

Alfred Berg UK Limited
No. 2416661

Directors' Report and Accounts

Year Ended 31 December 2000



Alfred Berg UK Limited

Report of the Directors

The directors present their annual report and accounts for the year ended 31 December 2000. The accounts are presented in Swedish Kroner (SEK). The exchange rate with Sterling at 31 December 2000 was 14.1762 SEK - £ (1999: 13.7886 SEK - £)

Principal Activities and Review of the Business

In October 1999 the business of the company was transferred to another ABN AMRO Group company, ABN AMRO Equities (UK) Limited, and since that date the company has not traded.

Dividends and Transfers to Reserves

A profit for the year after taxation of SEK 18,945,000 (1999 Profit: SEK 54,234,000) has been transferred to reserves. The directors do not recommend the payment of a dividend (1999: SEK Nil).

Directors and their interests

The directors who served during the year and up to the date of signing were:

M F Brown	Resigned 5 April 2000
E D Plumbly	Resigned 6 April 2000
H G M Coolen	Resigned 20 April 2000
M R Smith	Appointed 17 April 2000
R S Cunningham	Appointed 17 April 2000

There are no directors' interests requiring disclosure under the Companies Act 1985.

Charitable Donations

The company made no charitable donations (1999: SEK 57,898) during the year.

Auditors

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

Ernst & Young has stated that, during 2001, it is intending to transfer its business to a limited liability partnership, incorporated under the Limited Liability Partnerships Act 2000, to be called Ernst & Young LLP. If this happens, it is the current intention of the directors to use their statutory powers to treat the appointment of Ernst & Young as extending to Ernst & Young LLP.

Approved by the Board and signed on its behalf,


Director

Date 19 June 2001

250 Bishopsgate, London, EC2M 4AA.

Statement of Directors' Responsibilities in Respect of the Accounts

Company law requires the directors to prepare accounts 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 of the company for that period. In preparing those accounts, 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 accounts; and
- prepare the accounts 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 accounts 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.

Alfred Berg UK Limited

Report of the Auditors to the Members of Alfred Berg UK Limited

We have audited the accounts on pages 4 to 11 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 2 the company's directors are responsible for the preparation of accounts in accordance with the applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.


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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts 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.



Ernst & Young
Registered Auditor
London

22 JUN 2001

Date:

Alfred Berg UK Limited

Profit and Loss Account for the Year Ended 31 December 2000

	<u>Notes</u>	<u>Discontinued Operations</u>	
		<u>2000</u> <u>SEK '000</u>	<u>1999</u> <u>SEK '000</u>
Turnover			
Discontinued operations	2	-	293,897
Staff costs	3	8,387	(113,449)
Other operating income / (costs)		4,939	(103,249)
Operating Profit			
Discontinued operations		13,326	77,199
Interest receivable and similar income	6	5,762	8,071
Interest payable and similar charges	7	-	(7,633)
Profit on Ordinary Activities before Taxation	8	19,088	77,637
Tax on profit on ordinary activities	9	(143)	(23,403)
Profit on Ordinary Activities, being Retained Profit for the Financial Year	13	<u>18,945</u>	<u>54,234</u>

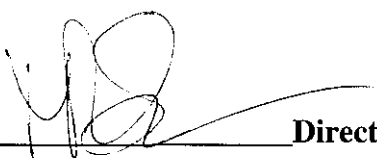
The profit and loss account also represents the company's statement of total recognised gains and losses as required by Financial Reporting Standard 3.

Alfred Berg UK Limited
Balance Sheet as at 31 December 2000

	Notes	<u>2000</u> SEK '000	<u>1999</u> SEK '000
Current Assets			
Debtors	10	4,441	3,724
Cash at Bank		<u>165,902</u>	<u>257,674</u>
		170,343	261,398
Creditors :Amounts Falling Due Within One Year	11	<u>(18,795)</u>	<u>(128,795)</u>
Net Assets		<u>151,548</u>	<u>132,603</u>
Capital and Reserves			
Called up share capital	12	67,500	67,500
Profit and loss account	13	<u>84,048</u>	<u>65,103</u>
Total Equity Shareholders' Funds		<u>151,548</u>	<u>132,603</u>

19 June 2001

Approved by the Board of directors on _____ and signed on its behalf:

 _____ **Director**

1. Accounting Policies

A summary of the principal accounting policies which have been applied consistently throughout the year and the preceding year is set out below.

a) *Accounting Convention*

These accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

b) *Foreign Currency*

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities are translated into sterling at the rate of exchange ruling at the balance sheet date. Exchange gains and losses are included in the profit and loss account.

c) *Deferred Taxation*

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the accounts, to the extent that it is probable that a liability or asset will crystallise in the future.

d) *Cash Flow Statement*

The company has taken advantage of the exemption under Financial Reporting Standard 1 (Revised). Accordingly a cash flow statement has not been prepared as all the company's voting rights are controlled by ABN AMRO Holding N.V., which produce publicly available consolidated accounts in which the company is included.

e) *Related Party Transactions*

The company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with related parties, which are part of the group.

f) *Turnover*

Turnover comprises gross commissions, profits less losses arising from dealing in securities and positions held in securities together with related dividends receivable.

Alfred Berg UK Limited

Notes to the Accounts

2. Turnover

	2000 SEK '000	1999 SEK '000
Discontinued Operations:		
Commission	-	293,097
Other group revenue	-	800
	<u>-</u>	<u>293,897</u>

The Directors do not consider it appropriate to give a geographical analysis of turnover.

3. Staff Costs

	2000 SEK '000	1999 SEK '000
Wages and salaries	(8,255)	97,983
Social security costs	(132)	11,738
Pension contributions	-	1,548
Other staff costs	-	2,180
	<u>(8,387)</u>	<u>113,449</u>

The amount of SEK 8,387,000 represents the release of an accrual from 1999.

The average number of persons, including executive directors, employed by the company was:

	2000 No	1999 No
Sales, traders, analysts, settlement and administration staff	-	34

4. Directors' Remuneration

Directors' remuneration is for the services provided by the directors to this and other companies in the ABN AMRO Holding N.V. group.

	2000 SEK '000	1999 SEK '000
Emoluments	-	1,007
Compensation for loss of office	-	850
Company contributions paid to money purchase pension schemes	-	5
	<u>-</u>	<u>1,862</u>
	2000 No.	1999 No.
Members of money purchase pension schemes	-	1

Notes to the Accounts

4. Directors' Remuneration (Continued)

The amounts in respect of the highest paid director are as follows:

	2000	1999
	SEK '000	SEK '000
Emoluments	<u>-</u>	<u>840</u>
Company contributions paid to money purchase pension schemes	<u>-</u>	<u>-</u>

5. Pension Costs

The company does not operate its own pension scheme but made defined contributions to the individual private pension schemes of employees (including directors) in prior years. These contributions amounted to SEK 1,548,000 in 1999.

6. Interest Receivable and Similar Income

	2000	1999
	SEK '000	SEK '000
Receivable from group undertakings	263	2,260
Receivable from other sources	5,499	5,811
	<u>5,762</u>	<u>8,071</u>

7. Interest Payable and Similar Charges

	2000	1999
	SEK '000	SEK '000
Other	-	3,250
On bank loans with group undertakings	-	4,383
	<u>-</u>	<u>7,633</u>

Alfred Berg UK Limited**Notes to the Accounts**

8. Profit on Ordinary Activities before Taxation

Profit on ordinary activities before taxation is stated after charging:

	2000 SEK '000	1999 SEK '000
Foreign currency (gains) / losses	(6,132)	4,754
Auditors' remuneration for audit services	-	261

Auditors' remuneration for audit services in the current year will be paid by ABN AMRO Management Services Limited and is disclosed in the accounts of that company.

9. Tax on Profit on Ordinary Activities

	2000 SEK '000	1999 SEK '000
UK corporation tax at 30% (1999: 30.25%)	5,727	23,403
Adjustment to prior years - UK corporation tax	(7,299)	-
- Foreign tax	1,715	-
	<u>143</u>	<u>23,403</u>

10. Debtors

	2000 SEK '000	1999 SEK '000
Amounts owed by group undertakings	4,441	1,289
Prepayments	-	1,844
Other debtors	-	591
	<u>4,441</u>	<u>3,724</u>

11. Creditors: Amounts Falling Due Within One Year

	2000 SEK '000	1999 SEK '000
Amounts owed to group undertakings	18,795	109,445
Corporation tax creditor	-	18,493
Other accruals and deferred income	-	857
	<u>18,795</u>	<u>128,795</u>

Alfred Berg UK Limited

Notes to the Accounts

12. Called Up Share Capital

	2000	1999
	No. '000	No. '000
Authorised share capital:		
2 £1 "A" ordinary shares	-	-
100,000,000 SEK 1 'B' ordinary shares	100,000	100,000
20,000,000 SEK 1 redeemable ordinary shares	20,000	20,000
Issued share capital:		
The allotted, called up and fully paid share capital comprises of:	2000	1999
	SEK '000	SEK '000
2 £1 "A" ordinary shares	-	-
47,500,000 SEK 1 'B' ordinary shares	47,500	47,500
20,000,000 SEK 1 redeemable ordinary shares	20,000	20,000
	67,500	67,500

Each class of share carries the same voting rights and rights to dividends.

The redeemable shares of SEK 1 each are redeemable at the option of shareholders or the company from 15 September 1994. There is no premium on redemption.

On a return of capital on liquidation or otherwise, the assets of the company available for distribution are to be applied, in priority to other classes of share capital, in paying the redeemable shareholders the amounts paid up on the redeemable shares held by them and any arrears or deficiency of dividends payable on those shares. In such circumstances the redeemable shares do not confer any further rights of participation in the profits or assets of the company.

Alfred Berg UK Limited

Notes to the Accounts

13. Reconciliation of Movements in Equity Shareholders' Funds and Movements on Reserves

	Equity Share Capital SEK '000	Profit and Loss Account SEK '000	Total Equity Share- holders' Funds SEK '000
At 1 January 1999	67,500	10,869	78,369
Profit for the year	-	54,234	54,234
At 31 December 1999	67,500	65,103	132,603
Profit for the year	-	18,945	18,945
At 31 December 2000	67,500	84,048	151,548

14. Ultimate Parent Undertaking

The ultimate parent undertaking is ABN AMRO Holding N.V., a company incorporated in The Netherlands. ABN AMRO Holding N.V. is both the smallest and largest group of which the company is a member and for which group accounts are prepared. Group accounts are available from ABN AMRO Holding N.V., Gustav Mahlerlaan 10, 1082 PP, Amsterdam, The Netherlands.