

BPB INVESTMENTS OVERSEAS LIMITED

Report and Financial Statements

31 March 2004



BPB Investments Overseas Limited

Registered No. 4380762

DIRECTORS

J J Drown
R M Heard
P R Hollingworth
A Magson

SECRETARY

C Carpenter (resigned 20 June 2003)
S D Hodges (appointed 20 June 2003)

AUDITORS

Ernst & Young LLP
1 More London Place
London SE1 2AF

REGISTERED OFFICE

Park House
15 Bath Road
Slough SL1 3UF

BPB Investments Overseas Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year to 31 March 2004.

RESULTS AND DIVIDEND

The company made a loss after tax for the year of £97,000 (2003: profit of £4,359,000). The directors do not recommend the payment of a dividend (2003: £4,078,000).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company carries on the activity of an investment holding company. Details of its investments, which did not change during the year, are given in Note 5 on page 9.

DIRECTORS AND THEIR INTERESTS

The directors of the company who served during the year to 31 March 2004 were as listed on page 1.

The interests of those directors who were directors of the company at the year-end in shares of BPB plc (the company's ultimate parent undertaking) were as shown below; figures for options relate to shares for which options were held under that company's share option schemes.

	<i>At 1 April 2003</i>		<i>BPB plc ordinary shares of 50p each</i>			<i>At 31 March 2004</i>	
	<i>shares</i>	<i>options</i>	<i>granted</i>	<i>exercised</i>	<i>lapsed</i>	<i>options</i>	<i>shares</i>
J J Drown	-	94,340	50,400	4,122	-	140,618	4,122
A Magson	-	44,852	28,655	5,152	-	68,355	1,452

The remaining directors are also directors of BPB plc and are therefore not required to disclose their interests to the company.

During the year no director had a material interest that was significant in relation to the company's business.

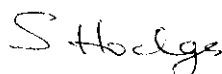
ELECTIVE REGIME

The company has passed elective resolutions dispensing with the laying of financial statements and reports before the company in general meeting, the obligation to appoint auditors annually and the holding of annual general meetings.

AUDITORS

Ernst & Young LLP will be re-appointed as the company's auditors in accordance with the elective resolution passed by the company under Section 386 Companies Act 1985.

By order of the Board



S D Hodges
Secretary

3 September 2004

BPB Investments Overseas Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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.

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 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.

BPB Investments Overseas Limited

INDEPENDENT AUDITORS' REPORT

to the members of BPB Investments Overseas Limited

We have audited the financial statements of the company for the year to 31 March 2004 which comprise the Profit and Loss Account, the Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 9. These financial statements have been prepared on the basis of 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

As described in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

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 group 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 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 judgements 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.

BPB Investments Overseas Limited

INDEPENDENT AUDITORS' REPORT

to the members of BPB Investments Overseas Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2004 and of the loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.


Ernst & Young LLP
Registered Auditor
London

3 September 2004

BPB Investments Overseas Limited

PROFIT AND LOSS ACCOUNT

for the year to 31 March 2004

		<i>Period</i>	
		<i>25 February 2002</i>	<i>to 31 March</i>
	<i>Notes</i>	<i>2004</i>	<i>2003</i>
		<i>£000</i>	<i>£000</i>
Dividends received from subsidiary companies		-	7,631
Impairment		-	(3,101)
Interest payable on syndicated credit facility		-	(3,808)
Bank charges and interest		(139)	(6)
Exchange differences		-	(1)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		(139)	715
Tax credit on loss on ordinary activities	4	42	3,644
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAX		(97)	4,359
Dividend payable		-	(4,078)
(TRANSFER FROM RESERVES)/RETAINED PROFIT		(97)	281

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the year to 31 March 2004

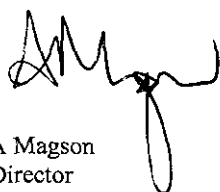
There are no recognised gains or losses attributable to the shareholders of the company other than the loss of £97,000 (2003 profit of £281,000 for the period 25 February 2002 to 31 March 2003).

BPB Investments Overseas Limited

BALANCE SHEET at 31 March 2004

	Notes	2004 £000	2003 £000
Investments	5	1,221,208	1,221,208
CURRENT ASSETS			
Corporation tax		42	3,644
CREDITORS: amounts falling due within one year			
Borrowings under £410 million syndicated credit facility		-	(160,314)
Amounts due to fellow subsidiaries		(862,501)	(862,501)
Amounts due to parent company		(234,255)	(77,447)
Bank overdraft		(1)	-
NET CURRENT LIABILITIES		<u>(1,096,715)</u>	<u>(1,096,618)</u>
		<u>124,493</u>	<u>124,590</u>
CAPITAL AND RESERVES			
Called up share capital	6	124,309	124,309
Profit and loss account		184	281
	7	<u>124,493</u>	<u>124,590</u>

Approved by the Board
and signed on its behalf by:



A Magson
Director

3 September 2004

NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2004

1. ACCOUNTING POLICIES

Basis of financial statements

The financial statements have been prepared under the going concern basis, as the ultimate parent undertaking has agreed to meet the liabilities to fellow subsidiaries as they fall due.

Accounting convention

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

FRS17 Post Retirement Benefits

The directors are members of funded, self-administered, defined benefit pension schemes operated in the United Kingdom. The transitional disclosure requirements of FRS17 (Post Retirement Benefits) in respect of these schemes have been made in the 31 March 2004 financial statements of BPB plc, the parent company.

Consolidation

The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare group financial statements as it is a subsidiary undertaking of a parent incorporated in the EC that prepares consolidated financial statements.

Cash flow statement

A statement of cash flows has not been prepared as the company has relied upon the exemptions available under FRS1 (revised).

Fixed asset investment

Fixed asset investments in subsidiary undertakings are shown at net book value, being cost less any permanent diminution in value.

Dividends receivable

Dividends from shares in subsidiary companies are treated as income for the year in which they are receivable.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange ruling at the balance sheet date. Differences on re-translation of foreign currency borrowings used to finance or provide a hedge against foreign currency investments are taken to reserves; other exchange differences are taken to the profit and loss account.

2. AUDITORS' REMUNERATION

The audit fee has been recorded within the financial statements of the parent undertaking.

3. DIRECTORS' EMOLUMENTS

None of the directors received any remuneration from the company. They are regarded as group employees and paid by the parent undertaking.

BPB Investments Overseas Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 March 2004

4. TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES

Analysis of tax credit in the year:	2004 £000	2003 £000
Current tax – UK corporation tax	42	3,644
Factors affecting the tax charge for the period:		
Expected tax credit/(charge) @ 30%	42	(214)
Non-taxable dividends from subsidiary	-	2,288
Group relief surrendered to fellow group companies in excess of 30%	-	2,500
Non-deductible impairment	-	(930)
Current tax credit	42	3,644

5. INVESTMENT

	£000
At 1 April 2003	1,221,208
At 31 March 2004	1,221,208

The company's investment is in Commatone Limited, another BPB group investment holding company.

6. SHARE CAPITAL

	2004 No.	2003 No.
Authorised ordinary shares of £1 each	130,000,000	130,000,000
	2004 £	2003 £
Allotted, called up and fully paid	124,309,492	124,309,492

7. RECONCILIATION OF SHAREHOLDERS' FUNDS

	£000
At 1 April 2003	124,590
Profit and Loss	(97)
At 31 March 2004	124,493

8. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption given in FRS8 from disclosing transactions with members of the BPB plc group.

BPB Investments Overseas Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 March 2004

9. PARENT UNDERTAKING

At 31 March 2004 the company was wholly owned by BPB plc. BPB plc is incorporated in Great Britain and registered in England. The only group financial statements to include the company are those of BPB plc and these are available from Park House, 15 Bath Road, Slough SL1 3UF