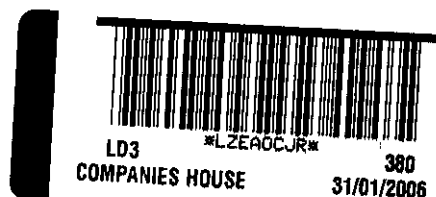


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**WITTFELD UK LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2004**



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WITTFELD UK LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

Contents	Pages
Officers and professional advisers	1
Directors' report	2 to 3
Independent auditors' report to the shareholders	4 to 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 to 11

WITTFELD UK LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

U Remme
W Thomas
F Röbbelen
P Brügger

Company secretary

A C Kaufman

Registered office

12 York Gate
Regents Park
London
NW1 4QS

Auditors

Blick Rothenberg
Chartered Accountants and
Registered Auditors
12 York Gate
Regent's Park
London, NW1 4QS

WITTFELD UK LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2004

The directors present their report and the audited financial statements of the company for the year ended 31 December 2004.

Principal activity

The principal activity of the company during the period was construction and civil engineering.

Review of the business and future developments

The results for the period and the financial position at the year end are considered satisfactory by the directors who expect continuing growth in the foreseeable future.

Results and dividends

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors do not recommend a dividend.

It is proposed to transfer the retained profit for the year of £93,444 to reserves.

Directors

The directors who served the company during the year were as follows:

U Remme
W Thomas

F Röbbelen was appointed as a director on 28 August 2005.

P Brügger was appointed as a director on 8 August 2005.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for the year then ended.

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.

The directors must also 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

WITTFELD UK LIMITED

DIRECTORS' REPORT *(continued)*

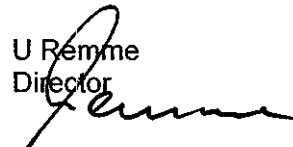
YEAR ENDED 31 DECEMBER 2004

Auditors

A resolution to reappoint Blick Rothenberg as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors

U Remme
Director



30th January 2006

WITTFELD UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 DECEMBER 2004

We have audited the financial statements of Wittfeld UK Limited for the year ended 31 December 2004 on pages 6 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

As described on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 with the company 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 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 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.

WITTFELD UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 31 DECEMBER 2004

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

12 York Gate
Regent's Park
London, NW1 4QS

31 January 2006



BLICK ROTHENBERG
Chartered Accountants and
Registered Auditors

WITTFELD UK LIMITED**PROFIT AND LOSS ACCOUNT****YEAR ENDED 31 DECEMBER 2004**

	Note	Year to 31 Dec 04 £	Period from 17 Apr 03 to 31 Dec 03 £
Turnover	2	1,283,621	1,865,954
Cost of sales		(1,154,868)	(1,889,445)
Gross profit/(loss)		128,753	(23,491)
Administrative expenses		(31,554)	(62,668)
Operating profit/(loss)	3	97,199	(86,159)
Interest payable and similar charges	5	(3,043)	(467)
Profit/(loss) on ordinary activities before taxation		94,156	(86,626)
Tax on profit/(loss) on ordinary activities	6	(712)	-
Retained profit/(loss) for the financial year		<u>93,444</u>	<u>(86,626)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

WITTFELD UK LIMITED

BALANCE SHEET

31 DECEMBER 2004

	Note	£	2004 £	£	2003 £
Current assets					
Stocks	7	--		167,306	
Debtors	8	40,880		963,756	
Cash at bank and in hand		93,689		60,233	
		134,569		1,191,295	
Creditors: Amounts falling due within one year	9	(120,251)		(1,270,421)	
Net current assets/(liabilities)			14,318		(79,126)
Total assets less current liabilities			14,318		(79,126)
Capital and reserves					
Called-up share capital	11		7,500		7,500
Profit and loss account	12		6,818		(86,626)
Shareholders' funds - equity/(deficiency)	13		14,318		(79,126)

30th January 2006

These financial statements were approved by the board of directors on and are signed on its behalf by:

U Remme
Director



WITTFELD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

1. Accounting policies

1.1 Basis of accounting and change in accounting policy

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

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

1.3 Leases

Assets held under finance leases and hire purchase contracts are capitalised at the fair value on the inception of the lease and are depreciated over the shorter of the period of the lease and the estimated useful economic lives of the assets. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding and are charged to the profit and loss account.

Operating lease rentals are charged to the profit and loss account in equal instalments over the lease term.

1.4 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

1.5 Foreign currencies

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 the profit and loss account.

2. Turnover

The turnover and profit before tax are attributable to the principal activity of the company.

A geographical analysis of turnover is given below:

	Year to 31 Dec 04 £	Period from 17 Apr 03 to 31 Dec 03 £
United Kingdom	<u>1,283,621</u>	<u>1,865,954</u>

WITTFELD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	Year to 31 Dec 04 £	Period from 17 Apr 03 to 31 Dec 03 £
Directors' emoluments	—	—
Auditors' remuneration: - audit services	<u>2,500</u>	<u>3,500</u>

4. Particulars of employees

There were no employees during the year apart from the directors.

5. Interest payable and similar charges

	Year to 31 Dec 04 £	Period from 17 Apr 03 to 31 Dec 03 £
Interest payable on bank loans and overdrafts	<u>3,043</u>	<u>467</u>

6. Taxation on ordinary activities

	Year to 31 Dec 04 £	Period from 17 Apr 03 to 31 Dec 03 £
Current tax:		
UK corporation tax based on the results for the year at 19% (2003: —%)	<u>712</u>	<u>—</u>

WITTFELD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

6. Taxation on ordinary activities *(continued)*

Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2003: -%).

	Year to 31 Dec 04 £	Period from 17 Apr 03 to 31 Dec 03 £
Profit/(loss) on ordinary activities before taxation	<u>94,156</u>	<u>(86,626)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of tax in the UK	17,890	-
Relief for losses brought forward	(16,370)	-
Starting rate relief	<u>(808)</u>	<u>-</u>
Total current tax	<u>712</u>	<u>-</u>

7. Stocks

	2004 £	2003 £
Work in progress	<u>-</u>	<u>167,306</u>

8. Debtors

	2004 £	2003 £
Trade debtors	3,956	963,756
Amounts owed by group undertakings	<u>36,924</u>	<u>-</u>
	<u>40,880</u>	<u>963,756</u>

9. Creditors: Amounts falling due within one year

	2004 £	2003 £
Trade creditors	13,523	392,340
Amounts owed to group undertakings	-	215,681
Corporation tax	712	-
Other taxation	97,516	80,423
Accruals and deferred income	<u>8,500</u>	<u>581,977</u>
	<u>120,251</u>	<u>1,270,421</u>

WITTFELD UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

10. Related party transactions and controlling party

In the opinion of the directors the ultimate controlling party is Wittfeld GmbH.

Name (Relationship)	Transaction	Amount		Amount due (to)/from related parties	
		2004 £	2003 £	2004 £	2003 £
Wittfeld GmbH	Transfer from parent company	252,605	215,681	36,924	(215,681)

11. Share capital

	2004		2003	
	Number	£	Number	£
Authorised share capital:				
Ordinary shares of £1 each	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>
Called up, allotted and fully paid:				
Ordinary shares of £1 each	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>	<u>7,500</u>

12. Reserves

	Profit and loss account £
Balance brought forward	(86,626)
Profit for the year	<u>93,444</u>
Balance carried forward	<u>6,818</u>

13. Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Profit/(loss) for the financial year	93,444	(86,626)
New equity share capital subscribed	—	7,500
Net addition/(reduction) to shareholders' equity deficit	<u>93,444</u>	<u>(79,126)</u>
Opening shareholders' deficit	(79,126)	—
Closing shareholders' funds/(deficit)	<u>14,318</u>	<u>(79,126)</u>

14. Parent undertaking

The ultimate parent company is Wittfeld GmbH, a company incorporated in Germany. Consolidated accounts are not prepared.