
ARCHE INVESTMENTS LIMITED
(Formerly known as Deutsche Finance No.7 (UK) Limited)

Registration Number: 4544970

REPORTS AND FINANCIAL STATEMENTS

For the period from 25th September 2002 to 30th September 2003



REPORT OF THE DIRECTORS

For the period from 25th September 2002 to 30th September 2003

The Directors present their annual report and the audited financial statements for the period from 25th September 2002 to 30th September 2003.

ACTIVITIES AND REVIEW OF BUSINESS

The Company is an investment holding company and was incorporated on 25th September 2002. The Company was formerly known as Deutsche Finance No 7 (UK) Limited and changed its name to Arche Investments Limited on 26 January 2004.

One hundred ordinary shares of GBP 1 each were issued on 25th September 2002 to DB UK Holdings Limited. These shares were repurchased by the Company in full on 30th January 2004.

On 30th January 2004 the authorised share capital was increased to EUR1,000 ordinary shares. On 2nd February 2004, the authorised share capital was increased through the creation of 199,999,000 new Class A shares of 1EUR nominal value each and 600,000,000 new Class B shares of 1EUR nominal value each. The Company currently has in issue 170,000,000 Class A Shares and 29,603,364 Class B Shares, paid up to EUR 170,000,000 and EUR 582,002,136, respectively.

On winding up, the Class B shares have priority over the Class A shares. Holders of both classes of shares have a right to vote at general meetings of the Company, in accordance with the number of their shares.

The financial position of the Company at the end of the period is reflected in the audited balance sheet as set out on page 5.

RESULTS AND DIVIDENDS

The results of the Company for the period from 25th September 2002 to 30th September 2003, after providing for taxation, show a profit of Eur 6. The Directors do not recommend payment of a dividend in respect of the period, leaving the profit for the period to be transferred to reserves.

DIRECTORS

The Directors of the Company who held office during the period and subsequent to the period end were as follows:

D K Thomas	Appointed 25th September 2002	Resigned 21st January 2004	
J C Berry	Appointed 25th September 2002	Resigned 21st January 2004	
C Rough	Appointed 25th September 2002	Resigned 21st January 2004	
R Sivanithy	Appointed 19th June 2003	Resigned 2nd February 2004	Re-appointed 2nd August 2004
N Vasudeva	Appointed 21st January 2004	Resigned 9th February 2004	
J Worthy	Appointed 9th February 2004	Resigned 2nd August 2004	
C Stokeld	Appointed 21st January 2004		
A B Smith	Appointed 9th February 2004		
M Press	Appointed 21st January 2004		

E Fletcher was appointed Secretary of the Company on 25th September 2002. There were no other changes during or subsequent to the period end.

REPORT OF THE DIRECTORS (continued)

For the period from 25th September 2002 to 30th September 2003

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial period 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 UK 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 which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

DIRECTORS' INTERESTS

None of the Directors had any disclosable interest in the shares or debentures of any UK group undertaking at the end of the period, or were granted or exercised any right to subscribe for shares in, or debentures of, any UK group undertaking during the period.

AUDITORS

Pursuant to Section 379A of the Companies Act 1985 the Company has elected

- (a) to dispense with the holding of Annual General Meeting;
- (b) to dispense with the appointment of Auditors annually; and
- (c) to dispense with the laying of Report and Financial statements before General Meeting.

KPMG Audit Plc have indicated their willingness to continue in office.

By order of the Board of Directors this 5 day of August 2004.



Ed Fletcher
Secretary

Winchester House
1 Great Winchester House
London
EC2N 2DB

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ARCHE INVESTMENTS LIMITED

For the period from 25th September 2002 to 30th September 2003

We have audited the financial statements on pages 4 to 9.

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 auditor's 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 preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

Basis of audit opinion

We conducted our audit in accordance with 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 30th September 2003 and of its profit for the period from 25th September 2002 to 30th September 2003 and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 Salisbury Square
London EC4Y 8BB

Dated : *6th August* 2004

PROFIT AND LOSS ACCOUNT

For the period from 25th September 2002 to 30th September 2003

	<u>Note</u>	<u>For the period from 25 September 2002 to 30 September 2003</u> <u>Eur</u>
Income from investments		5
Interest income from group undertakings		4
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		9
Taxation on ordinary activities	5	(3)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		6
RETAINED PROFIT FOR THE PERIOD		6

The profit for the period has arisen from continuing activities.

There were no other recognised gains and losses during the period.

The notes on pages 7 to 9 form part of these accounts.

BALANCE SHEET

As at 30th September 2003

	<u>Note</u>	<u>30th September 2003</u> <u>Eur</u>
FIXED ASSETS		
Investments	2	130
CURRENT ASSETS		
Debtors: amounts falling due within one year	6	16
Cash		147
Creditors: Amounts falling due within one year	7	(144)
NET CURRENT ASSETS		19
NET ASSETS		149
CAPITAL AND RESERVES		
Called up share capital	8	143
Profit and loss account		6
Equity Shareholder's funds		149

The notes on pages 7 to 9 form part of these accounts.

These financial statements were approved by the Board of Directors on 5 August . 2004.



Signed by
For and on behalf of the Board of Directors

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

For the period from 25th September 2002 to 30th September 2003

	<u>Profit & Loss</u> <u>Account</u> <u>Eur</u>	<u>Share Capital</u> <u>Eur</u>	<u>Total</u> <u>Eur</u>
Retained profit for the period	6	-	6
Shares Issued during the period	-	143	143
Balance as at 30th September 2003	6	143	149

The notes on pages 7 to 9 form part of these accounts.

NOTES TO THE ACCOUNTS

For the period from 25th September 2002 to 30th September 2003

1. ACCOUNTING POLICIES

These financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies are described below.

(a) CONVENTION

These financial statements are prepared in accordance with the historical cost convention.

(b) CASH FLOW STATEMENT

The Company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised 1996) as it is a wholly owned subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available. The Company's ultimate parent company, Deutsche Bank AG presents a cash flow statement in its Annual Report.

(c) FOREIGN EXCHANGE

Investments in foreign currencies are translated into Euro at the rates ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date.

(d) INVESTMENTS

Investments are recorded at cost less amortisation of premium and amounts provided for permanent diminution in value.

(e) INCOME RECOGNITION

Interest income and expense is accounted for on an accruals basis. Dividend income is also recognized on an accruals basis.

(f) TAXATION

The charge for taxation is based on the profit of the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

2. INVESTMENTS

	<u>2003</u> <u>Eur</u>
Purchase amount	136
Less: Amortisation of premium	(6)
At 30 September 2003	<u>130</u>

The market value of the gilts as at 30 September 2003 was Eur 120.

3. DIRECTORS' REMUNERATION

The aggregate emoluments of persons who were Directors of the Company during the period from 25th September 2002 to 30th September 2003, including pension contributions, was £nil.

4. AUDITORS REMUNERATION

Audit remuneration is borne by a group undertaking.

NOTES TO THE ACCOUNTS

For the period from 25th September 2002 to 30th September 2003

5.	TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES	<u>Period to 30th September 2003</u>	
	Taxation is based on the results for the period and comprises:		Eur
	Current Taxation		
	Group Relief charge for the period		3
	Tax on profits on ordinary activities		<u>3</u>
	The standard rate of tax for the period is based on the UK standard rate of corporation tax of 30%. The actual tax charge for the period is the same as the standard rate as there are no adjusting items for tax purposes.		
6.	DEBTORS		<u>2003 Eur</u>
	Interest receivable on investments		11
	Other interest receivable		5
			<u>16</u>
7.	CREDITORS		<u>2003 Eur</u>
	Amounts payable to group undertaking		141
	Group relief payable		3
			<u>144</u>
8.	SHARE CAPITAL	<u>2003 No</u>	<u>2003 Eur</u>
	Authorised:		
	Ordinary shares of £1 each	100	143
	Allotted, called up and fully paid:		
	Ordinary shares of £1 each	100	143

NOTES TO THE ACCOUNTS

For the period from 25th September 2002 to 30th September 2003

9. ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS

Deutsche Bank AG, which is registered in Germany, is, for the purposes of the Companies Act 1985, the parent undertaking for the smallest group of undertakings for which the financial statements are drawn up.

Deutsche Bank AG is also the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest such group for which the group financial statements are drawn up.

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from the Company Secretary, Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

10. RELATED PARTY TRANSACTIONS

As permitted by paragraph 3(c) of FRS 8, no disclosure is made of transactions with members or associates of the Deutsche Bank AG group.

11. POST BALANCE SHEET EVENTS

One hundred ordinary shares of GBP 1 each were issued on 25th September 2002 to DB UK Holdings Limited. These shares were repurchased by the Company in full on 30th January 2004.

On 30th January 2004 the authorised share capital was increased to EUR 1,000 ordinary shares. On 2nd February 2004, the authorised share capital was increased through the creation of 199,999,000 new Class A shares of 1EUR nominal value each and 600,000,000 new Class B shares of 1EUR nominal value each. The Company currently has in issue 170,000,000 Class A Shares and 29,603,364 Class B Shares, paid up to EUR 170,000,000 and EUR 582,002,136, respectively.
