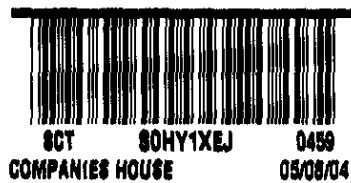


Registered number SC239662

HGP3 LIMITED

REPORT AND ACCOUNTS

31 DECEMBER 2003



Report and accounts for the period 15 November 2002 to 31 December 2003

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Directors

D M Bull, R P Greville.

Secretary and registered office

Henderson Secretarial Services Limited
4 Broadgate
London EC2M 2DA

Director's report

The directors present their report and accounts for the period 15 November 2002 to 31 December 2003.

Activities

The company was incorporated on 15 November 2002. This is the first set of accounts prepared since incorporation and has no prior year comparisons. The Company acts as general partner in PriCap 3 LP, a limited partnership established to make investments in, and provide funding to, private equity and venture and development capital funds. The limited partner is Pearl Assurance plc. No changes to the Company's activities are anticipated. The profit and loss account is set out on page 6. The directors do not recommend the payment of a dividend. The purpose of the company is to act as a general partner in limited partnerships.

Directors and their interests

The directors of the Company throughout the period are as follows;

| Directors | Dates Appointed | Resigned (if applicable) |
|-------------------------|------------------------|-------------------------------------|
| Burness (Directors) Ltd | 15 November 2002 | 11 December 2002 |
| D M Bull | 11 December 2002 | N/A |
| R P Greville | 11 December 2002 | N/A |

During the period the directors did not have any interests in the share or debentures of the Company or any other Group company, which require to be disclosed under the Companies Act 1985.

Registered office

The Company's registered office is 50 Lothian Road Festival Square, Edinburgh EH3 9WJ.

Auditors

The directors appointed Ernst & Young LLP as auditors of the Company upon incorporation.

Ernst & Young LLP have expressed their willingness to continue in office and a resolution will be submitted at the partnership meeting to reappoint them as auditors and to authorise the General Partner to determine their remuneration.

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 year. In preparing those accounts, 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 accounts; and
- prepare the accounts 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 enable them to ensure that accounts 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



For and on behalf of Henderson Secretarial Services Limited, Secretary

30 April 2004

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HENDERSON EQUITY PARTNERS LIMITED**

We have audited the company's financial statements for the period ended 31 December 2003 which comprise the Profit and Loss Account, Company Balance Sheet, Reconciliation of Shareholders' Funds and the related notes 1 to 12. 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 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 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 audit opinion

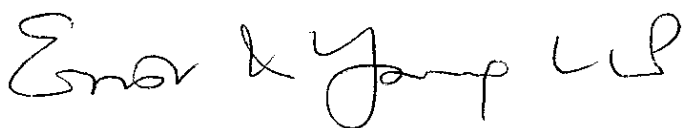
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2003 and of its result for the period ended and have properly prepared in accordance with the Companies Act 1985.

A handwritten signature in cursive script, appearing to read 'Ernst & Young LLP', is written in dark ink.

Ernst & Young LLP

Registered Auditor

London

30 April 2004

PROFIT AND LOSS ACCOUNT
for the period ended 31 December 2003

| | Notes | 15 November 2002 to 31 December 2003 £ |
|--|-------|--|
| Turnover | 2 | 2,000 |
| Expenses | | (2,000) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 3 | <hr/> - |
| Tax on profit on ordinary activities | 5 | - |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | <hr/> <hr/> - |

BALANCE SHEET
at 31 December 2003

| | Notes | 31 December 2003 £ |
|---|-------|-----------------------|
| CURRENT ASSETS | | |
| Group relief surrendered | 5 | (600) |
| DEBTORS: Amounts falling due within one year | 6 | 2,001 |
| CREDITORS: Amounts falling due within one year | 7 | 2,000 |
| | | <hr/> |
| NET CURRENT ASSETS | | (599) |
| | | <hr/> |
| NON CURRENT LIABILITIES | | |
| Deferred tax liability | 5 | (600) |
| | | <hr/> |
| NET ASSETS | | 1 |
| | | <hr/> |
| CAPITAL RESERVES | | |
| Called up share capital | | 1 |
| | | <hr/> |
| EQUITY SHAREHOLDERS' FUNDS | | 1 |
| | | <hr/> |

The notes on pages 8 to 11 form part of these accounts.

The accounts on pages 6 to 11 were approved by the Board of directors on 30 April 2004 and were signed on its behalf by:-



DM Bull
Director

NOTES TO THE ACCOUNTS
at 31 December 2003

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared on the historical cost basis of accounting and in accordance with applicable UK accounting standards.

2. TURNOVER

Turnover is derived from the participation in PriCap 3 LP calculated in accordance with the partnership agreement and represents an accrual of the General Partner's priority profit share.

As per the partnership agreement drawing from the limited partner do not attract an interest charge.

If on dissolution of the Limited Partnership the distributions made to the General Partner are insufficient to repay the loan, the balance outstanding will be written off and the General Partner will have no further liability to the Limited Partnership.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

The director of the Company has an employment contract with Henderson Administration Limited. He receives no remuneration for his services to the company.

5. TAX ON PROFIT OF ORDINARY ACTIVITIES

31 December
2003
£

a) Analysis of charge in period:

| | |
|--------------------------|-------|
| Group relief surrendered | (600) |
| Deferred tax | 600 |

Total tax for period

-
=

b) The current rate of corporation tax of 30% (2001/2002: 30%) has been used to calculate the amount of deferred taxation. Provision has been made for all deferred taxation assets and liabilities in respect of short term timing differences, arising from transactions and events recognised in the financial statements of the current year and previous years.

Provision for deferred tax

| | |
|----------------------------------|------------|
| Balance at start of period | - |
| Deferred tax charge for the year | (600) |
| Provision at end of period | (600) = |

The major components of the provision for deferred taxation are as follows:

| | |
|--|------------|
| Accrued partnership profit share taxable in future periods | (600) |
| Total provision for deferred tax | (600) = |

Group relief surrendered

| | |
|-------------------------------|----------|
| Balance at start of period | - |
| Group relief surrendered | 600 |
| Group relief at end of period | 600 = |

6. DEBTORS

**31 December
2003
£**

| | |
|---|--------------|
| Accrued profit share of Limited Partnership | 2,000 |
| Amount due from the parent company | 1 |
| | <u>2,001</u> |

7. CREDITORS: amounts falling due within one year.

**31 December
2003
£**

| | |
|--------------------------|--------------|
| Management fees payable. | 2,000 |
| | <u>2,000</u> |

8. SHARE CAPITAL

**31 December
2003
£**

| | |
|------------------------------------|----------|
| Authorised: | |
| 1 ordinary shares of £1 each | <u>1</u> |
| | |
| Allotted, called up and fully paid | |
| 1 ordinary shares of £1 each | <u>1</u> |

9. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

| | Share Capital £ | Profit and loss Account £ | Total Shareholders' Funds £ |
|---------------------|-----------------------|------------------------------------|--------------------------------------|
| At 1 January 2002 | 1 | - | 1 |
| Profit for the year | - | - | - |
| At 31 December 2003 | <u>1</u> | <u>-</u> | <u>1</u> |

10. PARENT UNDERTAKING

The company's immediate parent undertaking is Henderson Private Capital Limited. The parent undertaking of the smallest group for which group accounts are prepared is HHG Plc.

In accordance with section 228 (2) of the Companies Act 1985, the company has not prepared consolidated accounts.

The ultimate parent undertaking and controlling party is HHG Plc, a company incorporated in England. The address from which copies of the accounts of HHG Plc can be obtained is 4 Broadgate London EC2M 2DA.

11. CASHFLOW STATEMENT

Cashflows of the Company are included in the consolidated group cashflow statement of HHG Plc and consequently, the Company is exempt under the terms of Financial Reporting Standard No. 1 (Revised) from publishing a cashflow statement.

12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in Financial Reporting Standard 8 'Related Party Disclosures', relating to transactions between 90 per cent or more controlled subsidiaries.

HGP3 Limited is general partner of PriCap 3 LP.

HGP3 is considered a related party to the above entity. Any amounts received, due, paid or payable between the General Partner and the Limited Partner are disclosed in notes 6 (Debtors) and 7 (Creditors).