

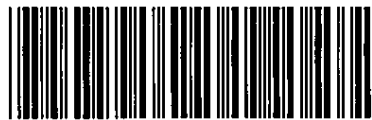
Company Registration No 2380120

FEI UK LIMITED

Report and Financial Statements

31 December 2006

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FEI UK LIMITED

REPORT AND FINANCIAL STATEMENTS 2006

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FEI UK LIMITED

REPORT AND FINANCIAL STATEMENTS 2006

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

T Dingle
R M Codd
D K Lanens
H J van Ooijen

SECRETARY

T Dingle

REGISTERED OFFICE

Philips House
Cambridge Business Park
Cowley Park
Cambridge CB4 0HF

BANKERS

Barclays Bank PLC
Corporate Banking Services
PO Box 885
Mortlock House
Histon
Cambridge CB4 9DE

AUDITORS

Deloitte & Touche LLP
Chartered Accountants
Cambridge

FEI UK LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2006

PRINCIPAL ACTIVITIES

The company's principal activities continue to be that of the distribution of capital equipment for scientific and industrial applications and its technical support

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

FEI UK Limited provides a sales and service outlet in the UK and Ireland for equipment manufactured by its ultimate parent company. The company's products include complete instruments and component parts that are used to image, analyse and modify materials on a nanoscale. The customer base includes academic and industrial users and major applications exist in fundamental research and the materials, biological, pharmaceutical, semiconductor and nano-fabrication industries.

At the start of the year ended 31 December 2006, the accounting and back-office activities were transferred to a shared service centre in the Netherlands. Our sales and service operations in UK and Ireland continued as in previous years.

In 2006 the company sharpened its focus on its operations around its three major markets: nanoresearch and industry, nanoelectronics and nanobiology. The directors believe this market focus will help the company to take better advantage of the growth opportunities available to the company. The nanoresearch and industry market consists mainly of customers in materials research and development. The nanoelectronics market is principally driven by semiconductor capital equipment spending. The nanobiology market includes research institutes, universities, hospitals and pharmaceutical companies.

2006 has proved to be a very good year for the company. Turnover increased considerably to €22,794,000 from €19,091,000 in the prior year and profit before tax has decreased by €311,000 to €573,000 in the year due to restructuring costs of €950,000 incurred. The market for semiconductor products continued to decline. However, due to the introduction of new products and product enhancements, significant growth was reported in other markets.

The underlying trends in each of our markets remain fundamentally positive and our product positions in those markets are generally strong. However, it will be a challenge to equal the performance of 2006 in 2007.

Average staff numbers have decreased from 41 employees to 33 employees during the year primarily due to the transfer of the accounting and back-office activities to the shared services centre in the Netherlands during the year.

The net asset position of the company has increased in the year by €368,000 due to the increased profitability of the company, however the composition has altered due to the restructuring undertaken with a decrease in tangible fixed assets of €292,000.

DIVIDENDS

The directors do not recommend the payment of a dividend (2005 - £nil)

DIRECTORS

The directors who served throughout the year and to the date of this report were as follows:

H J van Ooijen

T Dingle

A Gautrey (resigned 12 December 2006)

D K Lanens (appointed 25 July 2006)

R M Codd (appointed 25 July 2006)

FEI UK LIMITED

DIRECTORS' REPORT

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

There are a number of risks and uncertainties which could have a material impact on the company's long term performance

Competition risk

The company operates in a highly competitive market. The company is subject to the threat of its competitors launching new products in the market before the company correspondingly updates and develops its own range. This could render products out of date and could result in rapid loss of market share. To reduce this risk, the FEI group invests in new product development to ensure that the FEI group has products at various stages of the product life cycle.

Foreign currency risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. Such currency exposures have, to date, not been significant and therefore no specific foreign exchange hedging has been undertaken.

Credit risk

The company is subject to credit risk arising from its trade debtors. Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. In order to manage this risk, management regularly monitors all amounts owed to the company.

Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in raising funds to meet commitments associated with financial liabilities. This risk is managed through day to day monitoring of future cash flow requirements to ensure that the company has sufficient resources to repay all future amounts outstanding.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and 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 these 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,
- 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. 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.

FEI UK LIMITED

DIRECTORS' REPORT

AUDITORS


In the case of each of the persons who are directors of the company at the date when this report is approved

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board


H J van Ooijen
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FEI UK LIMITED

We have audited the financial statements of FEI UK Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes 1 to 21. 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 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 judgments 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FEI UK LIMITED (continued)**

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 31 December 2006 and of its profit for the year 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

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Cambridge, United Kingdom

10 April 2008

FEI UK LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2006

	Note	2006 €'000	2005 €'000
TURNOVER	2	22,794	19,091
Cost of sales		(18,407)	(12,207)
GROSS PROFIT		4,387	6,884
Distribution costs		(35)	(137)
Administrative expenses		(4,371)	(6,529)
OPERATING (LOSS) PROFIT	3	(19)	218
Interest receivable and similar income	5	721	667
Interest payable and similar charges	6	(129)	(1)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		573	884
Tax on profit on ordinary activities	7	(205)	(367)
PROFIT FOR THE FINANCIAL YEAR	16	368	517

All activities derive from continuing operations

There are no recognised gains and losses for the current or preceding financial year other than as stated in the profit and loss account. Accordingly, no statement of total recognised gains and losses has been presented.

FEI UK LIMITED

BALANCE SHEET 31 December 2006

	Note	2006 €'000	2005 €'000
FIXED ASSETS			
Tangible assets	8	-	292
Investments	9	1,316	1,316
		<u>1 316</u>	<u>1,608</u>
CURRENT ASSETS			
Stocks	10	1,529	1,023
Debtors	11	20,224	18,038
Cash at bank and in hand		584	581
		<u>22,337</u>	<u>19,642</u>
CREDITORS* amounts falling due within one year	13	<u>(9 425)</u>	<u>(8,185)</u>
NET CURRENT ASSETS		<u>12 912</u>	<u>11,457</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		14,228	13,065
PROVISIONS FOR LIABILITIES	14	<u>(1,004)</u>	<u>(209)</u>
		<u>13,224</u>	<u>12,856</u>
CAPITAL AND RESERVES			
Called up share capital	15	1 504	1,504
Share premium account	16	3 629	3,629
Foreign currency translation reserve	16	235	235
Profit and loss account	16	7,856	7,488
SHAREHOLDERS' FUNDS	17	<u>13,224</u>	<u>12,856</u>

These financial statements were approved by the Board of Directors and authorised for issue on
Signed on behalf of the Board of Directors

H J van Ooijen
Director

8 April 2008

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Consolidation

As permitted by s228 of the Companies Act 1985, the company has not prepared consolidated financial statements as it is a subsidiary of FEI Company, which prepares publicly available consolidated accounts.

These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow statement

The directors have taken advantage of the exemption in the Financial Reporting Standard No 1 (revised) from the requirement to produce a cash flow statement as it is a wholly owned subsidiary of FEI Company which prepares consolidated financial statements which are publicly available and contain a cash flow statement.

Turnover

Turnover is recognised upon delivery of goods and services supplied by the company, exclusive of value added tax. The company recognises revenue when there is persuasive evidence of an arrangement, delivery of products has occurred or services have been rendered, the seller's price to the buyer is fixed or determinable, and collectibility is reasonably assured.

Payments received in advance for annual or other period maintenance contracts are included in creditors and recognised in turnover evenly over the period of the contract.

Tangible fixed assets

Tangible fixed assets are recorded at cost less depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off cost less the estimated residual value of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	10%
Office equipment	20% - 50%

Residual value is calculated on prices prevailing at the date of acquisition.

Investments

Fixed asset investments are stated at cost less provision for any impairment in value.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate.

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

1 ACCOUNTING POLICIES (continued)

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Pension costs

Pension contributions in respect of defined contribution schemes are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. TURNOVER

Turnover relates to one activity, that of the principal activity as detailed in the directors' report.

	2006 €'000	2005 €'000
United Kingdom	21,277	16,308
Rest of Europe	1,513	2,783
Rest of World	4	-
	<u>22,794</u>	<u>19,091</u>

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2006

3. OPERATING (LOSS) PROFIT

	2006 €'000	2005 €'000
Operating (loss) profit after charging:		
Depreciation on owned tangible fixed assets	39	221
Rentals under operating leases		
Land and buildings	294	174
Other	226	218
Auditors' remuneration		
Fees payable to the company's auditors for the audit of the company's annual accounts	11	47
Tax services	8	13
	<u> </u>	<u> </u>

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2006 €'000	2005 €'000
Directors' remuneration		
Emoluments	225	169
Money purchase pension contributions	15	11
	<u>240</u>	<u>180</u>
	Number	Number
Retirement benefits are accruing to the following number of directors under		
Defined contribution schemes	3	2
	<u> </u>	<u> </u>
	2006 €'000	2005 €'000
Highest paid director		
Emoluments	108	90
Money purchase pension contributions	4	4
	<u>112</u>	<u>94</u>
	<u> </u>	<u> </u>
Average number of persons employed		
Administration	3	9
Operations	30	32
	<u>33</u>	<u>41</u>
	<u> </u>	<u> </u>
	2006 €'000	2005 €'000
Staff costs during the year		
Wages and salaries	2,047	2,104
Social security costs	317	235
Pension costs	74	103
	<u>2,438</u>	<u>2,442</u>
	<u> </u>	<u> </u>

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2006 €'000	2005 €'000
Bank interest receivable	37	16
On loans due from group undertakings	684	651
	<u>721</u>	<u>667</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2006 €'000	2005 €'000
Bank interest	16	1
Foreign exchange losses	113	-
	<u>129</u>	<u>1</u>

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2006

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of charge in year

	2006 €'000	2005 €'000
Current taxation		
United Kingdom corporation tax at 30% (2005 - 30%)	207	402
Adjustment in respect of prior years	48	(17)
Total current tax	255	385
Deferred taxation		
Origination and reversal of timing differences	(50)	(124)
Adjustment in respect of prior years	-	106
Total tax on profit on ordinary activities	205	367

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 30% (2005 - 30%)
The actual tax charge for the current and the previous year differs from the standard tax rate for the reasons set out in the following reconciliation

	2006 €'000	2005 €'000
Profit on ordinary activities before tax	573	884
Tax on profit on ordinary activities at standard rate	172	265
Factors affecting charge for the year		
Expenses not deductible for tax purposes	26	32
Capital allowances in excess of depreciation	21	(14)
Movement in short term timing differences	(12)	119
Adjustment in respect of prior years	48	(17)
Total actual amount of current tax	255	385

b) Factors affecting future tax charges

In March 2007, the UK Government announced that it would introduce legislation that would reduce the corporation tax rate to 28% with effect from 1 April 2008. This legislation was substantively enacted in June 2007. The effective tax rate for the year ended 31 December 2007 is expected to reduce accordingly.

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2006

8 TANGIBLE FIXED ASSETS

	Leasehold improve- ments €'000	Office equipment €'000	Total €'000
Cost			
At 1 January 2006	307	295	602
Disposals in year	(307)	(295)	(602)
At 31 December 2006	-	-	-
Accumulated depreciation			
At 1 January 2006	169	141	310
Charge in year	7	32	39
Disposals in year	(176)	(173)	(349)
At 31 December 2006	-	-	-
Net book value			
At 31 December 2006	-	-	-
At 31 December 2005	138	154	292

9 INVESTMENTS HELD AS FIXED ASSETS

	Subsidiary undertak- ing €'000
Cost	
At 1 January 2006 and 31 December 2006	1,366
Provisions	
At 1 January 2006 and 31 December 2006	50
Net book value	
At 31 December 2006	1,316
At 31 December 2005	1,316

Subsidiary undertaking	Principal activity	Class and % of shares held
FEI Europe Limited (registered in England and Wales)	Dormant	Ordinary shares - 100%

The aggregate capital and reserves of FEI Europe Limited was £938 673 and recorded neither a profit nor a loss as it was dormant during the year and preceding year

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2006

10. STOCKS

	2006 €'000	2005 €'000
Finished goods and goods for resale	<u>1,529</u>	<u>1,023</u>

11. DEBTORS

	2006 €'000	2005 €'000
Trade debtors	5,452	3,678
Amounts owed by group undertakings	14,357	13,822
Corporation tax receivable	19	-
Deferred tax asset (note 12)	68	18
Other debtors	82	80
Prepayments and accrued income	<u>246</u>	<u>440</u>
	<u>20,224</u>	<u>18,038</u>

12 DEFERRED TAX ASSET

The movement in deferred tax asset in the year was as follows

	€'000
At 1 January 2006	18
Credit to profit and loss account	<u>50</u>
At 31 December 2006	<u>68</u>

The amounts comprising the deferred tax asset are set out below

	2006 €'000	2005 €'000
Accelerated capital allowances	7	(14)
Short term timing differences	<u>61</u>	<u>32</u>
	<u>68</u>	<u>18</u>

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2006

13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 €'000	2005 €'000
Trade creditors	204	307
Amounts owed to subsidiary undertaking	1 316	1,316
Amounts owed to other group undertakings	2 726	1 765
Corporation tax payable	-	151
Other taxes and social security costs	222	146
Accruals and deferred income	4 957	4,500
	<u>9 425</u>	<u>8,185</u>

14 PROVISIONS FOR LIABILITIES

	Warranty provision €'000	Other provision €'000	Total €'000
Balance at 1 January 2006	209	-	209
Charged to profit and loss account	444	950	1 394
Utilisation of provision	(344)	(255)	(599)
Balance at 31 December 2006	<u>309</u>	<u>695</u>	<u>1 004</u>

The warranty provision relates to expected warranty claims on products sold in the last year and represents management's best estimate of the company's liability during the warranty period

The other provision relates to the restructuring of the UK operations during the year and comprises of redundancy costs which the company was committed to at the year end and onerous leases, in accordance with FRS 12

15 CALLED UP SHARE CAPITAL

	2006 €'000	2005 €'000
Authorised		
1,000 000 ordinary shares of £1 each	<u>1,580</u>	<u>1,580</u>
Called up, allotted and fully paid		
952 210 ordinary shares of £1 each	<u>1 504</u>	<u>1 504</u>

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2006

16. RESERVES

	Share premium account €'000	Foreign currency translation reserve €'000	Profit and loss account €'000
Balance at 1 January 2006	3,629	235	7,488
Profit for the financial year	-	-	368
Balance at 31 December 2006	<u>3,629</u>	<u>235</u>	<u>7,856</u>

The functional currency of the company in the year ended 31 December 2003 was sterling. During the year ended 31 December 2004, it was determined that the functional currency was the euro. The foreign currency translation reserve is a result of translating transactions and balances denominated in the transactional currency to the functional currency.

17 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2006 €'000	2005 €'000
Profit for the financial year	<u>368</u>	<u>517</u>
Net addition to shareholders' funds	368	517
Opening shareholders' funds	<u>12,856</u>	<u>12,339</u>
Closing shareholders' funds	<u>13,224</u>	<u>12,856</u>

18 PENSION ARRANGEMENTS AND OBLIGATIONS

The company operates the FEI UK Limited Stakeholder Pension Plan, a defined contribution pension arrangement under which contributions are paid by the employer and employees.

The pension contributions paid by the company during the year were €74,000 (2005 - €103,000).

FEI UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2006

19 OPERATING LEASE COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows

	Land and buildings		Other	
	2006 €'000	2005 €'000	2006 €'000	2005 €'000
Leases which expire				
Within one year	-	-	49	19
Between two to five years	274	-	115	191
After five years	-	190	-	-
	<u>274</u>	<u>190</u>	<u>164</u>	<u>210</u>

20 RELATED PARTY TRANSACTIONS

In accordance with FRS8, 'Related Party Transactions', the company has taken advantage of the exemption available not to disclose transactions between group undertakings where 90% or more of the voting rights are controlled within the group and the consolidated financial statements in which the results of FEI Company are included are publicly available

21 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

As at 31 December 2006 the immediate parent company is FEI Electron Optics International BV registered in the Netherlands

The directors consider that as at 31 December 2006, the ultimate parent undertaking and controlling party is FEI Company which is registered in the United States of America and this is the smallest and largest group in which the results of the company are consolidated. Copies of the consolidated financial statements of FEI Company can be obtained from FEI UK Limited, Philips House, Cambridge Business Park, Cambridge, CB4 0HF