

CHASE CAPITAL FINANCING LIMITED

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER, 2000

Registered Number: 2290621



CHASE CAPITAL FINANCING LIMITED

REPORT OF THE DIRECTORS

Report of the Directors

The directors have pleasure in submitting their annual report and accounts for the year ended 31st December 2000.

Principal Activities

The company continues to provide financial and advisory services.

On 7th July 2000, both of the company's 100% owned subsidiaries, Chase (Jersey) Limited and Chase (Jersey) Finance Limited, were dissolved and therefore consolidated accounts are not required for the current year ended 31st December 2000.

The activities of the company have significantly reduced during the financial year.

Results and Review of the Year

The results of the year are set out in the attached financial statements. The directors do not recommend the payment of a dividend (1999: Nil).

Directors

The directors since the start of the year were:

I.R. Lyall	
B.A. Harte	Resigned 17 th April 2001
G.E. Stoker	Appointed 20 th March 2001

None of the directors had any interest in the shares of the company or in any material contracts.

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 company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

CHASE CAPITAL FINANCING LIMITED

REPORT OF THE DIRECTORS
(continued)

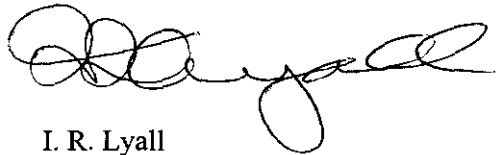
Directors' Responsibilities (continued)

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.

Auditors

Under the Elective Regime and in accordance with Section 386 of the Companies Act 1985, the company is exempted from its obligations to appoint auditors annually.

By Order of the Board



I. R. Lyall
Secretary

12/6/ 2001

CHASE CAPITAL FINANCING LIMITED

**AUDITORS' REPORT TO THE MEMBERS OF CHASE CAPITAL
FINANCING LIMITED**

We have audited the financial statements on pages 4 to 8 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 are responsible for preparing the Annual Report. As described on pages 1 and 2, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom Companies Act. 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.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

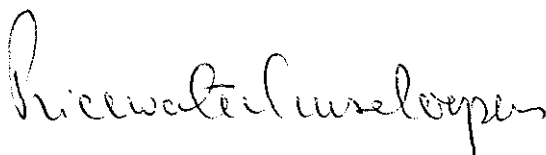
Basis of audit opinion

We conducted our audit in accordance with 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 company's affairs of as at 31 December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
London

12 June 2001

CHASE CAPITAL FINANCING LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2000

	<u>Note</u>	<u>2000</u> <u>\$'000</u>	<u>1999</u> <u>\$'000</u>
Continuing operations			
Foreign exchange translation gain		3	-
Administrative expenses		<u>(4)</u>	<u>-</u>
Operating Loss		(1)	-
Profit on Disposal of Investments	3	<u>195</u>	<u>-</u>
Profit on ordinary activities before taxation		194	-
Tax on ordinary activities	4	<u>(58)</u>	<u>-</u>
Profit retained for the financial year		<u>136</u>	<u>-</u>

There are no recognised gains or losses other than those included in the profit and loss account above.

The notes on pages 6 to 8 form part of these financial statements.

CHASE CAPITAL FINANCING LIMITED

BALANCE SHEET AS AT 31ST DECEMBER, 2000

	<u>Note</u>	<u>2000</u> <u>\$'000</u>	<u>1999</u> <u>\$'000</u>
Current Assets			
Cash at bank and in hand		75	-
		—	—
		75	-
Creditors: Amounts falling due within one year	6	(58)	(119)
		—	—
Net assets		17	(119)
		===	===
Shareholders' funds			
Called up share capital	7	107	107
Profit and loss account		(90)	(226)
		—	—
Total shareholders' funds	8	17	(119)
		===	===

Approved by the Board of Directors on 12 June 2001 and signed on their behalf by

G.E. Stoker
Director

The notes on pages 6 to 8 form part of these financial statements.

CHASE CAPITAL FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2000

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

The directors are of the opinion that turnover and cost of sales are not meaningful measures in the context of the company's business. Accordingly, and as permitted under The Companies Act, they have amended the statutory format to disclose the components of net interest income which reflect the company's activities.

b) Foreign Currencies

Assets and liabilities in foreign currencies are translated into US dollars at market rates ruling at the balance sheet date. Profit and loss account transactions in foreign currencies have been translated at the exchange rate prevailing at the month end in which the income or expense was incurred.

Any gains or losses arising on translation are taken directly to the profit and loss account.

The year end exchange rate (USD/GBP) was 1.4897. (1999: 1.6169)

c) Cash Flow Statements and Related Party Disclosures

The company is a wholly owned subsidiary of J.P. Morgan Chase & Co (formerly The Chase Manhattan Corporation). The company is included in the consolidated accounts of J.P. Morgan Chase & Co. Consequently, the company has taken advantage of the dispensation available to a wholly owned subsidiary under Financial Reporting Standard No. 1 (Revised 1996) not to produce a cash flow statement. The cash flow of the company has been included in the consolidated cash flow statement of J.P. Morgan Chase & Co.

The company is also exempt under the terms of Financial Reporting Standard No. 8 from disclosing related party transactions (but not balances) with entities that are subsidiaries of J.P. Morgan Chase & Co.

d) Auditors' Remuneration

Auditors' remuneration is met by a group company and not recharged.

e) Reporting Currency

The company reports in USD as the majority of its transactions are denominated in that currency.

CHASE CAPITAL FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2000

2. DIRECTORS' EMOLUMENTS AND STAFF COSTS

The directors are employees of another subsidiary company of J.P. Morgan Chase & Co. and are paid by their principal employer. The directors do not consider that any element of their remuneration relates to the company.

The company had no employees, other than directors, at any time during the year.

3. PROFIT ON DISPOSAL

	<u>2000</u> <u>\$'000</u>	<u>1999</u> <u>\$'000</u>
Profit on Disposal of Chase (Jersey) Finance Limited and Chase (Jersey) Limited	195	-
	=====	=====

4. TAXATION

The taxation charge for the year comprised:

	<u>2000</u> <u>\$'000</u>	<u>1999</u> <u>\$'000</u>
Corporation tax based on profit for the year at 30% (1999:30.25%)	58	-
	=====	=====

5. SUBSIDIARY COMPANIES

Chase Capital Financing Limited previously owned 100% of the issued share capital of the following two subsidiaries:

Chase (Jersey) Limited
Chase (Jersey) Finance Limited

Both of the above mentioned subsidiaries were dissolved on 7 July 2000 and therefore consolidated accounts are not required for the current financial year.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2000</u> <u>\$'000</u>	<u>1999</u> <u>\$'000</u>
Amounts owed to Group Undertakings	-	119
Other Creditors, including Taxation	58	-
	58	119
	=====	=====

CHASE CAPITAL FINANCING LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2000

7. SHARE CAPITAL

	<u>2000</u> <u>\$'000</u>	<u>1999</u> <u>\$'000</u>
Authorised:		
60,000 ordinary shares of £1 each	107	107
	==	==
Issued, allotted, called up and fully paid:		
60,000 ordinary shares of £1 each	107	107
	==	==

The share capital is translated into US dollars at the fixed historical rate at the time the shares were issued, rather than at the exchange rate ruling at the balance sheet date. All translation differences arising as a result of this treatment are recognised in the profit and loss account.

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2000</u> <u>\$'000</u>	<u>1999</u> <u>\$'000</u>
Opening shareholders' funds	(119)	(119)
Profit for the year	136	-
	—	—
Closing shareholders' funds	17	(119)
	==	==

9. PARENT UNDERTAKINGS

The immediate parent undertaking is J.P. Morgan Chase & Co.

The parent company of the largest group for which consolidated financial statements are prepared and the ultimate holding company is J.P. Morgan Chase & Co. following the merger of The Chase Manhattan Corporation and J.P. Morgan & Co. Inc. J.P. Morgan Chase & Co. is incorporated in the United States of America.

The consolidated financial statements are available to the public and may be obtained from:

The Company Secretary
125 London Wall
London
EC2Y 5AJ