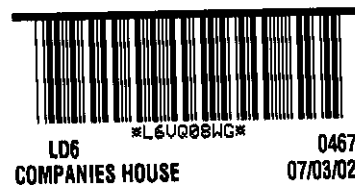


Cramer Systems International Limited
(formerly Cramer Systems Overseas Limited)

Financial statements for the period ended 31 July 2001
together with directors' and auditors' reports

Registered number: 4074187



Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the period ended 31 July 2001.

Principal activities

The principal activity of the company is to act as a holding company to the overseas distribution companies of the Cramer Group. The company was incorporated on 19 September 2000, named Cramer Systems Overseas Limited. On 9 January 2001, a resolution was passed changing its name to Cramer Systems International Limited.

The subsidiary undertakings held by the company are listed in note 4 to the financial statements. Consolidated financial statements are not presented as the company takes advantage of the exemption afforded by Section 228 of the Companies Act 1985.

Business review

The company did not trade during the period, and qualifies as a dormant company under the provisions of Section 249AA of the Companies Act 1985.

Results and dividends

No profit and loss account is presented, as the company did not trade during the period. The directors do not recommend payment of a dividend.

Directors

The directors who served during the period were as follows:

Company Directors Limited (appointed 19 September 2000, resigned 23 November 2000)

J P Craton (appointed 23 November 2000)

M Oliver (appointed 23 November 2000)

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 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' report (continued)

Statement of directors' responsibilities (continued)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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.

Auditors

During the year Arthur Andersen were appointed as auditors to fill a casual vacancy.

In accordance with Section 384 of the Companies Act 1985, a resolution for the appointment of Arthur Andersen as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Cramer House
The Square
Lower Bristol Road
Bath
BA2 3BH

By order of the Board,



12 February 2002

J P Craton
Director

Independent Auditors' Report to the Shareholders of Cramer Systems International Limited:

We have audited the financial statements of Cramer Systems Group Limited for the year ended 31 July 2001 which comprise the Profit and Loss Account, the Balance Sheet and the related Notes numbered 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 United Kingdom Auditing Standards.

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.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

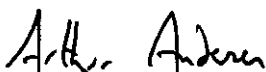
Basis of opinion

We conducted our audit in accordance with United Kingdom 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 judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, 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 and of the group at 31 July 2001 and of the group's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

Abbots House
Abbey Street
Reading
Berkshire
RG1 3BD

12 February 2002

Balance sheet

31 July 2001

	Note	2001 £'000
Fixed assets		
Investments	4	<u>2,201</u>
Creditors: Amounts falling due after more than one year	5	<u>(2,201)</u>
Net assets		<u>-</u>
Capital and reserves		
Called-up share capital	6	<u>-</u>
Shareholders' funds	7	<u>-</u>

Signed on behalf of the Board



J P Craton

Director

12 February 2002

The accompanying notes are an integral part of this balance sheet.

Statement of accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of Cramer Systems Group Limited, which prepares consolidated financial statements which are publicly available.

Investments

Fixed asset investments in foreign currency are shown at cost less provision for impairment, translated at the prevailing rate of exchange at the balance sheet date.

Foreign currency

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. The exchange differences on translation of the intercompany loan and foreign currency investments are included in the profit and loss reserve.

Notes to the financial statements

1 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard No. 1 (Revised) from the requirement to present a cash flow statement. The cash flows of the company are included in the consolidated financial statements of its ultimate parent, Cramer Systems Group Limited.

2 Auditors' remuneration

Auditors' remuneration for the period was borne by another group company.

3 Staff costs

The company had no employees other than the directors. The directors' remuneration for the period was borne by other group companies.

4 Fixed asset investments

	2001 £'000
Subsidiary undertakings	<u>2,201</u>

The investment in subsidiary undertakings represents the foreign currency investments in overseas trading companies as detailed below. The investments are translated at the rate of exchange prevailing at the balance sheet date.

Subsidiary undertakings

The company owns 100% of the ordinary share capital of the following subsidiary undertakings:

	Country of incorporation
Cramer Systems Inc	USA
Cramer Systems GmbH	Germany
Cramer Systems Srl	Italy
Cramer Systems SAS	France
Cramer Systems Asia-Pacific Limited	United Kingdom

Notes to the financial statements

4 Fixed asset investments (continued)

	Shares £'000
Cost	
At 19 September 2000	-
Additions	2,133
Gain on translation	68
	<hr/>
At 31 July 2001	2,201
	<hr/>
Amounts written off	
At 19 September 2000 and 31 July 2001	-
	<hr/>
Net book value	2,201
	<hr/>

5 Creditors: Amounts falling due after more than one year

	2001 £'000
Loans from other group undertakings	<hr/> 2,201

The loan balance represents four non interest-bearing foreign currency loans from Cramer Systems Group Limited, used to fund the investments in the company's subsidiary undertakings. The loans are translated at the exchange rates prevailing at the balance sheet date. The net loss on translation for the period was £68,000.

6 Called-up share capital

	2001 £
<i>Authorised, allotted, called-up and fully paid</i>	
One £1 ordinary share	<hr/> 1

On incorporation on 19 September 2000, the company issued one ordinary share with a nominal value of £1 for cash consideration of £1, to Cramer Systems Group Limited.

Notes to the financial statements

7 Reconciliation of movements in shareholders' funds

	2001 £
Opening and closing shareholders' funds	<u>1</u>

8 Ultimate parent undertaking

The company's ultimate parent is Cramer Systems Group Limited, a company registered in the United Kingdom.

The only group for which group financial statements are drawn up is that headed by Cramer Systems Group Limited whose place of business is at Cramer House, The Square, Lower Bristol Road, Bath BA2 3BH. Consolidated financial statements are available to the public and may be obtained from this address.

9 Related party transactions

As a subsidiary undertaking of Cramer Systems Group Limited, the company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" from disclosing transactions with other members of the group.