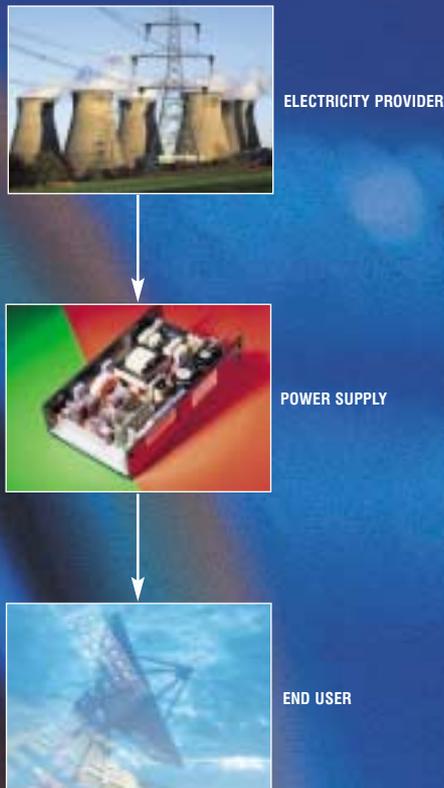


Powering Technology

IFX Power plc Annual Report
and Financial Statements for
the Year Ended
31 December 2000

IFX is building the leading position in the mid-tier sector of the power supply industry in North America and Europe.

THE POWER SUPPLY CHAIN



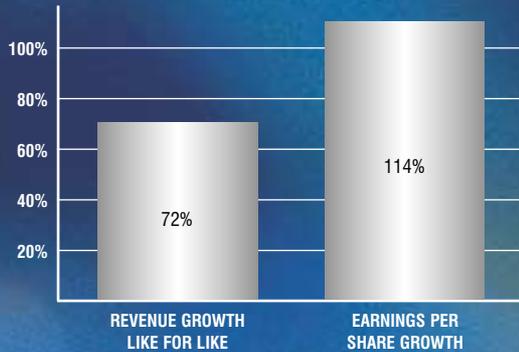
All electronic equipment needs a power supply. By meeting this demand the IFX group provides investors with access to technology and industrial markets through a huge spread of over 7000 customers in the profitable, high margin, mid-tier sector of the North American and European markets.

CONTENTS	
Chairman's Statement and Operational Review	2 - 5
Financial Review	6 - 7
Board of Directors	8 - 9
Directors' Report	10 - 14
Auditors' Report	15
Pro Forma Profit and Loss Account	16
Statutory Profit and Loss Account	17
Combined Reconciliation of Movement in Shareholders' Funds and Statement of Movements on Reserves	18
Statutory Balance Sheet	19
Statutory Cash Flow Statement	20
Notes to the Accounts	21 - 32
Advisors (inside rear cover)	



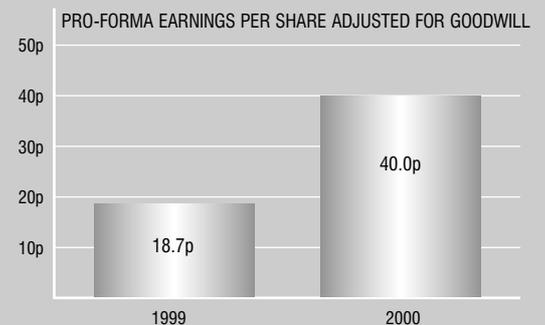
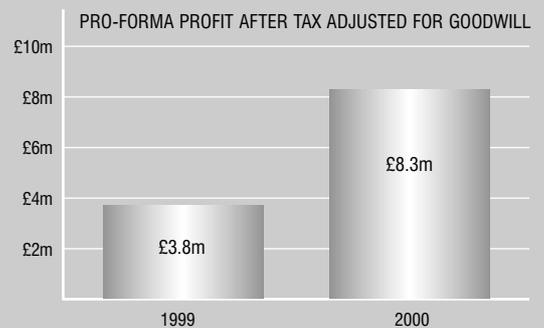
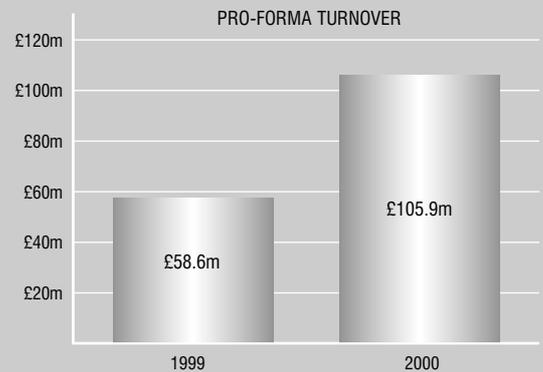
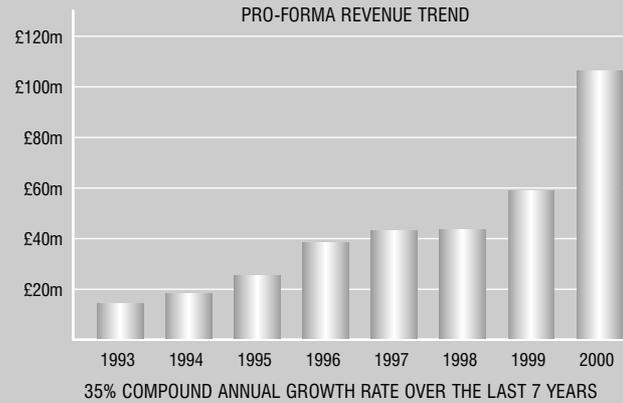
“The IFX group has seen revenue growth of over 70% in its first year of trading”.

The year at a glance.



In its first year of trading, the IFX group has exhibited spectacular performance, with revenue growth in excess of 70% on a like for like basis and earnings per share growth in excess of 100% on a like for like basis. This was achieved on the solid basis of a 35% Compound Average Growth Rate over the last 7 years.

The group's commitment to a policy of continual expansion is ably demonstrated by the acquisition of Aston Technologies Inc., and the acquisition of a 25% stake in MPI-XP Power AG, with the option to purchase the balance in 5 years time.



Chairman's Statement and Operational Review



“I am pleased to report a strong performance from IFX in its first period as a public company due to the professionalism of our people.”

Ed Kramar, Chairman.

Financial Results

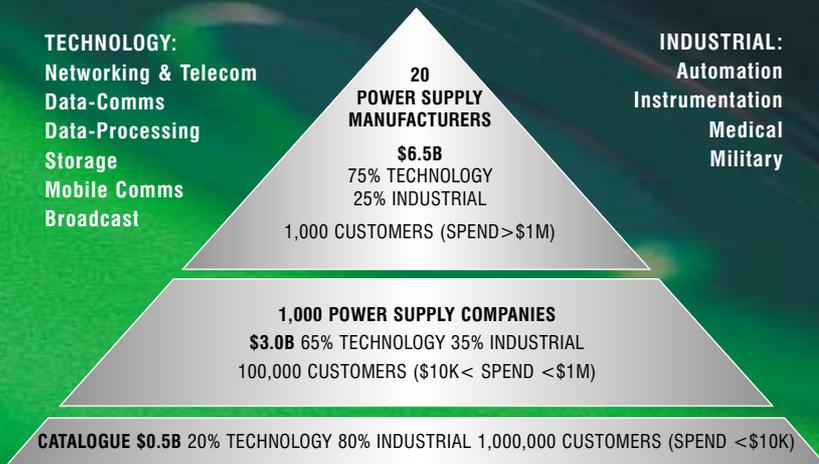
Sales revenues for the three group companies, IPS, ForeSight and XP grew from £58.6 million in 1999 to £105.9 million in 2000, an organic growth rate of over 70%. During this period, the market for our products was estimated to have increased by 15%. Our global market share increased from 3.5% at the end of 1999 to 5.3% at the year end. It is our opinion that this gain was at the expense of our smaller competitors who still own more than 50% of the market.

Profit before tax and goodwill amortisation on a like for like basis increased from £6.1 million to £12.7 million. The growth rate is pleasing, as is the 28% increase in productivity as measured by the level of gross margin generated from the operating expenses incurred. Gross margins reduced from 29% to 28%. Action has been taken to regain 1999 levels.

Overall operating profit at 12% was an improvement from the level of 1999 as we gained efficiencies from our operating overheads.

Pro forma earnings per share grew from 18.7p in 1999 to 40.0p in 2000. Useful progress was made during the year on bringing our tax charge towards that of the companies in our industry with whom we benchmark. More progress needs to be made in this important cost area.

WORLD MERCHANT MARKET - \$10 BILLION



Target Market

IFX's goal is to become the dominant supplier to the mid-tier of the merchant power supply market in North America and Europe. We currently rank third and the market leader has almost twice our market share. Achievement of our goal will benefit all shareholders. Our strategy is to increase sales and engineering resources in those major regional markets where we have limited or non-existent coverage. In Northern California, New England and the United Kingdom we are market leaders, however these territories represent only 30% of the North America/Europe market.

We aim to achieve 90% coverage of our target market over the next two years. Progress last year included opening sales offices in Germany and Holland and the acquisition of a small sales company in New Jersey. We also entered a contract to acquire a 25% stake in a Swiss power supply business with the option to acquire the remainder of the issued share capital in five years time.

IFX medically-approved products power this specialised anaesthesia delivery system.



Products and Customers

Our customers market capital equipment.

This equipment is mostly sold to industry and commerce to improve productivity.

A growing trend amongst our customer base is for the manufacture of their products to be sub-contracted to specialist manufacturing companies.

The communications industries are now at the forefront of the capital equipment market. Return on investment from the purchase of their products

is often measured in months rather than years. The flow of new products in this sector produces new projects with life cycles of two to three years. In this fast moving environment time to market is the critical cost factor for our customers.

As the power supply requirements of a new product are not defined until the design of the equipment is finalised the ability to react quickly is paramount. Customers seek to differentiate their products in their markets with the consequence that the power supply requirements for most



products will be different. IFX's solution is to offer the most complete range of products in our industry sourced from over sixty design teams and one hundred factories worldwide.

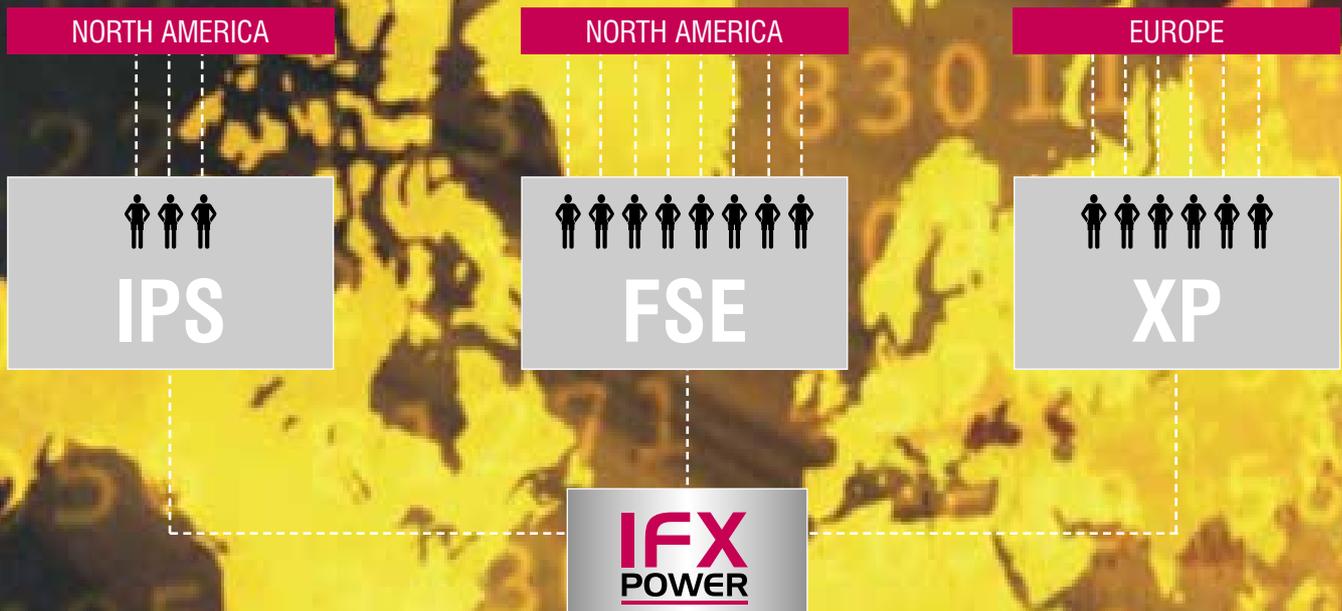
Our potential customer base in our target market is 75,000 companies. In the past year we traded with approximately 10% of these companies.

DC-DC Converters for Distributed Power Architecture - a rapidly growing market

Chairman's Statement and Operational Review

continued

EFFICIENT MOVEMENT OF MARKET INTELLIGENCE



Over 70 field sales engineers, in constant touch with our customers, gather market intelligence that enables IFX to define product requirements, forecast demand and schedule factory production in a highly efficient manner.

e-tools

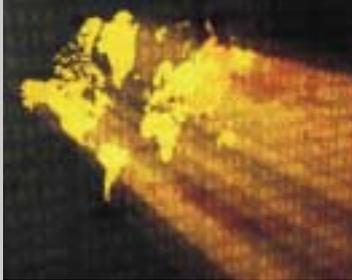
The internet has changed our ability to transact with customers, suppliers and each other. The effectiveness of IFX in identifying customers and their needs has improved dramatically by developing proprietary software, which is enabled by the internet.

Our business model is predicated on aggregating product requirements of 75,000 potential customers and reacting to this demand on a daily basis. In time our suppliers will access our databases through the internet to determine their production schedules. Internally, information is accessible through the internet real time and data is recorded electronically. No paper systems exist in the UK and by mid 2001 most other internal group paper systems will be largely replaced by our e-tools in all operations.

Steve Robinson
e-Business Director



Steve Robinson was promoted to the board of directors as e-Business Director on 31 January 2001. Steve has been the leader of our e-tools team since its inception in 1998. We measure the success of our e-tools by increased productivity; our standard is the amount of gross margin added as a ratio of operating expense. Last year our operating companies increased productivity by 28%. Further gains are expected over the next few years.



Good people - the key
to good business

People

Our people must share in the success of our business. Many of our people already have equity stakes. Over time we will need to increase their stakes, and also offer equity to existing employees who prove their worth to the business. In exceptional circumstances we will need to attract good people with the carrot of participation in the increase of the value of our company. We shall therefore be submitting a share option plan for your approval at the annual general meeting.

Outlook

Our new product offerings for 2001 are significantly greater than any previous year. They include new products for telecommunications, medical, data storage, networking, broadcast, instrumentation, process control, and mobile equipment. Our marketing databases to identify new product requirements are more powerful than ever before and will be further strengthened by our expansion of sales resources across our target market, driven by acquisitions and increased resourcing of our existing regional offices. In January 2001 we opened a sales office in France.

Although there are signs of an economic slow down in the U.S., the Board is confident that the Group will achieve further growth in the coming year.



Ed Kramar
Chairman.



Financial Review

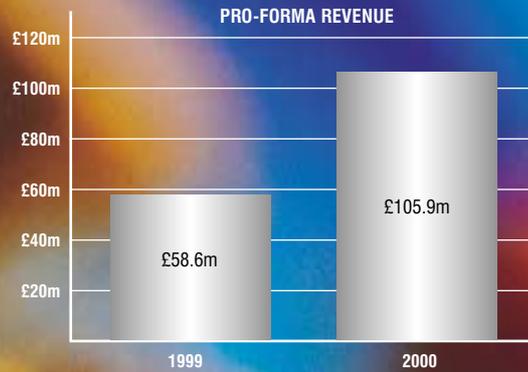
Cash Flow

Our “Virtual Manufacturing” model has many benefits, not least of which is the generation of cash. The group is not burdened by the high capital cost and infrastructure associated with manufacturing facilities. The benefits to the group are increased free cash flow, which, amongst other things can be used to fund smaller acquisitions. Generally the companies within the group balance debtors days outstanding with creditor days outstanding. With the low capital requirements within the business this leaves stock balances (driven principally by our value added activities) as the main element of working capital to finance as the company grows. The company generated £1.6 million of free cash flow (refer to page 20) for the year ended 31 December 2000 despite revenue growth rates in excess of 70%.



Profit and Loss Account

Revenues increased from £58.6 million to £105.9 million on a like for like basis for the year ended 31 December 2000 compared to the same period a year ago, a growth rate of 81%. The real underlying revenue growth is 72% if the exchange rates prevailing in 2000 were applied to the results for the year ended 31 December 1999.



We have continued to gain operational efficiencies as our profit on ordinary activities before tax and goodwill amortisation as a percentage of revenue increased from 10.4% to 12.0%. We are driving to improve this metric further in 2001 as we gain further efficiencies from the roll out of the e-tools discussed in the Chairman’s statement and exploit our improved purchasing leverage.

In accordance with current UK Accounting Standards, the statutory profit and loss account includes a gain of £1.1 million associated with the sale of shares by the group’s ESOP at the time of the placing. This gain has not been included within the pro forma profit and loss account as it is a one off event and does not result in free cash flow to the group.

Financial Control and Reporting

One of the many challenges when combining companies is providing accurate, relevant and timely financial reporting both externally to the market and our shareholders and internally to manage the business. We are pleased with the progress we have made on this front. We consider that we have efficient processes and systems in place which allow us to monitor the business on a weekly basis and provide timely information to our shareholders.

The roll out of our knowledge management systems will further assist us in reaching our objective of building the leading position in the mid tier of the market that we service.

“The group is not burdened by the high capital cost and infrastructure associated with manufacturing facilities.”

Derivatives and Other Financial Instruments

The group's financial instruments comprise cash, money market deposits, overdrafts and various other items such as trade debtors and trade creditors that arise directly from its operations. The purpose of these instruments is to raise finance for the group's operations.

The group has not entered into any derivative transactions during the period under review. It is the group's policy that no trading in financial instruments shall be undertaken. The main risk arising from the group's financial instruments is foreign currency risk which is described below.

Foreign Exchange & Hedging Policy

As approximately 80% of the group's revenues and 75% of the group's earnings originate in the USA, our results when reported in Pounds Sterling will fluctuate with movements in the US Dollar/Sterling exchange rate. This effect is an inherent part of operating in the USA and reporting in Sterling. Hedging such fluctuations may alleviate variances in the short term; however our judgement is that in the long term hedging our US Dollar earnings will reduce shareholder value as we pay commissions and margins on financial instruments. We have therefore decided not to hedge this underlying economic risk.

Within our European business we attempt, as far as possible, to cover foreign exchange exposures by matching the currencies in which we buy and sell product.

If significant one off transactions occur which give rise to a high element of foreign currency risk we consider hedging such transactions as they occur.

Financing Costs

The group currently has the benefit of a £10 million multi-currency working capital facility which we consider adequate for our current needs. The facility is priced at LIBOR plus 1.5% and is renewable in June 2001.

Interest Income

The group invests any surplus cash in Money Market deposits.

Taxation

Due to the high proportion of the group's earnings originating in the USA, where corporate tax rates are comparatively high, the group's effective tax rate is higher than many other companies with which we benchmark ourselves.

Dividends

Our policy is to pay dividends when commercially prudent to do so. As a guideline we aim for a dividend cover of at least three before the charge for goodwill.



Duncan Penny, Finance Director

Board of Directors

Larry co-founded Powerline plc ("Powerline") in 1979, where he focused on the strategic direction of the business.

Ed Kramar
Executive Chairman



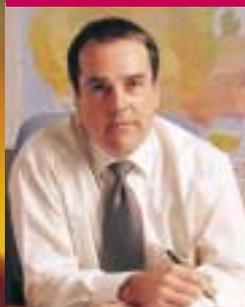
Ed, a US National, has over 30 years' experience in the US electronics industry. Prior to co-founding Cypress Electronics Inc. ("Cypress") in 1979, a major electronics components distributor in the US, he held senior positions at General Electric and Premier Farnell (formerly Newark Electronics). In 1985, he sold Cypress and remained, as President, with the new owner. In 1991, Ed established ForeSight and is currently President of ForeSight. He became a Director of IFX when ForeSight was acquired by the group in May 2000. Ed is 58 years of age.

Larry Tracey
Chief Executive Officer



In March 1984, he was responsible for the flotation of Powerline on the Unlisted Securities Market of the London Stock Exchange and earnings grew 220 per cent in its three years as a quoted company. Larry headed Powerline's expansion into Germany and the US. Powerline was acquired by Chloride plc in September 1987. In May 1990, Larry joined the board of XP as an Executive Director. In April 2000 he was appointed as Chief Executive Officer of IFX. He is responsible for group strategy including acquisition policy. Larry is 53 years of age.

James Peters
European Managing Director



James has over 20 years experience in the power supply industry and trained with Marconi Space and Defence Systems, prior to joining Coutant Lambda, one of the UK's major power supply companies, as an internal sales engineer. He joined Powerline shortly after its formation in 1980 and was involved in all aspects of the business. In November 1988 he founded XP. In April 2000, he was appointed as European Managing Director of IFX and he is responsible for the overall management of the group's European businesses. James is 42 years of age.

Duncan Penny Finance
Director & Company Secretary



Between October 1998 and March 2000, Duncan was the controller for the European, Middle Eastern and African regions for Dell Computer Corporation, prior to which Duncan spent eight years working for LSI Logic Corporation where he held senior financial positions in both Europe and Silicon Valley. From 1985 to 1990, Duncan spent five years at Coopers & Lybrand in general practice and corporate finance. He joined IFX in April 2000. Duncan is 38 years of age.

Stuart was President of York International Inc.'s Unitary Products Group, which had a turnover of \$1.4 billion in 1998,

Stuart Amos
Executive Director



from March 1998 and President and Chief Operating Officer of Siebe Industrial Equipment Division for the period November 1993 to December 1997. Other senior positions held prior to this were at Emerson Electric (for the six year period ending November 1993) and at Princeton Gamma Tech Inc. as Vice President and General Manager for European then worldwide operations from January 1981 to November 1987. He was appointed as Chairman of IPS on completion of its acquisition and joined the board of IFX in June 2000. Stuart is 55 years of age.

Steve Robinson
e-Business Director



Steve has held sales and sales management positions with Acal Electronics and Chloride Electronics. Since joining XP in 1996, Steve has held senior positions at XP including Divisional Director and Joint Managing Director. Steve has been involved in the development of e-business strategy within XP since May 1999 and joined the board of IFX on 31st January 2001. Steve is 37 years of age.

Roger joined Touche Ross & Co. in 1967 and qualified in 1971 after which he specialised in corporate taxation and became a partner in 1977. He was involved in all types of UK and international corporate work, including UK flotations, global acquisitions and disposals. On retiring from Deloitte & Touche in 1997, Roger was

Roger Bartlett
Non-Executive Director



appointed Company Secretary of XP in April 1997. In January 1998, he became a Non-Executive Director of XP. He joined the board of IFX in June 2000. Roger is 56 years of age.

John was appointed Finance Director of Pace Micro Technology plc in November 1997, prior to which he held senior positions in both Silicon Valley and Europe for LSI Logic Corporation from June 1990 to November 1997. From September 1988 to June 1990 John was co-founder and Managing Director of Modacom Limited, prior to

John Dyson
Non-Executive Director



which he was Finance Director of Norbain Electronics plc (1988-1990) and Case Group plc from 1977 to 1987. He joined the board of IFX in June 2000. John is 52 years of age.

Directors' Report

Statement of Directors' Responsibilities

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 group as at the end of the financial year and of the profit or loss of the group 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;
- 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 group and enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principle Activities and Review of the Business

The group provides power supply solutions to the electronics industry. A review of the business and future prospects are set out in the Chairman's Statement and Operational Review.

Employee Involvement

Regular communication meetings are held with employees to discuss the performance of the individual company for which they work and group matters where appropriate. Employees are given the opportunity to question senior executives at these meetings.

Directors and Their Interests

The present membership of the Board and the interests of the directors in the shares of IFX Power plc are set out in note 24 to the accounts. In accordance with the Company's Articles of Association Larry Tracey, James Peters and Duncan Penny retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting.

Employment of Disabled Persons

The group has a policy regarding the employment of disabled persons. Full and fair consideration is given to applications for employment made by disabled persons having regard to their particular aptitudes and abilities.

Dividends

An interim dividend of 5p per share was paid on 17 October 2000. We are proposing a final dividend of 7p per share which would be payable to members on the register on 4 May 2001 and will be paid on 17 May 2001. This would make the total dividend for the year 12p.

The directors present their annual report and the audited financial statements for the year ended 31 December 2000.

Environmental

We aim to offer products with increased efficiency along with Power Factor Correction with a view to saving energy for the same power output.

Substantial Interests

Other than directors' interests (refer to note 24) at 4 February 2001 the company was aware of the following interests in three per cent or more of the issued ordinary share capital of the company:

	No. of shares	%
Standard Life Investments	1,079,266	5.1

Payment Terms

It is the group's policy to agree and clearly communicate the terms of payment as part of the commercial arrangements negotiated with suppliers. Provided suppliers perform in accordance with agreed terms it is the group's policy that payment should be made accordingly.

IFX Power plc holds the investments in the group companies, does not trade itself and does not have suppliers within the meaning of the Companies Act 1985.

Relations with Shareholders

The group encourages two way communication with both its institutional and private investors and responds quickly to all queries received.

The group uses its website www.ifxpower.com to give private investors access to the same information that institutional investors receive.

The Annual General Meeting is also an opportunity to communicate with shareholders where all directors and Committee chairs are available for questions.

Challenge Teams

We have set up a number of challenge teams headed up by our best people which cut across our group companies. These teams are in place to ensure that we meet our business objectives. The teams meet regularly and report progress back to the board. This is an intrinsic part of the way we manage the business and strive to reach our business goals. The teams are as follows:

PURCHASING LEVERAGE

During 2000 the group made purchases in excess of \$100 million making it one of the world's largest purchasers of power supplies. The Supply Chain Team is actively pursuing gains in margin by leveraging the group's purchasing power.

E-BUSINESS

The group's aggressive implementation of technology provides competitive advantage and operational efficiencies within the business. Our proprietary knowledge management system, the Projects Database, provides business forecasting, drives our new product strategy and aids purchasing leverage.

NEW PRODUCTS

The combination of a highly fragmented market with shorter product life cycles results in an ever-increasing demand for new products. Our Standard Product Team drives a consolidated product development programme across the group which has introduced 18 new families of products this year.

FINANCIAL CONTROL AND REPORTING

The Finance Challenge Team provides the business with systems and processes which facilitate accurate, timely and relevant financial reporting along with minimising the company's financial costs.

VALUE ADDED SERVICES

The provision of electro-mechanical sub-assemblies which incorporate our products allow our customers to integrate their power supply solution more efficiently. The three operating companies have a wealth of experience which is being shared across the group via the Value Added Challenge Team.

ACQUISITIONS

A key part of the group's strategy is to achieve 90% coverage of our target market over the next two years. The board is actively involved in identifying and successfully acquiring complementary businesses with a view to achieving this goal.

Directors' Report

continued

Corporate Governance

The final report of the Hampel Committee began "The importance of corporate governance lies in its contribution both to business prosperity and to accountability. In the UK the latter has preoccupied much public debate over the past few years. We would wish to see the balance corrected". We agree with this position and in the management of our business are conscious of maintaining a balance between empowering our people to produce the results we demand and safeguarding the assets of the business and proactively managing the business risks.

Compliance with the Combined Code

The final report of the Hampel Committee updates the previous work of the Cadbury and Greenbury codes to produce a combined code. The UK Listing Authority has attached this code to its Listing Rules and we are required to report on it.

As the group was only formed on 5 July 2000 it is obviously not possible for us to have been in compliance with the Combined Code for the entire accounting period. However, since the formation of the group we are able to confirm that we are in compliance with the code except for the following items:

- The Board currently consists of six executive and two non-executive directors whereas the code requires that non-executives make up not less than one third of the Board. We are in the process of looking for a third non-executive who would add value to the group. Our view is that it would be preferable if this person

came from within the power supplies industry in the USA.

- The Audit Committee comprises the two non-executive directors rather than the three prescribed by the combined code.

Notwithstanding the above departures from the combined code, the directors consider that the current structure and function of the board is appropriate for the present size and composition of the group.

We can also confirm that the Board has established an ongoing process for identifying, evaluating, monitoring and managing significant business risks and, where appropriate, integrated this into its challenge teams as described above.

The Board acknowledges that it is responsible for the group's system of internal control and for reviewing its effectiveness. The group's internal controls are designed to manage rather than eliminate the risk of failure to meet business objectives, and can only provide reasonable not absolute assurance against material misstatement or loss. Prior to the flotation the group conducted a review of its internal controls in each of its companies.

Internal Control

The board acknowledges that it is responsible for the group's system of internal control and for reviewing its effectiveness.

An ongoing process for identifying, evaluating and managing the significant risks faced by the group was put in place during the second half of the financial year and has remained in place up to the approval date of the



annual report and accounts. That process, which involves the challenge teams, is regularly reviewed by the board and accords with the Internal Control guidance for directors on the combined code produced by the Turnbull working party.

The board intends to keep its risk control procedures under constant review and to deal with areas of improvement which come to its attention.

As might be expected in a group of this size, a key control procedure is the day to day supervision of the business by the executive directors supported by managers within the group companies. The executive directors are involved in the budget setting process, monitor key statistics on a weekly basis and review management accounts on a monthly basis, noting and investigating major variances.

The board has considered the need for an internal audit function, but has decided that, because of the size of the group and the systems and controls in place, it is not appropriate at present. The board will review this on a regular basis.

The group's systems of internal control are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against misstatement or loss.

Audit Committee

The Audit Committee consists of both non-executive directors, who are independent, and is chaired by Roger Bartlett. It has met twice since the formation of the group. The Committee is responsible for, amongst other things, ensuring that the financial performance of the group is properly reported and monitored focusing particularly on compliance with legal requirements, accounting standards, and the requirements of the UK Listing Authority. The Committee also meets with the auditors and reviews the reports from the auditors without executive board members present.

Going Concern

The directors, after making enquiries, are of the view, as at the time of approving the accounts, that there is a reasonable expectation that it will have adequate resources to continue operating for the foreseeable future and therefore the going concern basis has been adopted in preparing these accounts.

Directors' Report

continued

Directors Remuneration

The Remuneration Committee consists of both non-executive directors, who are independent, and is chaired by John Dyson. This Committee reviews the performance of executive directors and within agreed terms of reference sets the scale and structure of their remuneration including pension rights, the group's policy on compensation of executive directors and the basis of their service agreements with due regard to the interests of shareholders. It also determines the allocation of share options to employees.

Remuneration of the executive directors consists of annual salary, taxable benefits in kind and performance related bonus.

The objective of the group's remuneration policy is that executive directors should receive remuneration which is appropriate to their position of responsibility, and which will attract, motivate and retain executives of the necessary calibre.

There is an annual review at which the Committee approves the basic salary and bonus for each executive director. The fees of the non executive directors are determined by the Board.

Details of directors' salaries, benefits, bonuses and share options can be found in note 24 to the accounts.

Nominations Committee

The Nominations Committee consists of Larry Tracey, both non-executive directors and Ed Kramar who chairs the Committee.

Auditors

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Duncan Penny, Company Secretary

Auditors' report to the members of IFX Power plc

We have audited the financial statements on pages 16 to 32 which have been prepared under the accounting policies set out on page 21.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 10 the preparation of the financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board, the UK Listing Authority 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 or the Listing Rules regarding directors' remuneration and transactions with the company and other members of the group is not disclosed.

We review whether the corporate governance statement on pages 12 to 14 reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the UK Listing Authority, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the group's corporate governance procedures or its risk and control procedures.

We read the other information contained in the Annual Report, including the corporate governance statement, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 circumstances of the company and the group, 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 and the group as at 31 December 2000 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche
Chartered Accountants and Registered Auditors
15 March 2000
Blenheim House
Fitzalan Court
Newport Road
Cardiff, CF24 0TS