

Company Number: 4668969

ICAP AMERICA INVESTMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2005



ICAP AMERICA INVESTMENTS LIMITED

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 31 March 2005.

PRINCIPAL ACTIVITY

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

RESULTS AND DIVIDENDS

The results of the company are set out in the profit and loss account on page 4.

The financial statements are presented in United States dollars (US\$) as the company's investments are all denominated in US\$ and the company considers US\$ to be its functional currency. The exchange rate at 31 March 2005 was US\$1.8896/£ (2004 – US\$1.8378/£).

The company paid an interim dividend of US\$10,141,117 (2004 – US\$nil).

DIRECTORS AND DIRECTORS' INTERESTS

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

H F Broomfield	
T C Kidd	
J N Pettigrew	
J M Yallop	- Appointed 13 July 2005
D Gelber	- Resigned 13 July 2005

Directors' interests in the share capital of the company, its ultimate parent undertaking, ICAP plc, and any of its fellow subsidiary undertakings are set out in note 5 to the financial statements.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In line with ICAP Group policy, the company intends to prepare its financial statements for the financial year ended 31 March 2006 in accordance with IFRS. Consequently the financial statements for the year ended 31 March 2005 are the last to be prepared in accordance with UK GAAP.

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.

ICAP AMERICA INVESTMENTS LIMITED

Directors' report (cont'd)

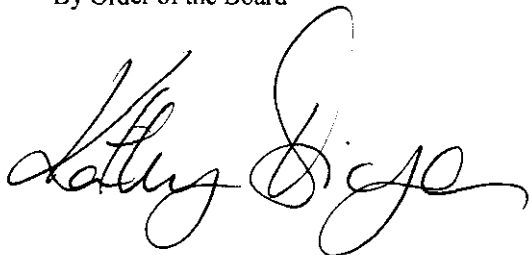
DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each accounting 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 year.

The directors confirm that suitable accounting policies have been used and that these policies have been applied on a consistent basis. The directors also confirm that applicable accounting standards have been followed and that reasonable and prudent judgements and estimates have been made in preparing the financial statements.

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.

By Order of the Board

A handwritten signature in black ink, appearing to read 'K Dickinson', written in a cursive style.

K Dickinson
Secretary

31 August 2005

ICAP AMERICA INVESTMENTS LIMITED
Independent auditor's report to the members of ICAP America Investments Limited

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 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 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 at 31 March 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
LONDON
31 August 2005

ICAP AMERICA INVESTMENTS LIMITED
Profit and loss account for the year ended 31 March 2005

		<u>Year ended</u> <u>31/3/2005</u> US\$'000	<u>Period ended</u> <u>31/3/2004</u> US\$'000
Income from shares in group undertakings		153	30
Profit before interest		153	30
Interest receivable and similar income	6	13,280	8,283
Interest payable and similar expenses	7	(3,273)	-
Profit on ordinary activities before taxation		10,160	8,313
Tax on profit on ordinary activities	8	(3,002)	(2,485)
Profit on ordinary activities after taxation		7,158	5,828
Equity dividend paid		(10,141)	-
Retained (loss)/profit for the financial period	13	<u>(2,983)</u>	<u>5,828</u>

The profit on ordinary activities was derived wholly from continuing operations.

The company had no recognised gains and losses for the year other than those included in the profit and loss account.

There is no difference between the profit on ordinary activities before tax and the retained (loss)/profit for the year stated above and their historical cost equivalents.

ICAP AMERICA INVESTMENTS LIMITED
Balance sheet as at 31 March 2005

		<u>As at</u> <u>31/3/2005</u> US\$'000	<u>As at</u> <u>31/3/2004</u> US\$'000
	<u>Note</u>		
Fixed assets			
Investments	9	7,434	7,434
		<u>7,434</u>	<u>7,434</u>
Current assets			
Debtors	10	355,464	225,494
Cash at bank and in hand		908	859
		<u>356,372</u>	<u>226,353</u>
Current liabilities:			
Creditors: Amounts falling due within one year	11	(135,487)	(2,485)
Net current assets		<u>220,885</u>	<u>223,868</u>
Net assets		<u>228,319</u>	<u>231,302</u>
 Capital and reserves			
Called up share capital	12	225,474	225,474
Profit and loss account	13	2,845	5,828
Equity shareholders' funds	13	<u>228,319</u>	<u>231,302</u>

The financial statements on pages 4 to 9 were approved by the board of directors on 31 August 2005 and were signed on its behalf by:


T C Kidd
Director

ICAP AMERICA INVESTMENTS LIMITED
Notes to the financial statements for the year ended 31 March 2005

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with Accounting Standards applicable in the United Kingdom.

The financial statements are presented in US dollars (US\$) because the company considers US dollars to be its functional currency.

2. CASH FLOW STATEMENT

As more than 90% of the voting rights in the company are controlled by ICAP plc which publishes a consolidated cash flow statement, the company is not required under Financial Reporting Standard 1 "Cash flow statements" to present a cash flow statement in its own financial statements.

3. PROFIT AND LOSS ACCOUNT

Annual filing fees and audit fees were borne by a fellow subsidiary undertaking of ICAP plc.

The company had no employees during the year.

4. DIRECTORS' REMUNERATION

During the period, the directors received no remuneration in respect of their services as directors of the company.

5. DIRECTORS' INTERESTS

None of the directors held interests in the securities of the company.

D Gelber and J N Pettigrew are directors of the company's ultimate parent undertaking, ICAP plc, and their interests are disclosed in that company's financial statements.

The other directors' interests in the share capital of the company's ultimate parent company, ICAP plc, in the form of options over ICAP plc ordinary shares of 10p each and through Long Term Incentive Plans are as follows:

ICAP AMERICA INVESTMENTS LIMITED
Notes to the financial statements for the year ended 31 March 2005 (cont'd)

5. DIRECTORS' INTERESTS (cont'd)

ICAP plc Ordinary shares of 10p each

	<u>Exercise</u> <u>price (p)</u>	<u>Grant date</u>	<u>As at</u> <u>31/3/2004</u>	<u>Granted in</u> <u>period</u>	<u>Exercised in</u> <u>period</u>	<u>As at</u> <u>31/3/2005</u>
H F Broomfield						
SAYE	168.2	27/6/2003	5,495	-	-	5,495
			<u>5,495</u>	<u>-</u>	<u>-</u>	<u>5,495</u>
T C Kidd						
UESOP	188.5	17/1/2003	100,000	-	-	100,000
SAYE	168.2	27/6/2003	5,495	-	-	5,495
			<u>105,495</u>	<u>-</u>	<u>-</u>	<u>105,495</u>

The UESOP is a long term incentive plan for the directors and senior executives through which those directors and executives invest in shares of ICAP plc. The grants of options have a maximum overall grant value of four times annual salary including bonuses. Options granted cannot be exercised until ICAP plc has achieved certain performance criteria (currently growth in earnings per share in excess of growth in the Retail Price Index by an average of 3% per annum over a rolling three year period).

The SAYE is an Inland Revenue approved scheme that enables employees to acquire options over ordinary shares at a discount of up to 20% of their market value, using the proceeds of a related SAYE contract. Options granted under the SAYE scheme are not subject to performance conditions. A qualifying employee share ownership trust (QUEST) has been established through which the SAYE scheme has operated to date.

6. INTEREST RECEIVABLE

	<u>Year</u> <u>ended</u> <u>31/3/2005</u> <u>US\$'000</u>	<u>Period</u> <u>ended</u> <u>31/3/2004</u> <u>US\$'000</u>
Bank interest receivable	14	4
Interest receivable from fellow subsidiary undertakings	13,266	8,279
	<u>13,280</u>	<u>8,283</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>Year</u> <u>ended</u> <u>31/3/2005</u> <u>US\$'000</u>	<u>Period</u> <u>ended</u> <u>31/3/2004</u> <u>US\$'000</u>
Interest payable to fellow group undertakings	3,273	-
	<u>3,273</u>	<u>-</u>

ICAP AMERICA INVESTMENTS LIMITED
Notes to the financial statements for the year ended 31 March 2005 (cont'd)

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>Year ended 31/3/2005 US\$'000</u>	<u>Period ended 31/3/2004 US\$'000</u>
Current taxation		
- UK corporation tax charge at 30%	<u>3,002</u>	<u>2,485</u>
The company's tax charge for the year is lower than the UK statutory rate and can be reconciled as follows:		
Profit on ordinary activities before tax	<u>10,160</u>	<u>8,313</u>
Corporation tax at charge standard rate of 30%	<u>3,048</u>	<u>2,494</u>
Tax effect on:		
Income from fixed asset investments	<u>(46)</u>	<u>(9)</u>
	<u>3,002</u>	<u>2,485</u>

9. FIXED ASSET INVESTMENTS

	<u>Cost US\$'000</u>
As at 1 April 2004	7,434
Additions during the period	-
As at 31 March 2005	<u>7,434</u>

Fixed asset investments consist of US\$ denominated preference shares of a fellow group undertaking.

10. DEBTORS

	<u>As at 31/3/2005 US\$'000</u>	<u>As at 31/3/2004 US\$'000</u>
Amounts due from fellow subsidiary undertakings	<u>355,464</u>	<u>225,494</u>

Amounts owed by fellow subsidiary undertakings include interest bearing loans of US\$225,463,841 and US\$130,000,000 which are repayable within one year. The loans are due from ICAP New Jersey (No. 1) LLC and interest is charged at a rate of 4.08% and 5.12% respectively.

ICAP AMERICA INVESTMENTS LIMITED
Notes to the financial statements for the year ended 31 March 2005 (cont'd)

11. CREDITORS: amounts falling due within one year

	<u>As at</u> <u>31/3/2005</u> US\$'000	<u>As at</u> <u>31/3/2004</u> US\$'000
UK corporation tax	5,487	2,485
Loan from fellow group undertaking	130,000	-
	<u>135,487</u>	<u>2,485</u>

Amounts owed to fellow subsidiary undertaking include an interest bearing loan of US\$130,000,000 which is repayable within one year. The loan is due to Garban-Intercapital America (No. 2) Limited and interest is charged at a rate of 4.12%.

12. CALLED UP SHARE CAPITAL

	<u>As at</u> <u>31/3/2005</u> US\$'000	<u>As at</u> <u>31/3/2004</u> US\$'000
Authorised:		
250,000,000 Ordinary shares of \$1 each	<u>250,000</u>	<u>250,000</u>
Allotted and fully paid:		
225,473,841 Ordinary shares of \$1 each	<u>225,474</u>	<u>225,474</u>

13. SHAREHOLDERS' FUNDS

	<u>Share</u> <u>capital</u> US\$'000	<u>Profit</u> <u>and loss</u> <u>account</u> US\$'000	<u>Total</u> US\$'000
As at 1 April 2004	225,474	5,828	231,302
Retained loss for the period	-	(2,983)	(2,983)
As at 31 March 2005	<u>225,474</u>	<u>2,845</u>	<u>228,319</u>

14. RELATED PARTY TRANSACTIONS

As more than 90% of the voting rights in the company are controlled by ICAP plc which publishes consolidated financial statements, no disclosure is required under FRS8 "Related Party Disclosures" of any transactions between the company and the other members, associates or joint ventures of the group of undertakings headed by ICAP plc.

15. ULTIMATE PARENT UNDERTAKING

ICAP plc heads the smallest and largest group of undertakings of which the company is a member that prepares consolidated financial statements. Copies of the consolidated financial statements of ICAP plc can be obtained from the Company Secretary, ICAP plc, 2 Broadgate, London, EC2M 7UR.