STANDARD LIFE INVESTMENTS

STANDARD LIFE INVESTMENTS (GENERAL PARTNER NASP 2006) LIMITED

(Formerly Standard Life Investments (General Partner A9) Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

Registered in Scotland Number SC272867

GENERAL INFORMATION

Directors
M Connolly, MBA
D T Cumming, MA
W R Littleboy, BA(Hons) MA
R L Paris, MA (Oxon)
N K Skeoch, BA(Hons) MA, FSI, FRSA
A P Watt, FRICS

Company Secretary
V J O'Brien, ACII

Registered Office
1 George Street
Edinburgh EH2 2LL
United Kingdom

Auditors
PricewaterhouseCoopers LLP
68 73 Queen Street
Edinburgh EH2 4NH
United Kingdom

REPORT BY THE DIRECTORS
for the year ended 31 December 2006

The directors submit their report and financial statements for the year ended 31 December 2006

Annual general meeting

As permitted by Section 366A of the Companies Act 1985, Standard Life Investments (General Partner NASP 2006) Limited (the 'Company') has passed an elective resolution to dispense with the holding of an annual general

Change of Company name

On 3 July 2006 the Company changed its name to Standard Life Investments (General Partner NASP 2006) Limited

Principal activities and business review

The principal activity of the Company is to act as General Partner of a segregated mandate Limited Partnership ('NASP2006'), 'the Fund', whose activity is to make private equity investments, primarily in North America The Company has entered into a management agreement with Standard Life Investments (Private Equity) Limited, authorising it to manage the investments of the Fund

The Company's result for the year ended 31 December 2006 is a profit of £NIL (2005 £NIL) The directors consider the results to be satisfactory

Future outlook

The directors are confident of maintaining the current level of performance in the future

Risk management policies

Information relating to the risks affecting financial assets and liabilities of the Company are contained in note 8 to this report and accounts

Dividend

The directors do not recommend the payment of a dividend for the year (2005. £NIL)

Directors and their interests

The names of the current directors of the Company are shown on page 1

R L Paris, M Connolly and D T Cumming were appointed as directors on 2 March 2006

The appointment of directors is not subject to retirement by rotation

None of the directors has a beneficial interest in the shares of the Company, which is a wholly owned subsidiary of Standard Life Investments Limited

The interests of directors who are also directors of Standard Life plc, in the share capital of the Company's ultimate parent undertaking, Standard Life plc, are disclosed in the annual accounts of Standard Life plc

The interests of directors who are also directors of Standard Life Investments Limited but are not directors of Standard Life plc, in the share capital of Standard Life plc, are disclosed in the annual accounts of Standard Life Investments Limited

REPORT BY THE DIRECTORS
for the year ended 31 December 2006

Statement of directors' responsibilities

The dırectors are responsıble for preparıng the Annual Report and Fınancıal Statements ın accordance wıth applıcable law and regulatıons

Company law requıres the dırectors to prepare fınancıal statements for each fınancıal year Under that law the dırectors have prepared the Company fınancıal statements ın accordance wıth Internatıonal Fınancıal Reportıng Standards (IFRSs) as adopted by the European Unıon In preparıng these fınancıal statements, the dırectors have also elected to comply wıth IFRSs ıssued by the Internatıonal Accountıng Standards Board (IASB) The fınancıal statements are requıred by law to gıve a true and faır vıew of the state of affaırs of the Company and of the profıt or loss of the Company for that perıod

In preparıng these fınancıal statements the dırectors are requıred to

- Select suıtable accountıng polıcıes and then apply them consıstently,
- Make judgements and estımates that are reasonable and prudent,
- State that the fınancıal statements comply wıth IFRSs as adopted by the European Unıon and IFRSs ıssued by IASB, and
- Prepare the fınancıal statements on the goıng concern basıs, unless ıt ıs ınapproprıate to presume that the Company wıll contınue ın busıness

The dırectors confırm that they have complıed wıth the above requırements ın preparıng the fınancıal statements

The dırectors are responsıble for keepıng proper accountıng records that dısclose wıth reasonable accuracy at any tıme the fınancıal posıtıon of the Company and to enable them to ensure that the fınancıal statements comply wıth the Companıes Act 1985 The

Disclosure of information to auditors

So far as each dırector ıs aware, there ıs no relevant audıt ınformatıon (that ıs, ınformatıon needed by the Company's audıtors ın connectıon wıth preparıng theır report) of whıch the Company's audıtors are unaware

Each dırector has taken all the steps that he or she ought to have taken as dırectors ın order to make themselves aware of any relevant audıt ınformatıon and to establısh that the Company's audıtors are aware of that ınformatıon

Auditors

The audıtors, PrıcewaterhouseCoopers LLP, Chartered Accountants, are wıllıng to contınue ın offıce

On behalf of the Board of Directors

V J O'Brien, Secretary

Edınburgh, 26 February 2007

INCOME STATEMENT
for the year ended 31 December 2006

	Note	2006 £	2005 £
Revenue			
Management fee income		631,946	130
Expenses			
Administrative expenses		(631,946)	(130)
Profit before tax	2		
Tax expense	4		
Profit for the year attributable to equity holders of the Company			

The notes on pages 8 to 13 form part of these financial statements

BALANCE SHEET
as at 31 December 2006

	Note	2006 £	2005 £
ASSETS			
Current assets			
Trade and other receivables	5	230	230
Total assets		**230**	**230**
LIABILITIES			
Current liabilities			
Trade and other payables		(130)	(130)
Total liabilities		(130)	(130)
EQUITY			
Share capital	6	(100)	(100)
Retained earnings			
Equity attributable to equity holders of the Company		**(100)**	**(100)**
Total liabilities and equity		**(230)**	**(230)**

The notes on pages 8 to 13 form part of these financial statements

Approved on behalf of the Board of Directors and authorised for issue on 26 February 2007 by the following Director

N K Skeoch, Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2006

The Company has not recorded any changes in equity during the years ended 31 December 2006 and 31 December 2005

The notes on pages 8 to 13 form part of these financial statements

CASH FLOW STATEMENT
for the year ended 31 December 2006

The Company has had no net cash flows during the years ended 31 December 2006 and 31 December 2005

The notes on pages 8 to 13 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with
(1) International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as endorsed by the European Commission (EC) for use in the European Union (EU), and
(2) those parts of the Companies Act 1985 applicable to companies reporting under IFRS

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss (FVTPL) These are the Company's first financial statements under IFRS and in accordance with IFRS 1 First time Adoption of International Financial Reporting Standards, the financial effects of adopting IFRS are summarised in note 10 The principal accounting policies set out below have been consistently applied to all financial reporting periods presented in these financial statements All amounts are expected to be settled/recovered after more than 12 months unless otherwise stated in the notes to these financial statements

Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles (GAAP), requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period Consistent with IFRS 1, any estimates included in the Company's opening IFRS Balance Sheet have been made by considering the information that existed at the time the estimate was made under previous GAAP, rather than information that became available after that date, after taking into account any applicable adjustments resulting from differences in accounting policies

Key judgements made in selecting accounting policies and critical accounting estimates

In the process of applying the Company's accounting policies, management has used its judgement and made estimates and assumptions in determining the amounts recognised in the financial statements These estimates and assumptions can affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period Although these estimates are based on management's best knowledge of the amount, event or actions, results ultimately may differ from these estimates The most significant area where judgements and estimates are made are set out below

Cash flow statement The indirect method was chosen on the basis that it is simpler than the direct method and is consistent with the approach adopted by our peers

(b) Revenue recognition

All fees and costs are deemed to be associated with the provision of investment management services and are recognised, subject to recoverability, as the services are provided

(c) Expense recognition

Other expenses

Expenses are recognised on an accruals basis

(d) Foreign currency

Foreign currency transactions and fair values are translated using the exchange rates applying to the functional currency, which is Sterling, prevailing at the dates of the transactions or at the date the fair value was determined, with related foreign currency exchange gains or losses reflected in the Income Statement Translation differences on non monetary items such as equities held at FVTPL, are reported as part of the fair value gain or loss

NOTES TO THE FINANCIAL STATEMENTS

(e) Impairment of non financial assets

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment An impairment loss is recognised in the Income Statement for the amount by which the asset's carrying amount exceeds its recoverable amount

The recoverable amount of an asset is the greater of its net selling price (fair value less costs to sell) and value in use In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit, or group of units, to which the asset belongs

(f) Income tax

Current tax

The current tax expense is based on the taxable results for the year, using tax rates enacted or substantially enacted at the balance sheet date, including any adjustments in respect of prior years

Deferred tax

Deferred tax is provided in full, using the Balance Sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements Deferred tax assets are recognised to the extent that it is probable that future taxable results will be available against which the temporary differences can be utilised

Deferred tax is recognised in the Income Statement except when it relates to items recognised directly in the Statement of Changes in Equity in which case it is credited or charged directly to Retained Earnings through the Statement of Changes in Equity

(g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, any highly liquid investments which have a maturity date within three months of the date of acquisition and bank overdrafts that are repayable on demand and form an integral part of the Company's cash management strategy

(h) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements, and directly in equity, in the period in which the dividend is paid or, if applicable, approved by the Company's shareholders

(i) Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Company's accounting periods beginning on or after 1 January 2007 The Company has not early adopted these standards, amendments, and interpretations as described below

IFRS 7 Financial Instruments Disclosures, and a complementary amendment to IAS 1 Presentation of Financial Statement Revised guidance on implementing IFRS 4, Presentation of Financial Statements – Capital Disclosures (effective from 1 January 2007) IFRS 7 introduces new disclosures to the information on financial instruments and the revision to IFRS 4 reflects the changes made by IFRS 7 and affects the disclosure section of the guidance The amendment to IAS 1 introduces disclosures on the level of management of capital resources IFRS 7 will be applied by the Company from the annual period beginning 1 January 2007 The Standard has no financial impact but may change the disclosures surrounding the Company's Financial Instruments

NOTES TO THE FINANCIAL STATEMENTS

IFRIC 9 Reassessment of Embedded Derivatives (effective for annual periods beginning on or after 1 June 2006) The interpretation requires an assessment of whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the Company first becomes a party to that contract Subsequent reassessment is prohibited, unless there is a change in the contract's terms, in which case it is required The Company will apply IFRIC 9 from 1 January 2007, but it is not expected to have a significant impact on the Company's financial statements

Standards and interpretations that are not relevant to the Company IFRS 8 Operating Segments (effective for annual periods beginning on or after 1 January 2009), IFRIC 7 Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies (effective for annual periods beginning on or after 1 March 2006), IFRIC 8 Scope of IFRS 2 (effective for annual periods beginning on or after 1 May 2006), IFRIC 10 Interim Financial Reporting and Impairment (effective for annual periods beginning on or after 1 November 2006), IFRIC 11 IFRS 2 Group Treasury Share Transactions (effective for annual periods beginning on or after 1 March 2007), IFRIC 12 Service Concession Agreements (effective for annual periods beginning on or after 1 January 2008)

2. PROFIT BEFORE TAX

The Company has no employees (2005 NIL) and is managed by the parent undertaking Certain expenses, including auditors remuneration for audit services amounting to £4,150 (2005 £2,750), are met by fellow group undertakings and are recovered from the Company through administrative and management charges

3. NET FOREIGN EXCHANGE DIFFERENCES

The total net foreign exchange gains recognised in profit for the year were £NIL (2005 £NIL)

4. TAX EXPENSE

The Company had a tax expense of £NIL (2005 £NIL) on profit before tax for the year of £NIL (2005 £NIL) As a result a reconciliation of the tax expense for the year to the expected tax expense based on the UK Corporation tax rate of 30% has not been shown

5. TRADE AND OTHER RECEIVABLES

	2006	2005
	£	£
Amounts due from related parties		100
Sundry Debtors	230	130
Total trade and other receivables	**230**	**230**

All of the financial assets listed above are non interest bearing All trade and other receivables are expected to be settled within 12 months

All trade and other payables are expected to be settled within 12 months

6. SHARE CAPITAL

	Authorised			
	2006		2005	
	No.	£	No.	£
Ordinary Shares of £1 each	100	100	100	100

	Allotted, Called Up and Fully Paid			
	2006		2005	
	No.	£	No.	£
Ordinary Shares of £1 each	100	100	100	100

NOTES TO THE FINANCIAL STATEMENTS

7. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying value of all financial assets and liabilities approximates their fair value

8. RISK MANAGEMENT POLICIES

(a) Governance framework

Standard Life Investments Limited and its subsidiaries ('the Group') takes and manages risks, for all of its subsidiaries including the Company, to achieve its corporate, financial and regulatory objectives The types of risk inherent in the pursuit of these objectives and the extent of exposure to these risks form the Group's risk profile

The Group Board annually approves a Risk Policy which outlines the framework for identifying, assessing, controlling and monitoring the following categories of risk credit, liquidity, market, operational and insurance

The Group Board delegates responsibility for the implementation of the day to day processes to manage risk across the Group to the Chief Executive The Chief Executive is supported in this role by the Senior Executive Committee and assisted by the Controls and Compliance and Operational Risk Committees

(b) Credit risk

Credit risk is the risk incurred whenever the Company is exposed to a loss if a counterparty fails to perform its contractual obligations, including failure to perform those obligations in a timely manner The Group sets the acceptable level of credit risk through the Risk Policy

(c) Liquidity or funding risk

Liquidity risk is the risk that the Company, although solvent, does not have sufficient financial resources available to meet its obligations as they fall due, or can secure them only at excessive cost

The Group reviews its liquidity position, for all subsidiaries including the Company, during the year as part of regulatory solvency monitoring

The Standard Life Group Treasury function has responsibility for mitigating liquidity risks across the Standard Life Group and for arranging external financing

(d) Market risk

Market risk is the risk that as a result of market movements the Company may be exposed to fluctuations in the value of its assets, the amount of its liabilities or the income from its assets Sources of general market risk include movements in interest rates, equities and foreign exchange rates The Group sets the acceptable level of market risk through the Risk Policy

Revenue from investment management services

The Company's revenues are exposed to market risk as the fees are levied based on the market value of the funds under management The exposure of revenues to market risk is not hedged, although the sensitivity of revenues to market movements is calculated and reported to the Group Board

Interest rate risk

Interest rate risk refers to the potential variability in the Company's financial condition as a result of changes in interest rates

The Company's exposure to interest rate risk is limited by restricting the investment of surplus cash in instruments with short dated maturities or fixing dates

NOTES TO THE FINANCIAL STATEMENTS

Financial assets subject to interest rate risk comprise primarily of cash and cash equivalent balances At 31 December 2006 and 2005, none of the Company's assets exposed to interest rate risk had a term to maturity exceeding 1 year

Currency risk

The Company's financial assets are primarily denominated in its functional currency which mitigates the foreign currency exchange rate risk Thus the main foreign exchange risk arises from recognised assets and liabilities denominated in currencies other than those in which business is conducted

The Group's risk policy specifies that no more than 25% of the Group's capital will be denominated in currencies other than Sterling

At 31 December 2006 and 2005 majority of the Company's assets and liabilities were denominated in Sterling

(e) Operational risk

Operational risk is defined as the risk of loss, or adverse consequences for the business, resulting from inadequate or failed internal processes, people and systems, or from external events The Group sets an acceptable level of operational risk through the Risk Policy

The Group's control environment is subject to quarterly self assessment by management Managers are responsible for correcting any control weaknesses identified through this process, taking into account the cost of implementing preventive or corrective action plans and the Group's risk appetite

The impact of a new product, a significant change, or any one off transaction on the operational risk profile of the Group is assessed and managed

9. RELATED PARTY TRANSACTIONS

Parent and ultimate controlling party

Prior to 10 July 2006, the Company's parent was Standard Life Investments Limited and its ultimate controlling party was The Standard Life Assurance Company On 10 July 2006, The Standard Life Assurance Company demutualised and a new holding company for the Standard Life Group, Standard Life plc, was admitted to the London Stock Exchange From 10 July 2006 the Company's parent remained as Standard Life Investments Limited whilst its ultimate controlling party became Standard Life plc

NOTES TO THE FINANCIAL STATEMENTS

Transactions between and balances with related parties

In the normal course of business, the Company enters into transactions with related parties that relate to the investment management business Such related party transactions are at arms length

The following are details of significant transactions with related parties during the year and year end balances arising from such transactions

	2006			
	Revenues	**Expenses**	**Amounts owed by related parties**	**Amounts owed to related parties**
	£	**£**	**£**	**£**
Key management personnel				
Parent			230	
Other	631,946	631,946		
	631,946	**631,946**	**230**	

	2005			
	Revenues	**Expenses**	**Amounts owed by related parties**	**Amounts owed to related parties**
	£	**£**	**£**	**£**
Key management personnel				
Parent			100	130
Other	130	130		
	130	**130**	**100**	**130**

Transactions with related parties were made at market rates The amounts outstanding are unsecured and will be settled in cash No guarantees have been given or received No expense for bad and doubtful debts has been recognised in the year in respect of the amounts owed by related parties

Compensation of key management personnel

No amounts are payable to the directors in respect of their services to the Company (2005 £NIL)

10. RECONCILIATION OF EQUITY AND PROFIT REPORTED UNDER UK GAAP AND IFRS

There are no differences between shareholders' equity and profit for the year attributable to equity holders of the Company, reported under UK GAAP and shareholders' equity and profit for the year attributable to equity holders of the Company, reported under IFRS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STANDARD LIFE INVESTMENTS (GENERAL PARTNER NASP 2006) LIMITED

We have audited the financial statements of Standard Life Investments (General Partner NASP 2006) Limited for the year ended 31 December 2006 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity 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 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 also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements

In addition we 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 December 2006 and of its result and cash flows 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
Edinburgh, 15 March 2007