

WATCHDIRECT LIMITED

Registered in England No. 2476751

FINANCIAL STATEMENTS

30 JUNE 2000



PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2000

During the financial year and the preceding financial year, the company did not trade and received no income and incurred no expenditure. Consequently, during those years, the company made neither a profit nor a loss, and there were no other recognised gains or losses.

Accordingly, neither a profit and loss account, a statement of recognised gains and losses, a note of historical cost profits and losses nor a reconciliation of movements in shareholders' funds has been presented.

The notes on page 3 form part of these financial statements.

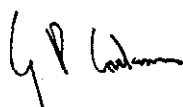
BALANCE SHEET

AS AT 30 JUNE 2000

	Note	30 June 2000 £	30 June 1999 £
Current asset			
Due from parent undertaking		<u>2</u>	<u>2</u>
Capital			
Called up share capital	3	<u>2</u>	<u>2</u>

The company was dormant, within the meaning of Section 250 of the Companies Act 1985, throughout the financial year.

The financial statements on pages 1 to 3 were approved by the board of directors on 4 April 2001 and signed on its behalf by:



G P Crickmore

*For and on behalf of**Diageo Corporate Officer A Limited*

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The financial statements have been prepared under the historical cost convention and comply with applicable UK accounting standards. The bases used are consistent with those used in the previous year.

2. Profit and loss

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (1999 - £nil).

3. Share capital

	30 June 2000 £	30 June 1999 £
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

The ordinary shares are entitled to one vote each.

4. Immediate and ultimate parent undertaking

The immediate parent undertaking is Grand Metropolitan Public Limited Company, a company registered in England.

The ultimate parent undertaking of the company is Diageo plc, a company registered in England. The consolidated financial statements of Diageo plc can be obtained from the Registered Office at 8 Henrietta Place, London W1G 0NB.