | and after crediting:   |           |           |
|   | Profit on foreign exchange transactions  | (20,498)  | -         |

| 4 | Investment income | 2008<br>£ | 2007<br>£ |
|---|-------------------|-----------|-----------|
|   | Bank interest     | -         | 3,141     |
|   |                   | -         | 3,141     |

| 5 | Interest payable                      | 2008<br>£ | 2007<br>£ |
|---|---------------------------------------|-----------|-----------|
|   | On amounts payable to group companies | 16,619    | 30,169    |

SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

| 6 | Taxation   | 2008<br>£ | 2007<br>£ |
|---|--|-----------|-----------|
|   | Domestic current year tax  |           |           |
|   | Adjustment for prior years   | -         | 2,758     |
|   | Current tax charge   | -         | 2,758     |
|   | Factors affecting the tax charge for the period  |           |           |
|   | Profit/(loss) on ordinary activities before taxation   | 102,264   | (198,549) |
|   | Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 29.00% (2007 - 30.00%) | 29,657    | (59,565)  |
|   | Effects of:  |           |           |
|   | Non deductible expenses  | 870       | 129       |
|   | Depreciation add back  | 1,685     | 3,267     |
|   | Tax losses (utilised)/carried forward  | (32,212)  | 57,111    |
|   | Adjustments to previous periods  | -         | 2,758     |
|   | Other tax adjustments  | -         | (942)     |
|   | Current tax charge   | (29,657)  | 62,323    |
|   |  | -         | 2,758     |

| 7 | Tangible fixed assets                    | Land and<br>buildings<br>Leasehold<br>£ | Plant and<br>machinery<br>£ | Fixtures,<br>fittings &<br>equipment<br>£ | Total<br>£ |
|---|--|---|-----------------------------|---|------------|
|   | Cost                                     |   |                             |   |            |
|   | At 1 October 2007 & at 30 September 2008 | 30,187                                  | 458,805                     | 58,006                                    | 546,998    |
|   | Depreciation                             |   |                             |   |            |
|   | At 1 October 2007                        | 29,356                                  | 453,820                     | 55,633                                    | 538,809    |
|   | Charge for the period                    | -                                       | 4,699                       | 1,109                                     | 5,808      |
|   | At 30 September 2008                     | 29,356                                  | 458,519                     | 56,742                                    | 544,617    |
|   | Net book value                           |   |                             |   |            |
|   | At 30 September 2008                     | 831                                     | 286                         | 1,264                                     | 2,381      |
|   | At 30 September 2007                     | 831                                     | 4,985                       | 2,373                                     | 8,189      |

SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

| 8 Debtors                      | 2008           | 2007           |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Trade debtors                  | 61,862         | 188,624        |
| Other debtors                  | 69,975         | 64,375         |
| Prepayments and accrued income | 22,825         | 5,129          |
|                                | <u>154,662</u> | <u>258,128</u> |

Other debtors includes an amount of £41,125 (2007: £41,125) which is due after more than one year.

| 9 Creditors: amounts falling due within one year          | 2008           | 2007           |
|---|----------------|----------------|
|   | £              | £              |
| Trade creditors   | 13,302         | 12,342         |
| Amounts owed to parent and fellow subsidiary undertakings | 4,909          | 188,120        |
| Taxes and social security costs                           | 5,117          | 10,679         |
| Other creditors   | 700            | -              |
| Accruals and deferred income                              | 108,518        | 133,338        |
|   | <u>132,546</u> | <u>344,479</u> |

10 Pension and other post-retirement benefit commitments

**Defined contribution**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

|   | 2008          | 2007          |
|---|---------------|---------------|
|   | £             | £             |
| Contributions payable by the company for the period | <u>15,183</u> | <u>14,854</u> |

| 11 Share capital                          | 2008              | 2007              |
|---|-------------------|-------------------|
|   | £                 | £                 |
| <b>Authorised</b>                         |                   |                   |
| 10,000,000 Ordinary shares of £1 each     | <u>10,000,000</u> | <u>10,000,000</u> |
| <b>Allotted, called up and fully paid</b> |                   |                   |
| 2,500,000 Ordinary shares of £1 each      | <u>2,500,000</u>  | <u>2,500,000</u>  |

**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

**12 Statement of movements on profit and loss account**

**Profit and loss  
account**

£

|                              |             |
|------------------------------|-------------|
| Balance at 1 October 2007    | (2,577,767) |
| Profit for the period        | 102,264     |
| Balance at 30 September 2008 | (2,475,503) |

**13 Reconciliation of movements in shareholders' funds**

**2008**

**2007**

£

£

|  |          |           |
|--|----------|-----------|
| Profit/(Loss) for the financial period | 102,264  | (201,307) |
| Opening shareholders' funds            | (77,767) | 123,540   |
| Closing shareholders' funds            | 24,497   | (77,767)  |

**14 Financial commitments**

At 30 September 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2009:

**Land and buildings**

**2008**

**2007**

£

£

|                                |        |        |
|--------------------------------|--------|--------|
| Operating leases which expire: |        |        |
| In over five years             | 70,000 | 70,000 |

**15 Directors' emoluments**

M Banham and G Langley are remunerated by Siemens PLM Software (GB) Limited.

P Bichara and R Glazer are remunerated by Siemens PLM Software Inc.

**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

**16 Employees**

**Number of employees**

The average number of employees (including directors) during the period was:

| <b>2008</b>   | <b>2007</b>   |
|---------------|---------------|
| <b>Number</b> | <b>Number</b> |
| <u>5</u>      | <u>8</u>      |

**Employment costs**

|                       | <b>2008</b>    | <b>2007</b>    |
|-----------------------|----------------|----------------|
|                       | <b>£</b>       | <b>£</b>       |
| Wages and salaries    | 293,742        | 343,184        |
| Social security costs | 32,021         | 42,057         |
| Other pension costs   | 15,183         | 14,854         |
|                       | <u>340,946</u> | <u>400,095</u> |

**17 Control**

The parent company is Siemens Product Lifecycle Management Software (IL) Limited, a company registered in Israel. The ultimate parent undertaking is Siemens AG, incorporated in Germany. Copies of the group accounts are available on the internet at [www.siemens.com/annualreport](http://www.siemens.com/annualreport) or obtained from Siemens AG, Witelbacherplatz 2, D-80333 Munich, Germany.

**18 Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

**19 Post balance sheet events**

There have been no material events since the balance sheet date.



**SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD**

**MANAGEMENT INFORMATION**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2008**

SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

|   |         | Year<br>ended<br>30 September<br>2008 |         | 9 Months<br>ended<br>30 September<br>2007 |
|---|---------|---------------------------------------|---------|---|
|   | £       | £                                     | £       | £   |
| <b>Turnover</b>                                     |         |                                       |         |   |
| Sales   |         | 352,305                               |         | 435,130                                   |
| <b>Cost of sales</b>                                |         |                                       |         |   |
| Other direct costs                                  | 35,431  |                                       | 25,852  |   |
| Wages and salaries (excl. N.I.)                     | 232,154 |                                       | 161,318 |   |
| Employer's N.I. contributions                       | 25,307  |                                       | 20,818  |   |
| Staff pension scheme costs                          | 11,933  |                                       | 9,220   |   |
| Marketing rights payable                            | 58,177  |                                       | 294,919 |   |
|   |         | (363,002)                             |         | (512,127)                                 |
| <b>Gross loss</b>                                   | 3.04 %  | (10,697)                              | 17.70 % | (76,997)                                  |
| <b>Administrative expenses</b>                      |         | (167,949)                             |         | (404,120)                                 |
|   |         | (178,646)                             |         | (481,117)                                 |
| <b>Other operating income</b>                       |         |                                       |         |   |
| Sundry income                                       |         | 297,529                               |         | 309,596                                   |
| <b>Operating profit/(loss)</b>                      |         | 118,883                               |         | (171,521)                                 |
| <b>Other interest receivable and similar income</b> |         |                                       |         |   |
| Bank interest received                              |         | -                                     |         | 3,141                                     |
| <b>Interest payable</b>                             |         |                                       |         |   |
| Interest paid to group companies                    |         | (16,619)                              |         | (30,169)                                  |
| <b>Profit/(loss) before taxation</b>                | 29.03 % | 102,264                               | 45.63 % | (198,549)                                 |

SIEMENS PRODUCT LIFECYCLE MANAGEMENT SOFTWARE II (GB) LTD

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE PERIOD ENDED 30 SEPTEMBER 2008

|                                     | Year<br>ended<br>30 September<br>2008<br>£ | 9 Months<br>ended<br>30 September<br>2007<br>£ |
|-------------------------------------|--|--|
| <b>Administrative expenses</b>      |  |  |
| Wages and salaries (excl. N.I.)     | 61,588                                     | 181,866  |
| Employer's N.I. contributions       | 6,714                                      | 21,239   |
| Staff pension costs                 | 3,250                                      | 5,634  |
| Staff training                      | 25   | 5,101  |
| Recruitment costs                   | -  | 545  |
| Rent & rates                        | 43,371                                     | 70,705   |
| Insurance                           | 485  | 1,982  |
| Light and heat                      | 12,688                                     | 8,411  |
| Printing, postage and stationery    | 2,857                                      | 731  |
| Telephone                           | 6,418                                      | 16,886   |
| Computer running costs              | 2,456                                      | 7,725  |
| Motor running expenses              | 9,530                                      | 10,104   |
| Travelling expenses                 | 5,649                                      | 16,752   |
| Entertaining                        | -  | 431  |
| Legal and prof fees                 | 15,301                                     | 11,577   |
| Audit fees                          | 6,500                                      | 6,500  |
| Bank charges                        | -  | 243  |
| Bad and doubtful debts              | 2,806                                      | 531  |
| Profit/loss on foreign currency     | (20,498)                                   | 18,952   |
| Fines                               | 3,001                                      | -  |
| Sundry expenses                     | -  | 7,315  |
| Amortisation on short leasehold     | -  | 23   |
| Depreciation on plant and machinery | 4,699                                      | 9,792  |
| Depreciation on FF & E              | 1,109                                      | 1,075  |
|                                     | <u>167,949</u>                             | <u>404,120</u>                                 |