

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

Report and Financial Statements

Period from 17 October 2000 to
30 November 2001

Deloitte & Touche
Stonecutter Court
1 Stonecutter Street
London EC4A 4TR



MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

REPORT AND FINANCIAL STATEMENTS
Period from 17 October 2000 to 30 November 2001

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of Directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

G M Horn
B Gill
L A Nash
M C Slingo
A Goldstein (alternate for L A Nash)

SECRETARY

M E Gledhill

REGISTERED OFFICE

25 Cabot Square
Canary Wharf
London E14 4QA

AUDITORS

Deloitte & Touche
Chartered Accountants
Stonecutter Court
1 Stonecutter Street
London EC4A 4TR

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

DIRECTORS' REPORT

The Directors present their first report and the audited financial statements for the period from 17 October 2000 (date of incorporation) to 30 November 2001.

RESULTS AND DIVIDENDS

The loss for the period was \$9,153,000. During the period no dividends were paid. The Directors do not recommend the payment of a final dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

MSDW Montgomerie Limited (the "Company") was incorporated on 17 October 2000 as Cabot 14 Limited. The name of the Company was changed on 13 March 2001. The principal activity of the Company is to act as an intermediate holding company. Both the level of business during the period and the financial position at the end of the period were satisfactory. No significant changes in the Company's principal business activities are anticipated.

DIRECTORS

The following Directors held office during the period:

G M Horn	(appointed 4 July 2001)
B Gill	(appointed 5 March 2001)
L A Nash	(appointed 5 March 2001)
M C Slingo	(appointed 5 March 2001)
N Diffey	(appointed 17 October 2000, resigned 5 March 2001)
L Evan	(appointed 5 March 2001, resigned 29 June 2001)
A Goldstein	(appointed 3 December 2001 – alternate for L A Nash)

DIRECTORS' INTERESTS

The Directors had no disclosable interests in the share and loan capital of any Morgan Stanley Dean Witter & Co. ("MSDW") UK group company during the period.

AUDITORS

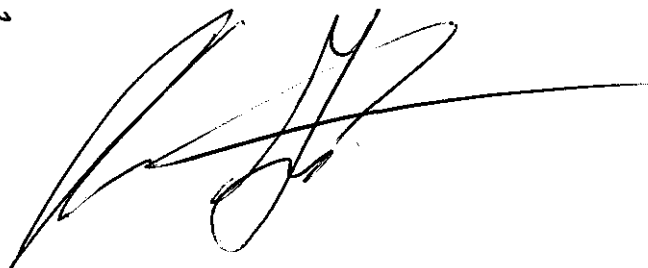
During the period a resolution was passed to appoint Deloitte & Touche as auditors. A resolution to reappoint Deloitte & Touche as auditors will be proposed at the forthcoming Annual General Meeting.

By order of the Board

Director

A. GOLDSTEIN

18/12/01

A large, stylized handwritten signature in black ink, likely belonging to A. Goldstein, is written over the printed name and date. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period 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; and
- 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 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MSDW MONTGOMERIE INVESTMENTS LIMITED**

We have audited the financial statements of MSDW Montgomerie Investments Limited for the period from 17 October 2000 (date of incorporation) to 30 November 2001 which comprise the profit and loss account, balance sheet and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

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 United Kingdom legal and regulatory requirements and 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 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 for the above period and consider the implications for our report if we become aware of any apparent misstatements.

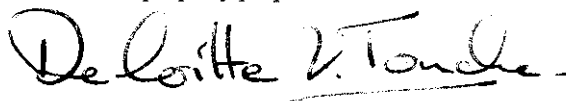
Basis of audit opinion

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 the company's affairs as at 30 November 2001 and of its loss for the period from 17 October 2000 (date of incorporation) to 30 November 2001 and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and Registered Auditors

26 February 2002

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

PROFIT AND LOSS ACCOUNT

Period from 17 October 2000 to 30 November 2001

	Note	17 October 2000 to 30 November 2001 \$'000
Dividends received from subsidiary undertaking		365
Interest payable	3	<u>(9,518)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE AND AFTER TAXATION AND RETAINED LOSS FOR THE PERIOD	2,8	<u><u>(9,153)</u></u>

The above results relate to continuing operations. A reconciliation of the movement in shareholders' funds has been provided in note 8 to the financial statements.

There are no recognised gains and losses during the period other than the loss on ordinary activities retained for the period disclosed above. Accordingly, no statement of total recognised gains and losses is given.

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

BALANCE SHEET
30 November 2001

	Note	30 November 2001 \$'000
FIXED ASSETS		
Investments	5	600,000
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	6	(509,153)
NET CURRENT LIABILITIES		(509,153)
TOTAL ASSETS LESS CURRENT LIABILITIES		90,847
CAPITAL AND RESERVES		
Called up share capital	7	100,000
Profit and loss account	8	(9,153)
EQUITY SHAREHOLDERS' FUNDS		90,847

These financial statements were approved by the Board of Directors on
Signed on behalf of the Board

Director

A. GILDOSTEIN
18/2/02



MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

NOTES TO THE FINANCIAL STATEMENTS
Period from 17 October 2000 to 30 November 2001

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

Preparation of financial statements in US dollars

It is considered that a fairer reflection of the Company's activities is given by presenting the financial statements in US dollars, the functional currency of its ultimate holding company, since the US dollar is the main currency of the Company's primary economic environment.

Repurchase agreements

The Company enters into arrangements which involve the sale of investments with agreements to repurchase. Obligations to repay cash balances arising under repurchase agreements are recorded as liabilities and the related investments are included in fixed asset investments at cost.

Fixed asset investments

Fixed asset investments are stated at cost less provision for any impairment in value, which is expected to be permanent.

Cash flow statement

The Company's ultimate parent undertaking produces a cash flow statement. Accordingly, the Company, which is a wholly owned subsidiary, has elected to utilise the exemption provided in Financial Reporting Standard ("FRS") 1 (Revised 1996) and not produce a cash flow statement.

2. LOSS ON ORDINARY ACTIVITIES

None of the Directors received any remuneration or fees in respect of their services to the Company during the period. No staff were employed directly by the Company during the period. The audit fee has been borne by another group company.

3. INTEREST PAYABLE

	Period ended 30 November 2001 \$'000
Group undertaking	582
Interest on repurchase agreement (note 5)	8,936
	9,518

4. TAX ON LOSS ON ORDINARY ACTIVITIES

The UK Corporation tax losses suffered by the Company have been surrendered to fellow group undertakings for nil consideration.

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

NOTES TO THE FINANCIAL STATEMENTS
Period from 17 October 2000 to 30 November 2001

5. FIXED ASSET INVESTMENTS

	Subsidiary undertakings \$'000	Total \$'000
At 17 October 2000	-	-
Additions	600,000	600,000
At 30 November 2001	600,000	600,000

Details of the investments in which the Company holds more than 20% of the nominal value of any class of share capital at 30 November 2001 are as follows:

Name of Company	Country of Incorporation	Holding	Proportion of voting rights and beneficial shares held directly / (indirectly)	Nature of Business
MSDW Lyle Investments Limited	England and Wales	Ordinary shares	100%	Holding company
Woburn III Cooperatieve UA	The Netherlands	-A Membership / (-B Membership)	80% / (20%)	Financial Services

The Fixed Asset Investment in the "A membership" of Woburn III Cooperatieve UA is the subject of a repurchase agreement (note 6).

Group financial statements are not produced since the Company is a subsidiary of Morgan Stanley International Limited, a company registered in England and Wales, which will prepare group accounts for the year to 30 November 2001.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 November 2001 \$'000
Amounts due to group undertakings	219
Investment sold under agreement to repurchase	508,934
	509,153

The Company has sold its investment in its subsidiary undertaking Woburn III Cooperatieve UA, under an agreement to repurchase.

MSDW MONTGOMERIE INVESTMENTS LIMITED
(Formerly Cabot 14 Limited)

NOTES TO THE FINANCIAL STATEMENTS
Period from 17 October 2000 to 30 November 2001

7. CALLED UP SHARE CAPITAL

	30 November 2001 Number
Authorised:	
1,000 ordinary shares of £1 each	1,000
100,000,000 ordinary shares of \$1 each	100,000,000
Allotted and fully paid:	\$
1 ordinary share of £1 each	1
100,000,000 ordinary shares of \$1 each	100,000,000

The allotted shares are recorded at historical exchange rates.

During the period, the authorised share capital was increased by the creation of 100,000,000 ordinary shares of \$1 each.

On incorporation, 1 ordinary share of £1 was issued at par to the Company's parent undertaking for cash consideration. Further on 12 April 2001, 100,000,000 ordinary shares of \$1 each were issued at par to the Company's parent undertaking for cash consideration.

8. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share capital \$'000	Profit and loss account \$'000	Total \$'000
At 17 October 2000	-	-	-
Issued during the period	100,000	-	100,000
Loss retained for the period	-	(9,153)	(9,153)
At 30 November 2001	100,000	(9,153)	90,847

9. RELATED PARTY TRANSACTIONS

Under paragraph 3(c) of FRS 8, Related Party Disclosures, the Company is exempt from the requirement to disclose transactions with fellow group companies. There were no other related party transactions requiring disclosure.

10. PARENT UNDERTAKING

The ultimate parent undertaking and controlling entity is Morgan Stanley Dean Witter & Co., which is incorporated in the United States of America. Copies of its financial statements can be obtained from 25 Cabot Square, Canary Wharf, London E14 4QA.

The parent undertaking of the smallest group of companies for which group financial statements are drawn up and of which the Company is a member is Morgan Stanley International Limited, which is registered in England and Wales. Copies of its financial statements can be obtained from the Registrar of Companies for England and Wales, Companies House, 3 Crown Way, Maindy, Cardiff CF14 3UZ.