

Company Number: 4158424

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2008

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GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 31 March 2008.

PRINCIPAL ACTIVITY

The company is an investment holding company and it is not anticipated that the company's activities will change in the foreseeable future.

The company is incorporated and domiciled in the United Kingdom. The registered office is 2 Broadgate, London, EC2M 7UR.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The directors consider that the year end financial position was satisfactory and do not anticipate any changes to the principal activities. Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

RESULTS AND DIVIDENDS

The results of the company are set out in the income statement on page 4. During the year the company paid a dividend of £nil (2007: £1,536,891).

CASH FLOW STATEMENT

There were no cash movements in 2008 or 2007. Therefore a Cash Flow Statement has not been presented.

FINANCIAL RISK MANAGEMENT

The company's risk profile and financial risk management policies are disclosed in note 2 to the financial statements.

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the company during the year and thereafter were:

Exco Nominees Limited
Garban Nominees Limited

Directors' interests in the share capital of the company, its ultimate parent company, ICAP plc, and any of its fellow subsidiary companies are set out in note 6 to the financial statements.

LAYING OF REPORTS AND ACCOUNTS

The company has passed an elective resolution dispensing with the requirement to lay reports and accounts before the members of the company in general meeting. However, under the provisions of Section 253(2) of the Companies Act 1985 (as amended), any member of the company has the right to require this report and accounts to be laid before the members of the company in a general meeting. Any member wishing to exercise this right must deposit notice at the company's registered office within 28 days of the date of this report.

AUDITORS

The company has passed an elective resolution dispensing with the requirement to appoint auditors annually. The company's auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Directors' report (continued)

PROVISION OF INFORMATION TO THE 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 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.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with IFRS as adopted by the European Union, 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 the financial statements comply with IFRS as adopted by the European Union; 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

The directors are satisfied that the company has adequate resources to continue to operate for the foreseeable future and confirm that the company is a going concern.

By Order of the Board



D A Abrehart
Secretary

18th December 2008

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Independent auditor's report to the members of Garban-Intercapital US Investments (No.2) Limited

We have audited the financial statements of Garban-Intercapital US Investments (No.2) Limited for the year ended 31 March 2008 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet and the related notes. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion 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 IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 March 2008 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.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

London

18th December 2008

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Income statement for the year ended 31 March 2008

	<u>Note</u>	<u>Year ended</u> <u>31/3/2008</u> £'000	<u>Year ended</u> <u>31/3/2007</u> £'000
Other income		-	45
Income from investments in associate companies		2	1,537
Profit before taxation		2	1,582
Taxation	7	-	(14)
Profit for the year		2	1,568

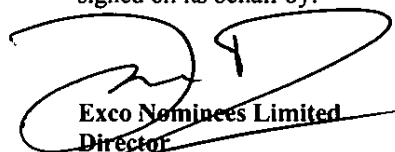
GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Statement of Changes in Equity for the year ended 31 March 2008

	<u>Note</u>	<u>Share capital</u> £'000	<u>Retained earnings</u> £'000	<u>Total</u> £'000
As at 31 March 2006		82,645	-	82,645
Profit for the year		-	1,568	1,568
Ordinary shares issued in the year	12	7,025	-	7,025
Dividends paid	13	-	(1,537)	(1,537)
As at 31 March 2007		89,670	31	89,701
Profit for the year		-	2	2
As at 31 March 2008		<u>89,670</u>	<u>33</u>	<u>89,703</u>

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Balance Sheet as at 31 March 2008

	<u>Note</u>	<u>As at</u> <u>31/3/2008</u> £'000	<u>As at</u> <u>31/3/2007</u> £'000
Non-current assets			
Investments in associate companies	8	89,670	89,670
Current assets			
Other receivables	9	24,095	24,095
Total assets		113,765	113,765
Current liabilities			
Other payables	11	(24,062)	(24,064)
Net assets		89,703	89,701
Equity			
Called up share capital	12	89,670	89,670
Retained earnings		33	31
Equity		89,703	89,701

The financial statements on pages 4 to 11 were approved by the board of directors on 18th December and were signed on its behalf by:


Exco Nominees Limited
Director

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Notes to the financial statements for the year ended 31 March 2008

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with IFRS adopted by the European Union, International Financial Reporting Interpretations Committee (IFRIC) and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS and therefore comply with Article 4 of the EU International Accounting Standards (IAS) Regulation. The financial statements have also been prepared under the historical cost convention, as modified to include the fair value of certain financial instruments in accordance with IFRS.

The company has exercised its entitlement not to produce consolidated financial statements since consolidated financial statements have been prepared by its ultimate parent company (note 14).

(b) Taxation

Tax on the profit for the year comprises both current and deferred tax as well as adjustments in respect of prior periods. Tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

(c) Investments in associate companies

Investments comprise equity shareholdings and other interests. These investments are recorded at historical cost less provision for any impairment in their values. Dividend income is recognised upon declaration and interest when receivable.

An associate is an entity over which the company has significant influence. Significant influence exists where the company has the power to influence the financial and operating policies of an entity so as to obtain benefits from its activities.

(d) Impairment of assets

An impairment review of the recoverable amounts of assets is undertaken at each balance sheet date or when such events or changes in circumstances indicate that an impairment loss may have occurred. Impairment losses are recognised in the income statement except where the asset was previously revalued. For revalued assets the loss is recognised directly against any revaluation surplus with the surplus being recognised in the income statement.

(e) Share capital and reserves

Ordinary shares are classified as equity. Dividends are recognised as deductions from retained earnings in the period in which they are declared.

2. FINANCIAL RISK MANAGEMENT

(i) *Financial risk factors*

The company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The overall financial risk management framework, strategy and policies of the company are determined by the board of its ultimate parent company, ICAP plc (the "Group"). It does this through two board committees, the Group Risk and Treasury Committees, and also by regional and market risk committees. The company does not manage its own financial risk framework.

(ii) *Financial assets and liabilities*

The company's financial assets of £24,095,281 are all classified as loans and receivables (2007: £24,095,281). Financial liabilities of £24,062,191 (2007: £24,064,191) are held at amortised cost. The fair value of the financial assets and liabilities is not materially different from their book values.

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Notes to the financial statements for the year ended 31 March 2008 (continued)

2. FINANCIAL RISK MANAGEMENT (continued)

(iii) Market risk

Foreign exchange risk

The company operates principally in the United Kingdom and therefore has no exposure to foreign exchange risk.

Price risk

The company's activities do not expose it to price risk.

Interest rate risk

The company's financial liabilities are non interest bearing.

(ii) Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction. As at 31 March 2008 there are no assets or liabilities whose carrying value was not a reasonable approximation of its fair value (2007: Nil).

(iii) Credit risk

Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the company. The company is exposed to concentrations of credit risk in amounts due from group companies (note 9). The Group policy is to limit exposure by netting balances. All group companies are party to a netting agreement.

(iii) Liquidity risk

The company's activities do not expose it liquidity risk as all of its financial liabilities are payable on demand.

(iv) Capital management

The company is not regulated by the Financial Services Authority. It is not subject to regulatory consolidated capital requirements.

3. KEY ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION AND UNCERTAINTY

The company makes various judgements in applying its accounting policies and various assumptions and estimates when determining the carrying value of certain assets and liabilities. As at 31 March 2008 there were no such judgements or assumptions that had a significant effect on the amounts recognised in the financial statements, or a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

4. ADMINISTRATIVE EXPENSES

The company's administrative expenses, including the auditors' remuneration of £2,200 (2007: £3,000) have been borne by other group undertakings of ICAP plc.

The company had no employees during the year (2007: nil).

5. DIRECTORS' REMUNERATION

The directors received no remuneration in respect of their services as directors of the company or any of its subsidiary companies.

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Notes to the financial statements for the year ended 31 March 2008 (continued)

6. DIRECTORS' INTERESTS

None of the directors held interests in the called up share capital of the company or the company's ultimate parent.

7. TAXATION

The company's tax charge for the year and the statutory charge can be reconciled as follows:

	<u>Year ended 31/3/2008</u> £'000	<u>Year ended 31/3/2007</u> £'000
Profit before taxation	2	1,582
Tax on profit at the standard rate of Corporation Tax in the UK of 30% (2007: 30%)	1	475
Adjustment for income from investments	(1)	(461)
	<u>-</u>	<u>14</u>

8. INVESTMENTS IN ASSOCIATE COMPANIES

	<u>Year ended 31/3/2008</u> £'000	<u>Year ended 31/3/2007</u> £'000
At 1 April	89,670	-
Acquisitions	-	89,670
At 31 March	<u>89,670</u>	<u>89,670</u>

As at 31 March 2008, the company's principal associate companies were as follows:

<u>Name</u>	<u>Country of incorporation and operation</u>	<u>Percentage held (%)</u>
* EBS Group Limited	UK	20.08
EBS Dealing Resources International Limited	UK	20.08
EBS Dealing Resources Japan Limited	Japan	20.08

All associates are involved in electronic broking or service activities relating to those businesses, and have a 31 March year end.

* Except where marked with an asterisk, the above associates are owned indirectly.

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Notes to the financial statements for the year ended 31 March 2008 (continued)

9. OTHER RECEIVABLES

	<u>As at</u> <u>31/3/2008</u> £'000	<u>As at</u> <u>31/3/2007</u> £'000
Amounts owed from parent company	<u>24,095</u>	<u>24,095</u>

Amounts due from the parent company are unsecured, non-interest bearing and payable on demand.

10. CASH AND CASH EQUIVALENTS

The company does not hold any cash or cash equivalents and therefore no cash flow statement has been prepared.

11. OTHER PAYABLES

	<u>As at</u> <u>31/3/2008</u> £'000	<u>As at</u> <u>31/3/2007</u> £'000
Amounts owed to associate company	24,048	24,050
Group tax relief payable to fellow subsidiary company	<u>14</u>	<u>14</u>
	<u>24,062</u>	<u>24,064</u>

Amounts due to the associate company are unsecured, non-interest bearing and payable on demand.

12. CALLED UP SHARE CAPITAL

	<u>As at</u> <u>31/3/2008</u> £'000	<u>As at</u> <u>31/3/2007</u> £'000
Authorised: 100,000,000 Ordinary Shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted and fully paid: 89,669,988 (2007: 89,669,988) Ordinary Shares of £1 each	<u>89,670</u>	<u>89,670</u>

13. DIVIDENDS

	<u>Year</u> <u>ended</u> <u>31/3/2008</u> £'000	<u>Year</u> <u>ended</u> <u>31/3/2007</u> £'000
Dividends in respect of ordinary shares		
Dividend of £nil per share (2007: £0.02 per share)	<u>-</u>	<u>1,537</u>

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Notes to the financial statements for the year ended 31 March 2008 (continued)

14. RELATED PARTIES

Parent company

The company was acquired by Intercapital plc in the previous accounting period and this is the company's immediate parent company, which does not prepare consolidated financial statements.

The company's ultimate parent company is ICAP plc, which is incorporated in the United Kingdom and heads the smallest and largest group of companies ("Group") of which the company is a member. ICAP plc prepares consolidated financial statements in accordance with IFRS and copies can be obtained from the Company Secretary, ICAP plc, 2 Broadgate, London, EC2M 7UR.

Related Party Transactions

All Group companies are party to a netting agreement. There were no related party transactions or balances during the years ended 31 March 2008 and 31 March 2007 other than disclosed in the above notes.