

BRITISH GAS ASIA INVESTMENTS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

YEAR ENDED 31 DECEMBER 1999



Company Registered Number: 2896869

BRITISH GAS ASIA INVESTMENTS LIMITED

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 1999

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BRITISH GAS ASIA INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

The Directors submit their report and accounts of the Company for the year to 31 December 1999.

1. **PRINCIPAL ACTIVITIES**

The Company did not trade during the year and is not expected to commence trade in the near future.

2. **DIRECTORS**

The following served as Directors of the Company during the year:

Mark Edwards

John Griffin

3. **DIRECTORS' INTERESTS**

None of the Directors had any material interest, at any time during the year, in any contract or arrangement made by the Company which is significant to the business of the Company.

At no time did any Director still holding office on 31st December 1999 have any beneficial interest in the shares of the Company or any company within the BG Group except for interests in the shares of the parent company, BG Group plc, as stated below.

BRITISH GAS ASIA INVESTMENTS LIMITED – 1999 ACCOUNTS

Beneficial Holdings

	1 January 1999	31 December 1999
	Ordinary Shares	Ordinary Shares
M Edwards	4,364	4,581
J E H Griffin	3,495	4,348

Savings Related Share Options

	1 January 1999	Granted	Exercised	31 December 1999
M Edwards	1,625	2,039	-	3,664
J E H Griffin	2,080	679	-	2,759

Long Term Incentive Scheme

	1 January 1999	Allocated	Transferred	31 December 1999
M Edwards	6,135	2,470	-	8,605
J E H Griffin	4,640	1,800	-	6,440

Capital Re-organisation

Following the restructuring and refinancing of BG plc on 13 December 1999, the shareholdings of Directors were re-organised in the same way as those of all shareholders. Shares in BG Group plc were issued to shareholders in BG plc on the basis of 8 new BG Group plc shares for every 9 existing BG plc shares held on 10 December 1999. In addition, for every 7,840 ordinary shares in BG plc held on 10 December 1999, shareholders received a Bond Package issued by BG Transco Holdings plc. The figures above are in respect of BG plc shares as at 1 January 1999 and BG Group plc shares as at 31 December 1999.

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A notional allocation of shares was made in October 1995, March and October 1997, October 1998 and October 1999. Figures represent the maximum award possible if performance criteria are met at the end of the performance period (three or four years) and which would not vest until the expiry of the retention period (a further two years). Included in the figures for those Directors who hold October 1995 allocations is the revised actual allocation following the conclusion of the performance period in September 1999 when a target of 68% was achieved, thereby reducing the previous figure by 32%.

All Directors exchanged their existing allocations over BG plc ordinary shares for replacement allocations over an identical number of BG group plc shares in the group restructuring, effective 13 December 1999.

All holdings relate to Ordinary Shares of 10p each unless otherwise stated.

None of the Directors exercised share options during the year.

All options were granted under the terms of the ultimate parent company's Savings Related Share Option Scheme and Executive Share Option Scheme, details of which are given in that company's annual report and accounts. All Directors' interests are beneficially held.

4. DIRECTORS' INSURANCE

The ultimate parent company has maintained insurance premiums to cover Directors and other officers against any liabilities in relation to the Company.

5. DIVIDEND

The Directors do not propose to declare a dividend for the year ended 31 December 1999 (1998: nil).

BRITISH GAS ASIA INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

6. **RESERVES**

There have been no movements in reserves during the year.

7. **AUDITORS**

Pursuant to Section 250 of the Companies Act 1985, the Directors have elected to dispense with the requirement to appoint auditors annually as the company was dormant throughout the period.

By Order of the Board



Una Markham
Secretary

Date: 10 April 2000

Registered Office:
100 Thames Valley Park Drive
Reading
Berkshire
RG6 1PT

Registered in England

No 2896869

BRITISH GAS ASIA INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1999

The Company has not traded during the financial year and has received no income and incurred no expenditure. Consequently, during the year the Company has made neither a profit nor a loss (1998: nil) nor were there any recognised gains and losses during the year (1998: nil).

The notes on page 7 form part of these accounts.

BRITISH GAS ASIA INVESTMENTS LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1999

	<u>Notes</u>	<u>31.12.99</u>	<u>31.12.98</u>
		£	£
CURRENT ASSETS			
Debtors (amounts falling due within one year)	4	<u>1</u>	<u>1</u>
CAPITAL AND RESERVES			
Called up share capital	5	<u>1</u>	<u>1</u>

The Company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the accounting period ending on the date of this balance sheet.

Approved by the Board on 10 April 2000

Director:



Date: 10 April 2000

The notes on page 7 form part of these accounts.

BRITISH GAS ASIA INVESTMENTS LIMITED

NOTES TO THE ACCOUNTS – 31 DECEMBER 1999

1. BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost accounting convention.

2. DIRECTORS' EMOLUMENTS AND EMPLOYEES

No director received emoluments in respect of his services to the Company during the year (1998: nil). The Company had no employees during the year (1998: nil).

3. DEBTORS

(amount falling due within one year).	<u>31.12.99</u>	<u>31.12.98</u>
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Amounts due to Group undertakings	£1	£1
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4. SHARE CAPITAL

	<u>31.12.99</u>	<u>31.12.98</u>
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Authorised:	£	£
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100 ordinary shares of £1 each	100	100
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Allotted issued and fully paid

1 ordinary share of £1 each (1998:1)	1	1
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4. OWNERSHIP

The Company is a direct wholly owned subsidiary undertaking of BG Group plc which is registered in England and Wales. BG plc is the only company to consolidate the accounts of this Company. Copies of the parent company's Report and Accounts can be obtained from BG Group plc, 100 Thames Valley Park Drive, Reading, RG6 1PT.