

OSI Group Holdings Limited

Report and Accounts

For the year ended 31 December 2008

**Registered Office:
Three Cherry Trees Lane
Hemel Hempstead
Hertfordshire
HP2 7AH
Registered in England no. 3083661**

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OSI Group Holdings Limited

Report of the Directors

The Directors are pleased to present their report together with the accounts for the year ended 31 December 2008.

Activities and Review of the Business

The Company did not trade during the year, although it continued to act as a holding company. There are no plans for the Company to resume trading in the next financial year.

The financial information presented in these accounts relates to the Company as an individual undertaking and not the group, as the Company is exempt from preparing group accounts under Section 288 of the Companies Act 1985.

Results and Dividends

The loss after taxation for the period was £268,034 (8 months to 31 December 2007: £34,276). The Directors do not recommend the payment of a dividend (8 months to 31 December 2007: £nil).

The Company is an intermediary holding company in the Groupe Steria SCA structure and does not trade. As such the Directors consider the Company does not have any key risks or key performance indicators.

Directors

The Directors of the Company during the period were as follows:

Mr M D Peters (Resigned 1 August 2008)

Mr J J Moran

Mr A Whitfield (Appointed As Director & Company Secretary 1 August 2008)

Disclosure of information to auditors


So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Ernst & Young LLP will be reappointed as the Company's auditor in accordance with the elective resolution passed by the Company under section 386 of the Companies Act 1985.

By Order of the Board

A Whitfield
Company Secretary



15.07.2009

OSI Group Holdings Limited

Statement of Directors' Responsibilities in respect of the Accounts

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 and of the profit or loss of the Company for that period. 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 accounts; and
- 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 that 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS' REPORT

to the members of OSI Group Holdings Limited

We have audited the company's financial statements for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 12. 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 are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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, are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements.

We also 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.

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 2008 and of its loss for the year then
- 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.

Ernst & Young LLP

Ernst & Young LLP

Registered Auditor

London

Date 15/07/2009

OSI Group Holdings Limited

Profit and Loss Account for the year ended 31 December 2008

	Note	12 months to 31 December 2008 £	8 months to 31 December 2007 £
Administrative expenses		(279,552)	(36,994)
Operating loss	2	(279,552)	(36,994)
Interest Receivable	3	11,518	2,718
Loss on ordinary activities before taxation		(268,034)	(34,276)
Tax on loss on ordinary activities	5	-	-
Loss attributable to shareholders	10	(268,034)	(34,276)

There are no recognised gains or losses other than the retained profit for the period. All operations are classed as continuing.

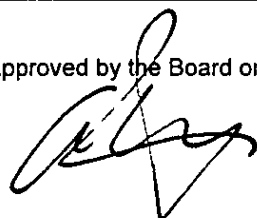
OSI Group Holdings Limited

Balance Sheet

as at 31 December 2008

	Note	31 December 2008 £	31 December 2007 £
Fixed assets			
Investments	6	2,057,317	2,057,317
Current assets			
Debtors	7	2,000	42,003
Cash at bank and in hand		3,907	312,289
		<u>5,907</u>	<u>354,292</u>
Creditors: amounts falling due within one year	8	<u>(13,396,052)</u>	<u>(13,476,403)</u>
Net current liabilities		<u>(13,390,145)</u>	<u>(13,122,111)</u>
Net liabilities		<u>(11,332,828)</u>	<u>(11,064,794)</u>
Capital and reserves			
Called up share capital	9	1,102,747	1,102,747
Share premium account	9	3,917,579	3,917,579
Capital redemption reserve	10	7,551,843	7,551,843
Interest in own shares	10	-	-
Profit and loss account	10	<u>(23,904,997)</u>	<u>(23,636,963)</u>
Equity Shareholders' Funds	10	<u>(11,332,828)</u>	<u>(11,064,794)</u>

Approved by the Board on 15 July 2009



Director

OSI Group Holdings Limited

Notes to the accounts for the year ended 31 December 2008

1 ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the applicable accounting standards.

The Directors consider it is appropriate to prepare the financial statements on a going concern basis because a fellow subsidiary undertaking has undertaken to provide the Company with continuing financial support for a period of not less than 12 months from the date of these financial statements to the extent that the Company is unable to meet its obligations itself.

Basis of Consolidation

OSI Group Holdings Limited is a wholly owned subsidiary of Groupe Steria SCA, which publishes consolidated financial statements, and hence under the provisions of Section 228 of the Companies Act 1985, it is not required to prepare consolidated accounts.

Investments

Investments are recorded at cost less any amount required to record an impairment in value.

Xansa Employee Benefit Trust No.3

The financial statements recognise the results, assets and liabilities of the Trust. The Trust held no shares in any group company at 31 December 2008 (8 months to December 2007: nil) and dividends of £nil (8 months to December 2007: £nil) on these shares arose during the year.

Cash Flow Statement

Under the provisions of FRS1, the Company is not required to include a cash flow statement in these accounts. A Consolidated cash flow statement is prepared by Groupe Steria SCA, and includes the results of this Company.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax assets are recognised when, 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 on a non-discounted basis.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based upon tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

2 OPERATING LOSS

	12 months to 31 December 2008 £	8 months to 31 December 2007 £
This is stated after charging (crediting):		
Auditors' remuneration - audit of the financial statements	-	-

Ernst and Young LLP has not provided any non-audit services to the Company during the year (8 months to December 2007: £nil).
The audit fee for the year and the prior period was borne by Steria Ltd, a fellow group company.

3 INTEREST RECEIVABLE

	12 months to 31 December 2008 £	8 months to 31 December 2007 £
Interest received from bank accounts	11,518	2,718

4 DIRECTORS AND OTHER EMPLOYEES

None of the Directors received any emoluments during the year or the prior period. There were no employees during the year or prior period.

5 TAX ON LOSS ON ORDINARY ACTIVITIES

	12 months to 31 December 2008 £	8 months to 31 December 2007 £
The credit comprises:		
UK Corporation tax	-	-
Total current tax	-	-
The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:		
Loss on ordinary activities before tax	268,034	34,276
Tax credit on loss at standard UK corporation tax rate of 28.5% (December 2007: 30%)	76,390	10,283
Loss relating to Employee Benefit Trust	(76,390)	(10,283)
Total current tax credit for the period	-	-

6 INVESTMENTS

	Shares in subsidiaries £
Cost	
At 1 January 2008 and 31 December 2008	25,826,278
Provision	
At 1 January 2008 and 31 December 2008	23,768,961
Net book value	
At 1 January 2008 and 31 December 2008	<u>2,057,317</u>

The principal subsidiary undertakings are as follows:

	Country of incorporation	Nature of business	Percentage of ordinary shares held
Direct subsidiary undertakings			
OSI Group Limited	England	Holding company	100%
Indirect subsidiary undertakings			
Xansa US Inc.	USA	Information technology services	100%
Xansa Inc.	Canada	Non-Trading	100%
Xansa SAS	France	Non-Trading	100%

In accordance with FRS 11, Impairment of fixed assets and goodwill, the carrying value of the investments in shares in subsidiaries has been written down to their recoverable amounts, to reflect their value in use.

7 DEBTORS

	31 December 2008 £	31 December 2007 £
Amounts due from fellow subsidiary undertakings	2,000	2,000
Corporation tax recoverable	-	40,003
	<u>2,000</u>	<u>42,003</u>

8 CREDITORS: amounts falling due within one year

	31 December 2008 £	31 December 2007 £
Amounts owed to immediate parent undertaking	3,386,970	3,468,444
Other creditors	9,082	7,959
10,000 5% non-cumulative redeemable preference shares	10,000,000	10,000,000
	<u>13,396,052</u>	<u>13,476,403</u>

Non-cumulative redeemable preference shares

At 31 December 2007 and 31 December 2008, there were 10,000 non-cumulative redeemable preference shares in issue. The preference shares are redeemable at the option of the shareholder for a price of £1,000 each (which consists of a par value £1 and a premium of £999) when not less than 30 days' notice in writing to the Company is given.

Having reviewed the terms of the non-cumulative redeemable preference shares the Directors consider it is more appropriate to reclassify these shares as a liability in accordance with FRS 25.

9 SHARE CAPITAL

	31 December 2008 £	31 December 2007 £
Authorised:		
15,296,497 A Ordinary shares of 10p each	1,529,650	1,529,650
2,600,001 B Ordinary shares of 10p each	260,000	260,000
1,077 B Deferred shares of 10p each	108	108
3,033,333 C Ordinary shares of 10p each	303,333	303,333
8,551,735 8% Cumulative Preference shares of 1p each	85,517	85,517
1,972,540 Convertible shares of 10p each	197,254	197,254
41,711 X Ordinary shares of 10p each	4,171	4,171
10,000 5% non-cumulative redeemable preference shares of 100p each (classified as a liability under FRS 25)	10,000,000	10,000,000
	12,380,033	12,380,033
	31 December 2008 £	31 December 2007 £
Allotted and fully paid		
5,781,832 A Ordinary shares of 10p each	578,183	578,183
2,250,001 B Ordinary shares of 10p each	225,000	225,000
2,954,337 C Ordinary shares of 10p each	295,433	295,433
41,311 X Ordinary shares of 10p each	4,131	4,131
Total balance sheet share capital	1,102,747	1,102,747
10,000 5% non-cumulative redeemable preference shares of 100p each (classified as a liability under FRS 25)	10,000	10,000
Total statutory share capital	1,112,747	1,112,747
	31 December 2008 £	31 December 2007 £
Share premium account		
A, B, C and X Ordinary shares	3,917,579	3,917,579
Total balance sheet share premium	3,917,579	3,917,579
10,000 5% non-cumulative redeemable preference shares (classified as a liability under FRS 25)	9,990,000	9,990,000
Total statutory share premium	13,907,579	13,907,579

Full details of the rights attaching to the individual classes of shares are set out in the Company's Articles of Association. A summary of the rights is set out below:

The 8% Cumulative Redeemable Preference shares are entitled to a dividend of 8% net per annum of the issue price. They are not entitled to vote. In any year the preference shares to be redeemed have the right to be redeemed prior to the payment of a dividend to any other class of shares.

Dividends may be declared on the A, C and X Ordinary shares after provision in respect of the Preference shares. The B Ordinary shares are entitled to a dividend prior only to a sale or quotation, equal to a maximum of 10% of the profit before tax in respect of each financial year commencing on 1 July 2001.

The 5% non-cumulative redeemable preference shares, of which 10,000 were issued at £1,000 each (which consisted of a par value £1 and a premium of £999 per share) on 28 February 2003, are redeemable at the option of the shareholder when the holders give not less than 30 days' notice in writing to the Company.

10 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital £	Share premium £	Capital redemption reserve £	Interest in own shares £	Profit and loss account £	Total £
At 1 May 2007	1,102,747	3,917,579	7,551,843	(249,704)	(23,664,535)	(11,342,070)
Loss attributable to shareholders	-	-	-	-	(34,276)	(34,276)
Consideration received for the sale of own shares by trust				311,552	-	311,552
Transfer to profit and loss account				(61,848)	61,848	-
At 31 December 2007	1,102,747	3,917,579	7,551,843	-	(23,636,963)	(11,064,794)
At 1 January 2008	1,102,747	3,917,579	7,551,843	-	(23,636,963)	(11,064,794)
Loss attributable to shareholders	-	-	-	-	(268,034)	(268,034)
At 31 December 2008	1,102,747	3,917,579	7,551,843	-	(23,904,997)	(11,332,828)

11 PARENT UNDERTAKING

The Company's immediate holding company is Steria UK Corporate Limited (formerly Xansa Plc), a company registered in England. The Company's ultimate holding company is Groupe Steria SCA, a company registered in France. Groupe Steria SCA has included the Company and its immediate holding company in its group accounts, copies of which may be obtained from Olivier Psaume, Group Strategy & Investor Relations Director, Groupe Steria SCA, 46, rue Camille Desmoulins, 92782 Issy-Les-Moulineaux, Cedex 9, France. They are also available on the Steria Group's website at www.steria.com

12 RELATED PARTY TRANSACTIONS

The Company has used the exemption under FRS 8 not to disclose related party transactions with other group companies, as group accounts are prepared.