

**Intertek Testing Services Caleb Brett
Egypt Ltd.**

Directors' report and financial statements

31 December 2000
Registered number 542087



Intertek Testing Services Caleb Brett Egypt Ltd

Directors' report and financial statements

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Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2000.

Principal activities

The principal activities of the Company are cargo Superintending and Inspection which are conducted through the company's Egyptian branch.

Business review

The results for the year and the state of affairs of the Company are shown in the financial statements and notes on pages 6 to 14. The profit for the year after taxation was £ 112,000 (1999: £ 56,000.).

Proposed dividend

The directors do not recommend the payment of a dividend (1999: £ Nil).

Directors and directors' interests

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

K. Wahid

M. B. U. N. Fernando (resigned 13 July 2001)

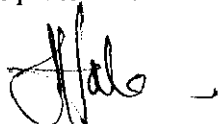
J. Notman Watt

None of the directors has any interest in the share capital of the company. The directors who held office at the end of the financial year had the following share options over the ordinary C shares of the ultimate parent company according to the register of Directors interest:

	1 Jan 00	Number of Options during the year		31 Dec 00
		Granted	Exercised	
M.B.U.N. Fernando	5,903	-	-	5,903
John Notman-Watt	35,416	-	-	35,416
Kassim Wahid	5,903	-	-	5,903

Auditors

KPMG have indicated their willingness to continue in office and a resolution concerning their re-appointment will be put forward at the forthcoming Annual General Meeting.



By order of the board
Sarah Hale
Secretary

25, Savile Row
London W1S 2ES
18 January 2002

Intertek Testing Services Caleb Brett Egypt Ltd

Statement of 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 that year. 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Intertek Testing Services Caleb Brett Egypt Ltd

Independent auditors' report to the members of Intertek Testing Services Caleb Brett Egypt Ltd.

We have audited the financial statements on pages 6 to 14.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the director's report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

Basis of 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 affairs of the company as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG
Chartered Accountants
Registered Auditors
London

18 January 2002

Intertek Testing Services Caleb Brett Egypt Ltd

Profit and loss account ***for the year ended 31 December 2000***

	<i>Notes</i>	2000 £000	1999 £000
Turnover		950	738
Operating costs		(470)	(393)
Gross profit		480	345
Administrative expenses		(292)	(248)
Profit on ordinary activities before taxation	2	188	97
Tax on profit on ordinary activities	5	(76)	(41)
Profit for the financial year		112	56

The Company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

All income and expenses come from continuing operations.

Intertek Testing Services Caleb Brett Egypt Ltd

Balance sheet

at 31 December 2000

	Notes	2000 £000	1999 £000
Fixed assets			
Tangible assets	6	153	168
		<hr/>	<hr/>
		153	168
Current assets			
Debtors	7	476	278
Cash at bank and in hand		64	50
		<hr/>	<hr/>
		540	328
Creditors: amounts falling due within one year	8	(183)	(111)
		<hr/>	<hr/>
Net current assets		357	217
Total assets less current liabilities		510	385
Creditors: amounts falling due after more than one year	9	(151)	(151)
		<hr/>	<hr/>
Net assets		359	234
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account	12	359	234
		<hr/>	<hr/>
Equity shareholders' funds		359	234
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 18 January 2002 and were signed on its behalf by:

John Notman-Watt
Director

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards. A summary of significant accounting policies, is set out below.

Basis of preparation

The financial statements are prepared in accordance with the historical cost convention.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied.

Foreign currencies

Assets and liabilities in foreign currencies have been expressed in Sterling at the rates of exchange ruling at the close of business on 31 December 2000. Exchange differences arising on the re-translation of the company's net investment in its Egyptian branch have been taken directly to reserves.

The profit and loss account of the Egyptian branch has been translated at the cumulative average rate (CAR). The difference between the net profit expressed at CAR and year end rates has been transferred to reserves.

All other exchange differences have been charged to the profit and loss account.

Depreciation

Fixed assets are depreciated on the straight line basis at rates calculated to provide for the cost of the assets over their anticipated useful lives which are as follows:

Equipment	-	4-10 years
Motor vehicles	-	5 years

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Operating lease

Costs in respect of operating leases are charged on a straight line basis over the term of the lease.

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

2 Profit on ordinary activities before taxation

	2000 £000	1999 £000
<i>Profit on ordinary activities before taxation is stated after charging /(crediting)</i>		
Auditors' remuneration:		
- audit	2	2
Depreciation and other amounts written off owned tangible fixed assets	33	25
Hire of other assets - operating leases	15	15
Exchange gains	-	(4)

3 Remuneration of directors

	2000 £000	1999 £000
Directors' emoluments	13	13

Number of directors 2000

Retirement benefits are accruing to the following number of directors
under:

Money purchase schemes	-
Defined benefit schemes	-

The number of directors who exercised share options was -

The number of directors in respect of whose services shares were
received or receivable under long term incentive schemes was -

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

4 Employees

	Number of employees	
	2000	1999
The average number of persons employed by the company (including directors) during the year was:		
Inspection	35	34

The aggregate payroll costs of these persons were as follows:

	2000 £000	1999 £000
Wages and salaries	187	194
Social security costs	25	17
	212	211

5 Taxation

	2000 £000	1999 £000
Overseas taxation	76	41

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

6 Tangible fixed assets

	Equipment and motor vehicles £000
<i>Cost</i>	
At beginning of year	408
Additions	19
Exchange adjustments	(5)
	<hr/>
At end of year	422
	<hr/>
<i>Depreciation</i>	
At beginning of year	240
Charge for year	33
Exchange adjustments	(4)
	<hr/>
At end of year	269
	<hr/>
<i>Net book value</i>	
At 31 December 2000	153
	<hr/>
At 31 December 1999	168
	<hr/>

7 Debtors

	2000 £000	1999 £000
Trade debtors	245	134
Amounts owed by group undertakings	180	90
Other debtors	18	14
Prepayments and accrued income	33	40
	<hr/>	<hr/>
	476	278
	<hr/>	<hr/>

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

8 Creditors: amounts falling due within one year

	2000 £000	1999 £000
Amounts owed to group undertakings	6	2
Taxation and social security	148	82
Accruals and deferred income	29	27
	<hr/>	<hr/>
	183	111
	<hr/>	<hr/>

9 Creditors: amounts falling due after more than one year

	2000 £000	1999 £000
Amounts owed to group undertakings	151	151
	<hr/>	<hr/>

10 Provisions for liabilities and charges

There is no deferred tax provided or unprovided at 31 December 2000 or 31 December 1999.

11 Called up share capital

	2000 £	1999 £
<i>Authorised</i>		
Equity:		
100 Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Equity:		
2 Ordinary shares of £1 each	2	2
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements (continued)

12 Profit and loss account

	£000
At 1st January 2000	234
Retained profit for the year	112
Exchange adjustments	13
	<hr/>
At 31 December 2000	359
	<hr/>

13 Reconciliation of movements in equity shareholders' funds

	£000
Opening shareholders' funds	234
Profit for the financial year	112
Exchange adjustments	13
	<hr/>
Closing shareholders' funds	359
	<hr/>

14 Cash flow statement

The company is exempt from the requirements of Financial Reporting Standard No. 1(Revised), Cash Flow Statements. The company's ultimate parent undertaking prepares consolidated financial statements which include a consolidated cash flow statement for the group.

15 Ultimate parent company and ultimate controlling party

The ultimate parent undertaking and ultimate controlling party of the company is Intertek Testing Services Limited, which is the ultimate parent company incorporated in Great Britain. The parent company is Caleb Brett Holdings Ltd., which is also incorporated in Great Britain. Copies of the ultimate parent company's consolidated financial statements may be obtained from The Secretary, 25 Savile Row, London W1S 2ES.

Intertek Testing Services Caleb Brett Egypt Ltd

Notes to the financial statements *(continued)*

16 Related party transaction

No disclosure has been made of transactions with group undertakings, as advantage has been taken of the exemption within Financial Reporting Standard No. 8, granted to subsidiary undertakings of which 90% or more of the voting rights are controlled within the group.

There are no other related party transactions required to be disclosed in these financial statements.