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CONCURRENT TECHNOLOGIES PLC

NO. 1919979

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2002

1919979

Contents

Company Information

Directors:
M Collins LLB (Chairman)
J B Annear
R P M Crowther FCA
D Evans-Hughes BSc
G A Fawcett BSc

Secretary:
Cargil Management Services Limited

Registered Office:
c/o MSP Secretaries Limited
22 Melton Street
London
NW1 2BW

Registered Number:
1919979

Auditors:
Baker Tilly
Marlborough House
Victoria Road South
Chelmsford, Essex
CM1 1LN

Solicitors:
Wollastons
Brierly Place
New London Road
Chelmsford, Essex
CM2 0AP

Bankers:
National Westminster Bank Plc
25 High Street
Colchester, Essex
CO1 1DG

Registrars:
Melton Registrars Limited
Cresta House
Alma Street
Luton, Bedfordshire
LU1 2PU

Nominated Adviser and Nominated Broker:
Bell Lawrie White & Co
48 St Vincent Street
Glasgow
G2 5TS

ISO9001 Registered

Chairman's Statement

Operations

The past 12 months has been a challenging period for the company whereby we achieved a solid performance in the face of difficult markets and maintained a focus on long term growth.

We have continued to invest a substantial amount for the future; in 2002 our design and development expenditure increased by 21% to £991,979 (2001 £815,774). This enabled us to expand all three of our existing embedded computer bus architectures (VME, CompactPCI® and Multibus II), which are based on Intel® CPUs, while also adding a Motorola® PowerPC® CPU range to our VME products. We have also targeted the defence market as a result of our decision to extend the temperature range within which our boards will operate to enable them to be used in more hostile environments than hitherto.

Defence related applications accounted for 38% of our sales in 2002 as compared with 16% in 2001. This growth is attributed to good market conditions for defence equipment, especially for VME products, together with an increasing demand for Intel processors in defence applications. Many of these defence applications are long term projects where we have yet to supply production quantities, so we expect that this part of our business will increase steadily in the years ahead.

Our VME revenues grew by more than 100% while our CompactPCI® revenues grew by in excess of 700% as compared with 2001. Both of these have been achieved due to our continuing emphasis in designing new products for these two types of embedded computers and the results of increased sales and marketing activities.

One of our new dual-processor boards has already been released and the second, much faster version based on Intel® Xeon™ processors, will be released imminently. Both of these products have been designed in response to numerous customer requests.

We are still well positioned to participate again in the expected recovery of the telecommunications market, through our high performance CompactPCI product range. These products are very suitable for transmitting or processing large quantities of data, and have been particularly successful in applications involving voice testing, network traffic monitoring and routing and video overlay.

US Acquisition

The Financial Statements for 2002 incorporate almost a complete year of trading by Omnibyte Corporation which we acquired for $1,500,000 cash in January 2002.

Omnibyte took a little time to adjust to the change of ownership and culture, but towards the end of 2002 the benefits of the acquisition were apparent. Omnibyte's business has now been integrated with that of Concurrent Technologies Inc and the design team, which was tasked to accelerate their design development programme to meet anticipated customer demand, has now released several new embedded computer products using Motorola® processors. These are a powerful addition to the Concurrent Technologies' product portfolio. We continue to expect increased revenue from these new products during the current year.

Financial

The consolidated pre-tax profit of the Group for the year 2002 was £552,895 compared with £508,768 for 2001. Uncertain market conditions continued through 2002 but we nevertheless increased our turnover to £7,537,452 (which included £660,935 from Omnibyte Corporation). Turnover in the second half of 2002 was £3,801,297 compared with £3,736,155 in the first half of the year.

The second half of the year turned out much as we anticipated at the time we published our first half figures in September 2002. The market for embedded computers continued flat throughout the year. Although general market conditions have not yet materially changed, we do foresee an improvement in activity for Concurrent Technologies during 2003 driven largely by an expansion of our defence and electronic communications related business.

Our cash position continues to be satisfactory. We ended the year with cash of £2,635,225 and we continue to have no borrowings.

Chairman's Statement (continued)

Dividend As I said in my statement in the Annual Report last year, the Board intended to return to the dividend list as soon as circumstances permit and I am pleased to report that in the light of a satisfactory trading performance during 2002 and an improving outlook for business this year, we have decided to recommend the payment of a final dividend of 0.35 pence per share. The total cost of this dividend will amount to £254,450. The ex-dividend date for the final dividend is 12 March 2003, the record date is 14 March 2003 and, assuming shareholders give their consent, payment will be made on 9 May 2003.

Outlook Although the overall market for embedded computers continues to be rather flat, there are pockets of activity. Our business structure provides flexibility and responsiveness which enables us to adapt quickly to market conditions. We now expect that the outcome for 2003 will be an improvement on 2002.

Annual General Meeting The Annual General Meeting this year will be held on 25 April 2003.

Michael Collins
Chairman

Report of the Directors

The Directors present their Report and Financial Statements of the Group (Concurrent Technologies Plc and its wholly owned subsidiaries, Concurrent Technologies Inc, Concurrent Technologies SA (Pty) Ltd and Omnibyte Corporation) for the year ended 31 December 2002.

Directors' Responsibilities

We are required under company law to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group, and of the profit or loss of the Group for that year.

In preparing these Financial Statements we have:

- selected suitable accounting policies and applied them consistently
- made reasonable and prudent judgements and estimates
- stated whether applicable accounting standards have been followed
- prepared the Financial Statements on a going concern basis

We have also accepted responsibility for:

- keeping proper accounting records
- safeguarding the Group's assets
- *taking reasonable steps for the prevention and detection of fraud*

Principal Activity

The Group designs, develops, manufactures and sells single board computers to system integrators and original equipment manufacturers.

Review of the Business and Future Developments

Details are set out in the Chairman's Statement on pages 2 and 3.

Results and Dividends

The profit on ordinary activities after taxation for the year ended 31 December 2002 was £456,726 (year to 31 December 2001 as restated: £353,792). The profit on ordinary activities after taxation for the year ended 31 December 2002, before amortisation of goodwill, was £487,232 (year to 31 December 2001 as restated: £353,792). The Directors recommend payment of a final dividend of 0.35p per Ordinary Share.

Fixed Assets

Details of additions to goodwill are given in Note 9 and additions to tangible fixed assets in Note 10 to the Financial Statements.

Donations

The Group made no political or charitable donations during the year.

Payment of Creditors Policy

The Company has a variety of payment terms with its suppliers. The terms for payments for purchases under major contracts are settled when agreeing the other terms negotiated with individual suppliers. It is our policy to make payments for other purchases within 30 working days of the invoice date, provided that the relevant invoice is presented to the Company in a timely fashion and is complete. The Company's payment terms are specified in individual contracts agreed with suppliers. The ratio, expressed in days, between the amounts invoiced to the Company by its suppliers in the year ended 31 December 2002 and the amounts owed to its trade creditors at the end of the year was 33 days.

Substantial Shareholders

As at 31 December 2002 the following persons, other than the Directors and their family interests, had an interest in 3% or more of the Company's Ordinary Shares.

Name	Number of Ordinary Shares	Shareholding %
HSBC Global Custody Nominee 866379	9,796,898	13.48
Chase Nominees	6,286,469	8.65
K.F. Burnett	5,504,501	7.57
I.M. Keeler	5,310,360	7.30
Citifriends Nominee	3,169,850	4.36

Report of the Directors (continued)

Non-Executive Directors *Michael Collins* LLB, Solicitor, aged 57. Chairman.
Currently Managing Partner DLA Edinburgh Office. He was appointed a Director of Concurrent Technologies Plc in 1987.

Ronald Peter Morrison Crowther FCA, aged 67.
Previously a partner in Grant Thornton and currently a Consultant. He was appointed a Director of Concurrent Technologies Plc in 1987.

Directors The Directors set out below have held office during the whole of the year 1 January 2002 to 31 December 2002. The beneficial interests of the Directors holding office on 31 December 2002 in the shares of the Company at that date, according to the Register of Directors' Interests, are shown below:

	1p Ordinary Shares	
	31/12/2002	**31/12/2001**
J B Annear	1,665,039	1,665,039
M Collins	785,756	785,756
R P M Crowther	574,125	574,125
D Evans-Hughes	785,739	720,739
G A Fawcett	1,504,874	1,504,874

The non-beneficial interests of the Directors holding office on the 31 December 2002 in the share capital of the Company at that date are as follows:

	1p Ordinary Shares	
	31/12/2002	**31/12/2001**
M Collins	4,417,531	4,367,531
R P M Crowther	1,245,480	1,240,875

The interests of the Directors in the Share Option Scheme are disclosed in the Report of the Remuneration Committee.

Rotation of Directors The Directors throughout the year are listed above. In accordance with the Articles of Association, Mr D Evans-Hughes and Mr G A Fawcett retire by rotation and being eligible offer themselves for re-election at the next Annual General Meeting.

Officers' Insurance The Company has purchased and maintains insurance to cover its officers against liabilities in relation to their duties to the Group.

Auditors Messrs Baker Tilly have expressed their willingness to continue in office; a resolution will be proposed at the next Annual General Meeting for their re-appointment as auditors.

By order of the Board

Cargil Management Services Limited
Company Secretary

28 February 2003

Corporate Governance

The Directors acknowledge the importance of the guidelines set out in the Principles of Good Governance and Code of Best Practice ("The Combined Code") as appended to the London Stock Exchange's Listing Rules and have applied them as appropriate to a company of the size and nature of Concurrent Technologies Plc.

Internal Financial Control

The Board of Directors has overall responsibility for the Group's system of internal financial control and for reviewing its effectiveness. Such a system can only provide reasonable and not absolute reassurance against material misstatement or loss.

The Group has a long established framework of internal financial controls:

Control Environment: the Group's control environment is the responsibility of the Group's Directors and managers at all levels. The Group's organisational structure has clear lines of responsibility. Operating and financial responsibility for subsidiary companies is the responsibility of the Board.

Financial Reporting: there is a comprehensive budgeting system in place with an annual budget approved by the Board. Actual profit and loss together with a balance sheet are reported against budget every month, together with order intake analysis. A review of the results to date and latest year end forecasts is undertaken by the Board at least six times a year. Comments arising from the detailed review of the performance and financial position are included within the Chairman's Statement. The Directors' responsibilities for the Financial Statements are described on page 4. The Company reports to Shareholders twice a year.

Delegation of Authority: the Company has a Group procedure that defines levels of authority before committing the Company to defined actions involving commercial risk.

Risk Assessment: executive management has a clear responsibility for the identification of risks facing the business and for putting in place procedures to eliminate, mitigate and monitor risks. The Company continually sets and monitors performance targets. The full Board monitors these processes through a system of Board Meeting reports.

Treasury: the strategy of hedging against foreign exchange and interest rates, levels of borrowing, charges over assets and investment of cash are reviewed and approved by the Board. The policy regarding insurance of various business risks is reviewed and approved by the Board at least once a year.

Board's Monitoring System: the Board reviews and approves budgets and monitors the Group's performance against those budgets monthly. Variances from expected outcome are investigated and where lapses in internal control are detected, these are rectified. The Group's cash flow is also monitored monthly.

Main Control Procedures: standard financial control procedures operate throughout the Group to ensure the integrity of the Group's Financial Statements. The Board approves capital expenditure when approving the annual budget and the Board must approve any other material capital expenditure. To supplement these procedures the Company has a comprehensive set of written non-financial procedures which are audited internally on a regular basis and twice yearly by external independent auditors as per ISO 9000 requirements.

The Board reviewed the effectiveness of the systems of internal financial control for the year ended 31 December 2002, and has taken account of material developments which have taken place since the year end.

Corporate Governance (continued)

Wider Aspects of Internal Control

The Board reviewed the Group's internal control procedures and risk management strategy during the year ended 31 December 2002. The Board is of the view that there is in place an ongoing process for identifying, evaluating and managing the Group's significant risks. This process is regularly reviewed by the Board and accords with the Combined Code.

The Board of Directors

The full Board of Directors meets a minimum of six times per year and exercises control, including the monitoring of senior management, throughout the Group.

The Chairman, who carries out his duties on a part time basis, is primarily responsible for the running of the Board, and the Managing Director is responsible for the day-to-day running of the Group and for implementing Group strategy. All Directors are aware of their right to seek independent professional advice at the Company's expense to assist them in their duties and to have access to the services of the Company Secretary.

Board Committees

The Audit Committee is responsible for ensuring that the financial performance of the Group is properly measured and reported and for reviewing reports from auditors relating to the Group accounts and the Group's internal control systems.

The Audit Committee, which meets twice yearly, comprises:

M Collins	Non-Executive Chairman and Chairman of the Audit and Remuneration Committees
R P M Crowther	Non-Executive Director

The Board considers it appropriate for a company of its size to include only two Non-Executive Directors instead of the recommended three.

The Remuneration Committee is responsible for setting the remuneration and performance related bonus for Executive Directors and Senior Managers. The Committee, which meets at least once each year, comprises:

M Collins	Non-Executive Chairman and Chairman of the Audit and Remuneration Committees
R P M Crowther	Non-Executive Director

Going Concern

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to enable them to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these Financial Statements.

M Collins
Chairman

28 February 2003

Report of the Remuneration Committee

This report is provided in accordance with the recommendations of the Combined Code.

The Remuneration Committee consists of two Non-Executive Directors: Mr M Collins, who is Chairman, and Mr R P M Crowther.

The policy of the Remuneration Committee is framed to give full consideration to the provisions as to best practice set out in the Combined Code.

Directors' Emoluments

Each Executive Director is employed by the Company under a written contract of employment which provides for termination by either party giving twelve months' written notice.

Each Executive Director receives a remuneration package comprising a basic salary and the usual benefits in kind. For each year, commencing on 1 January, the Remuneration Committee sets the level of emoluments to be paid to each Executive and Non-Executive Director and the basis upon which any bonuses will be payable to each Executive Director. Bonuses are specifically related to the Group's performance and are calculated according to a formula agreed upon by the Remuneration Committee at the beginning of each year. The Non-Executive Directors are not entitled to bonuses save as disclosed herein. The Remuneration Committee considers it inappropriate to disclose more details of Directors' remuneration than is required by the Companies Act.

Executive Directors are entitled to be members of the Company's pension scheme, details of which are set out in Note 24 to the Financial Statements. Non-Executive Directors are not entitled to join the Company's pension scheme.

Each Non-Executive Director is employed by the Company under a written contract that provides for termination by either party giving three months' notice.

Share Options

The Company operates an Enterprise Management Incentive Share Option Scheme. The Scheme is performance related and is conditional on an average weighted compound earnings per share growth of a minimum of 10% per annum. The Board of the Company administers the Scheme, delegated to the Remuneration Committee, which has authority to offer options to a limited number of employees.

Interests of the Directors in the Share Option Scheme

The interests of the Directors in the Share Option Scheme at the beginning and end of the year are as follows:

Name	Number of Shares under option at 31 December 2002	Exercise Price	Date from which Share Option is Exercisable	Expiry date of Share Option
J B Annear	232,558	43.0p	14 December 2003	14 December 2010
D Evans-Hughes	232,558	43.0p	14 December 2003	14 December 2010
G A Fawcett	232,558	43.0p	14 December 2003	14 December 2010

The market price of the Company's shares as at the end of the financial year was 12.5p and the range of published market prices during the year was 12.5p to 29.0p.

The Remuneration Committee is of the opinion that the Company has applied such provisions of the Combined Code as is appropriate for a company of the size and nature of Concurrent Technologies Plc.

M Collins
Chairman of the Remuneration Committee

28 February 2003

Report of the Auditors

Independent Auditors' Report to the Shareholders of Concurrent Technologies Plc

We have audited the Financial Statements of Concurrent Technologies Plc on pages 10 to 26.

This report is made solely to the Company's members, as a body, in accordance with s.235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Report of the Directors.

Our responsibilities, as independent auditors, are to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 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 regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited Financial Statements. This other information comprises the Chairman's Statement, Report of the Directors, Corporate Governance Statement, and Report of the Remuneration Committee. Our responsibilities do not extend to any other information.

Basis of 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 Group'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 and Group's affairs as at 31 December 2002 and of the Group's profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly
Registered Auditors
Chartered Accountants
Chelmsford

28 February 2003

Consolidated Profit and Loss Account

For the year ended 31 December 2002

	Notes	Year to 31 December 2002	Restated Year to 31 December 2001
Turnover		£	£
Continuing operations		6,876,517	6,600,190
Acquisition		660,935	-
Total turnover	2	7,537,452	6,600,190
Cost of sales		4,130,171	3,434,451
Gross profit		3,407,281	3,165,739
Net operating expenses		2,902,596	2,753,512
Operating profit/(loss) before goodwill amortisation		504,685	412,227
Continuing operations		541,805	412,227
Acquisition		(37,120)	-
Amortisation of goodwill		30,506	-
Group operating profit	3	474,179	412,227
Net interest	3	78,716	96,541
Profit on ordinary activities before taxation		552,895	508,768
Taxation on profit on ordinary activities	4	96,169	154,976
Profit for the financial year		456,726	353,792
Dividend	5	254,450	-
Retained profit for the year		202,276	353,792
Basic and diluted earnings per share	6	0.63p	0.49p
Basic and diluted earnings per share excluding amortisation of goodwill	6	0.67p	0.49p

Statement of Total Recognised Gains and Losses

		Year to 31 December 2002	Restated Year to 31 December 2001
		£	£
Profit for the financial year		456,726	353,792
Currency translation differences on foreign currency net investments		(107,193)	4,914
Total recognised gains relating to the year		349,533	358,706
Prior year adjustment	22	(64,846)	
Total recognised gains since last Annual Report and Accounts		284,687	

Consolidated Balance Sheet

at 31 December 2002

	Notes	31 December 2002 £	Restated 31 December 2001 £
FIXED ASSETS			
Goodwill	9	200,224	-
Tangible assets	10	559,764	600,112
Investments	11	-	60
		759,988	600,172
CURRENT ASSETS			
Stocks and work in progress	12	1,111,317	576,527
Debtors	13	1,869,807	1,725,631
Cash at bank and in hand		2,635,225	3,205,010
		5,616,349	5,507,168
CREDITORS: amounts falling due within one year	14	1,094,915	891,031
NET CURRENT ASSETS		4,521,434	4,616,137
TOTAL ASSETS LESS CURRENT LIABILITIES		5,281,422	5,216,309
Provision for liabilities and charges	15	34,876	64,846
NET ASSETS		5,246,546	5,151,463
CAPITAL AND RESERVES			
Called up share capital	17	727,000	727,000
Share premium account	18	3,405,817	3,405,817
Capital redemption reserve	19	256,976	256,976
Profit and loss account	20	856,753	761,670
EQUITY SHAREHOLDERS' FUNDS	23	5,246,546	5,151,463

The Financial Statements were approved by the Board of Directors on 28 February 2003 and signed on its behalf by:

M Collins
Chairman

G A Fawcett
Managing Director

Balance Sheet

at 31 December 2002

	Notes	31 December 2002 £	Restated 31 December 2001 £
FIXED ASSETS			
Tangible assets	10	526,037	595,950
Investments	11	1,417,534	6,783
		1,943,571	602,733
CURRENT ASSETS			
Stocks and work in progress	12	814,597	576,527
Debtors	13	1,305,099	1,823,704
Cash at bank and in hand		2,267,809	3,087,279
		4,387,505	5,487,510
CREDITORS: amounts falling due within one year	14	1,049,827	874,107
NET CURRENT ASSETS		3,337,678	4,613,403
TOTAL ASSETS LESS CURRENT LIABILITIES		5,281,249	5,216,136
Provision for liabilities and charges	15	34,876	64,846
NET ASSETS		5,246,373	5,151,290
CAPITAL AND RESERVES			
Called up share capital	17	727,000	727,000
Share premium account	18	3,405,817	3,405,817
Capital redemption reserve	19	256,976	256,976
Profit and loss account	20	856,580	761,497
EQUITY SHAREHOLDERS' FUNDS	23	5,246,373	5,151,290

The Financial Statements were approved by the Board of Directors on 28 February 2003 and signed on its behalf by:

M Collins
Chairman

G A Fawcett
Managing Director

Consolidated Cash Flow Statement

For the year ended 31 December 2002

	Notes	2002 £	2001 £
Net cash inflow from operating activities	25	578,644	1,607,770
Returns on investments and servicing of finance:			
Interest received		78,716	99,492
Interest paid - finance lease interest		-	(2,951)
Net cash inflow from returns on investments and servicing of finance		78,716	96,541
Taxation:			
UK Corporation Tax		(64,258)	(189,800)
Capital expenditure and financial investment:			
Payments to acquire tangible fixed assets		(106,676)	(115,303)
Acquisitions and disposals:			
Purchase of subsidiary undertakings		(1,194,333)	-
Net bank balances acquired with subsidiary undertakings		197,444	-
Net cash outflow from acquisitions and disposals		(996,889)	-
Equity dividends paid		-	(363,500)
Financing:			
Capital element on hire purchase and finance leases		-	(22,971)
(Decrease)/Increase in cash	25	(510,463)	1,012,737

Notes to the Financial Statements

For the year ended 31 December 2002

Note 1 **ACCOUNTING POLICIES**

Basis of preparation of Group Financial Statements

The Consolidated Financial Statements, which are prepared under the historical cost convention and in accordance with applicable accounting standards, include the Financial Statements of the Company and its subsidiaries made up to 31 December 2002. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

The provisions of FRS 19 (Deferred Tax) have been adopted during the year and the impact of the adoption is set out in Note 22.

Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives. The rates and bases used are as follows:

Improvements to short leasehold property	- 20% on a straight line basis.
Fixtures, fittings and equipment	- 25% or 33.3% on a reducing balance or straight line basis, whichever appropriate.
Manufacturing plant	- 4-15 years on a straight line basis or 25% on a reducing balance, whichever appropriate.

Leases and Hire Purchase Contracts

Assets acquired under finance leases and hire purchase contracts are capitalised at their fair value and depreciated as for other assets of a similar type. The total finance charges are allocated over the period of the lease on a straight line basis. Rentals paid under operating leases are charged to income as incurred.

Stocks and Work in Progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost includes attributable overheads.

Taxation

Taxation is based on the results for the year at current rates of tax. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19.

Design and Development

Design and development costs are written off as incurred.

Foreign Currency Amounts

In the Financial Statements of individual undertakings, transactions in foreign currencies are recorded in the local rate of exchange ruling on the date on which the transaction occurs. Monetary items, other than long term inter-company loans, denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account. Long term inter-company loans denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are dealt with through reserves.

In the consolidated Financial Statements, the results of overseas subsidiary undertakings are translated at the actual rates during the year and the balance of these undertakings are translated at the year end exchange rates. Exchange differences arising on the re-translation at year end rates of opening net assets and results for the year of overseas subsidiary undertakings, and of long term funding of investments in overseas subsidiary undertakings, are dealt with through reserves. All other exchange differences are dealt with in the profit and loss account.

Pensions

The Company operates a defined contribution pension scheme and death in service scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given and associated costs over the fair value of the net assets acquired) arising on consolidation in respect of acquisitions is capitalised and amortised to nil by equal instalments over its estimated useful life of 8 years. Provision is made for any impairment.

Notes to the Financial Statements (continued)

Note 2 **TURNOVER AND SEGMENTAL ANALYSIS**

Turnover, which excludes sales between Group companies and Value Added Tax, comprises sales of goods and services at invoiced value. All the Group's operations are classed as continuing and are attributable to the principal activity. The analysis of turnover by geographical market is not disclosed because, in the opinion of the Directors, to do so would be prejudicial to the Group's interests.

	Continuing Operations	Acquisition	Total 2002	Total 2001
	£	£	£	£
Turnover	6,876,517	660,935	7,537,452	6,600,190
Cost of sales	3,598,543	531,628	4,130,171	3,434,451
Gross profit	3,277,974	129,307	3,407,281	3,165,739
Net operating expenses	2,736,169	166,427	2,902,596	2,753,512
Operating profit/(loss) before amortisation	541,805	(37,120)	504,685	412,227

Note 3 **GROUP OPERATING PROFIT**

	Year to 31 December 2002	Year to 31 December 2001
	£	£
Group operating profit is stated after charging:		
Depreciation on owned assets	187,502	119,684
Depreciation on leased assets:		
Fixtures, fittings and equipment	-	7,727
Amortisation of goodwill	30,506	-
Design and development expenditure	991,979	815,774
Auditors' remuneration:		
Audit services	27,775	15,250
Non-audit services	39,318	11,125
Operating lease rentals:		
Hire of plant and equipment	1,327	3,373
Premises rent	177,181	112,595
Loss on disposal of fixed assets	27	-
Finance charges in respect of hire purchase and finance leases	-	2,951
Interest receivable	78,716	99,492
Net interest receivable	78,716	96,541

Notes to the Financial Statements (continued)

Note 4 TAXATION

	Year to 31 December 2002 £	Restated Year to 31 December 2001 £
Corporation tax on taxable UK profit for the year	167,386	162,468
Adjustment in respect of previous years	12,045	(14,050)
Overseas taxation	2,861	-
Current tax charge	182,292	148,418
Deferred tax	(86,123)	6,558
	96,169	154,976

The tax assessed on the profit on ordinary activities for the period differs from the standard rate of corporation tax in the UK (30%). The differences are explained below:

	Year to 31 December 2002 £	Year to 31 December 2001 £
Corporation tax on ordinary activities at 30% standard rate	165,869	152,630
Disallowable expenses, including goodwill amortisation	12,703	5,217
Capital allowances below/(excess) of depreciation	2,800	(16,036)
Overseas tax not at 30%	(11,125)	-
Tax not claimed on overseas subsidiary losses	-	20,657
Adjustment in respect of previous years	12,045	(14,050)
Current tax charge	182,292	148,418

Factors that may affect future tax charges are as follows:

In accordance with FRS 19 (Deferred Tax) deferred tax assets in respect of losses carried forward in overseas companies amounting to £1,107,539 (2001: £391,429) have been recognised as the utilisation of such losses is regarded as being recoverable following an improved trading performance and on the basis of short to medium term financial forecasts.

Note 5 DIVIDEND

	2002 £	2001 £
First and final proposed at 0.35p per share (2001: nil)	254,450	-

Note 6 EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the weighted average number of Ordinary Shares in issue 72,700,012 (2001: 72,700,012), and on the profit after tax of £456,726 (2001 as restated: profit £353,792).

In accordance with FRS 14 (Earnings Per Share) the diluted earnings per share amounts are the same as the basic earnings per share amount.

Notes to the Financial Statements (continued)

Note 7 **DIRECTORS' EMOLUMENTS**

	Year to 31 December 2002	Year to 31 December 2001
	£	£
Directors' fees	45,200	44,000
Other emoluments	310,833	303,815
Pension contributions	21,809	21,773
	377,842	369,588
The emoluments of Directors disclosed above include in respect of the highest paid Director:		
fees and emoluments	125,888	123,196
pension contributions	11,666	11,883
The number of Directors to whom retirement benefits are accruing under a defined contributions scheme is:	N°	N°
	2	2

Note 8 **STAFF COSTS**

	Year to 31 December 2002	Year to 31 December 2001
	£	£
Wages and salaries	2,086,877	1,680,377
Social Security costs	194,451	163,660
Other pension costs	81,044	78,918
	2,362,372	1,922,955
The average number of employees employed by the Group during the year was:	N°	N°
Production	26	23
Other	37	30
Total	63	53

Note 9 **INTANGIBLE FIXED ASSETS**

GROUP

	Goodwill
	£
COST	
At 1 January 2002	-
Acquisition of subsidiary	253,777
Foreign exchange movement	(24,950)
At 31 December 2002	228,827
AMORTISATION	
At 1 January 2002	-
Charge for the year	30,506
Foreign exchange movement	(1,903)
At 31 December 2002	28,603
NET BOOK VALUE	
At 31 December 2002	200,224
At 31 December 2001	-

Notes to the Financial Statements (continued)

Note 10 **TANGIBLE FIXED ASSETS**

GROUP

	Improvements to Short Leasehold Property	Plant, Fixtures, Fittings & Equipment	Total
	£	£	£
COST			
At 1 January 2002	21,547	1,608,238	1,629,785
Foreign exchange movement	-	(6,408)	(6,408)
Acquisition of business	-	44,880	44,880
Additions	-	106,676	106,676
Disposals	-	(2,305)	(2,305)
At 31 December 2002	21,547	1,751,081	1,772,628
ACCUMULATED DEPRECIATION			
At 1 January 2002	17,345	1,012,328	1,029,673
Foreign exchange movement	-	(2,033)	(2,033)
Charge for the year	1,273	186,229	187,502
Disposals	-	(2,278)	(2,278)
At 31 December 2002	18,618	1,194,246	1,212,864
NET BOOK VALUE			
At 31 December 2002	2,929	556,835	559,764
At 31 December 2001	4,202	595,910	600,112

COMPANY

	Improvements to Short Leasehold Property	Plant, Fixtures, Fittings & Equipment	Total
	£	£	£
COST			
At 1 January 2002	21,547	1,595,661	1,617,208
Additions	-	95,018	95,018
Disposals	-	-	-
At 31 December 2002	21,547	1,690,679	1,712,226
ACCUMULATED DEPRECIATION			
At 1 January 2002	17,345	1,003,913	1,021,258
Charge for the year	1,273	163,658	164,931
Disposals	-	-	-
At 31 December 2002	18,618	1,167,571	1,186,189
NET BOOK VALUE			
At 31 December 2002	2,929	523,108	526,037
At 31 December 2001	4,202	591,748	595,950

At 31 December 2002 there were no tangible assets held under finance leases or hire purchase contracts (2001: £nil).

Notes to the Financial Statements (continued)

Note 11 **INVESTMENTS**

GROUP	**2002**	**2001**
	£	**£**
Investment in an unrelated company:		
shares at cost	-	60

COMPANY	**2002**	**2001**
	£	**£**
Investment in an unrelated company:		
shares at cost	-	*60*
Investment in subsidiary companies:		
shares at cost	6,723	6,723
loan	1,554,630	-
	1,561,353	6,723
less provision	(143,819)	-
Total investment in subsidiary companies	1,417,534	6,723
Total investments	1,417,534	6,783

The investment in an unrelated company has been written off during the year. Subsidiary undertakings, which are all wholly owned, at 31 December 2002 are:

Name	**Place of Incorporation**	**Class of Share**	**Percentage held**	**Nature of Business**
By Company:				
Concurrent Technologies Inc	California, USA	Ordinary	100 per cent	Sale and service of Concurrent Technologies Plc products
Concurrent Technologies SA (Pty) Ltd	Pretoria, South Africa	Ordinary	100 per cent	Dormant
By Concurrent Technologies Inc:				
Omnibyte Corporation	Illinois, USA	Ordinary	100 per cent	Design and sale of Motorola based products

Note 12 **STOCKS AND WORK IN PROGRESS**

	Group 2002	**Company 2002**	**Group 2001**	**Company 2001**
	£	**£**	**£**	**£**
Raw Materials	504,530	340,458	272,732	272,732
Work in Progress	450,347	356,223	282,735	282,735
Finished Goods	156,440	117,916	21,060	21,060
	1,111,317	814,597	576,527	576,527

Notes to the Financial Statements (continued)

Note 13 **DEBTORS**

	Group 2002 £	Company 2002 £	Group 2001 £	Company 2001 £
Due within one year:				
Amounts owed by subsidiary undertakings (less provision)	-	-	-	309,276
Trade debtors	1,466,209	1,165,543	1,396,087	1,195,122
Prepayments	106,474	86,136	146,015	135,777
ACT recoverable	53,420	53,420	183,529	183,529
	1,626,103	1,305,099	1,725,631	1,823,704
Due after one year:				
Deferred tax	243,704	-	-	-
	1,869,807	1,305,099	1,725,631	1,823,704

Movement in Group deferred tax asset:	£
Provision at 1 January 2002	-
Deferred tax arising on acquisition of foreign subsidiary	208,000
Deferred tax recognised on other foreign subsidiaries	59,698
Charged to profit and loss account	(3,545)
Foreign exchange movement	(20,449)
Provision at 31 December 2002	243,704

Note 14 **CREDITORS (amounts falling due within one year)**

	Group 2002 £	Company 2002 £	Group 2001 £	Company 2001 £
Amounts owed to subsidiary undertakings	-	34,202	-	-
Trade creditors	455,410	446,983	519,680	518,753
Other creditors	70,246	69,491	26,300	22,660
Other taxes and Social Security costs	116,137	109,110	120,438	120,438
Corporation tax	58,656	55,795	70,731	70,731
Accruals and deferred income	140,016	79,796	153,882	141,525
Proposed dividend	254,450	254,450	-	-
	1,094,915	1,049,827	891,031	874,107

Note 15 **PROVISIONS FOR LIABILITIES AND CHARGES**

DEFERRED TAXATION

GROUP AND COMPANY

	2002 £	2001 £
Provision at 31 December 2001	64,846	-
Prior year adjustment	-	58,288
Provision at 1 January 2002 as restated	64,846	58,288
Charged to profit and loss account	(29,970)	6,558
Provision at 31 December 2002	34,876	64,846

The provision is in respect of timing differences between capital allowances and depreciation.

Notes to the Financial Statements (continued)

Note 16 FINANCIAL COMMITMENTS

FINANCE LEASES

There were no finance lease repayments falling due (2001: £nil).

OPERATING LEASES

Annual commitments under non-cancellable operating leases comprise liabilities in respect of leases expiring:

	2002 Plant & Equipment £	2002 Land & Buildings £	2001 Plant & Equipment £	2001 Land & Buildings £
Within 1 year	-	-	-	-
Within 2-5 years	1,287	175,247	1,287	131,315
	1,287	175,247	1,287	131,315

TANGIBLE ASSETS

At the end of the year the Group had no capital expenditure commitments (2001: £nil).

Note 17 SHARE CAPITAL

	Authorised 31 Dec 2002 N°	Allotted, issued and fully paid 31 Dec 2002 £	Authorised 31 Dec 2001 N°	Allotted, issued and fully paid 31 Dec 2001 £
Ordinary Shares of 1p each	240,000,000	727,000	240,000,000	727,000

As at 31 December 2002 the following options over the Company's ordinary shares had been granted and were still outstanding:

	N°	Subscription price	Dates exercisable
Enterprise Management Incentive Share Option Scheme	1,825,927	26.5p - 44.0p	Dec 2003 - Feb 2012

Notes to the Financial Statements (continued)

Note 18 **SHARE PREMIUM ACCOUNT**

GROUP AND COMPANY	**2002**	**2001**
	£	**£**
Balance	3,405,817	3,405,817

Note 19 **CAPITAL REDEMPTION RESERVE**

GROUP AND COMPANY	**2002**	**2001**
	£	**£**
Balance	256,976	256,976

Note 20 **PROFIT AND LOSS ACCOUNT**

	Group	**Company**
	£	**£**
Retained profit at 1 January 2002 as previously stated	826,516	826,343
Prior year adjustment	(64,846)	(64,846)
Retained profit at 1 January 2002 as restated	761,670	761,497
Currency translation differences on foreign currency net investments	(107,193)	(169,508)
Retained profit for the year	202,276	264,591
Retained profit at 31 December 2002	856,753	856,580

Note 21 **PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS**

The parent company has relied on the exemption conferred by s.230 of the Companies Act 1985 in not publishing its own profit and loss account.

Note 22 **PRIOR YEAR ADJUSTMENT**

The Group has applied FRS 19 (Deferred Tax) in computing the current year tax charge. The figures in the primary statements have been restated to reflect the new policy. The effect of the new policy is:

	2002	**2001**
	£	**£**
Profit and loss account:		
tax charge	(29,970)	6,558
(Increase)/decrease in net profit after tax	(29,970)	6,558
Balance sheet:		
creditors	34,876	64,846
Decrease in net assets	34,876	64,846

Notes to the Financial Statements (continued)

Note 23 RECONCILIATION OF EQUITY SHAREHOLDERS' FUNDS

	Group 2002 £	Company 2002 £	Restated Group 2001 £	Restated Company 2001 £
Profit for the financial year	456,726	519,041	353,792	359,050
Currency translation differences on foreign currency net investments	(107,193)	(169,508)	4,914	-
Dividend proposed	(254,450)	(254,450)	-	-
Net addition to Shareholders' funds	95,083	95,083	358,706	359,050
Opening Equity Shareholders' funds	5,151,463	5,151,290	4,792,757	4,792,240
Closing Equity Shareholders' funds	5,246,546	5,246,373	5,151,463	5,151,290

Note 24 PENSION SCHEME

The Company operates a Group Personal Pension Scheme, which all permanent employees may join. The scheme, which is a defined contributions scheme, is independent of the Company's finances. The Company's contributions are based on between 5.5% and 11.5% of members' gross salaries, dependent upon the length of service of the individual.

In addition, a separate defined contributions Pension Scheme has been established to provide "death-in-service" benefits. This is paid by annual premium by the Company.

The total charge to profit and loss account is disclosed in Note 8, Staff Costs. Pension costs totalling £10,613 (2001: £9,311) were payable to the fund at the end of the year and are included in creditors.

Notes to the Financial Statements (continued)

Note 25 **CASH FLOW STATEMENT**

Reconciliation of Operating Profit to net cash inflow from operating activities:

	Year to 31 December 2002 £	Year to 31 December 2001 £
Operating profit	474,179	412,227
Amortisation of goodwill	30,506	-
Depreciation charge	187,502	127,411
Loss on disposal of tangible fixed assets	27	-
Write off of investment in unrelated company	60	-
(Increase)/decrease in stocks	(130,654)	456,191
Decrease in debtors	120,978	1,156,533
Decrease in creditors	(103,954)	(544,592)
Net cash inflow from operating activities	578,644	1,607,770

Reconciliation of net cash flow to movements in net funds:

Change in net funds resulting from cash flows	(510,463)	1,012,737
Cash outflow from decrease in debt and lease financing	-	22,971
Currency translation differences	(59,322)	4,914
Movement in net funds in the period	(569,785)	1,040,622
Opening net funds	3,205,010	2,164,388
Closing net funds	2,635,225	3,205,010

Analysis of changes in net funds:

	At 31 Dec 2001 £	Cash Flows £	Other Non-Cash Flows £	Exchange move-ment £	At 31 Dec 2002 £
Cash in hand and at bank	3,205,010	(510,463)	-	(59,322)	2,635,225

Note 26 **FINANCIAL INSTRUMENTS**

The Group's financial instruments comprise cash, trade debtors and trade creditors that arise directly from the Group's operations. As permitted by FRS 13, short term debtors and creditors have been excluded from the disclosures.

The Group has no financial assets other than cash. Interest receivable on cash held is at floating rate. The Group had no financial liabilities at 31 December 2002 (2001: £nil). The fair value of financial assets and liabilities are not materially different from their book value.

The Group's policy in respect of foreign currency and interest risk management is referred to in the report on Corporate Governance. The Group's currency exposures were as follows:

	Net foreign currency monetary assets					
	2002 US Dollar	2002 Euro	2002 Total	2001 US Dollar	2001 Euro	2001 Total
	£	£	£	£	£	£
Sterling	17,635	19,126	36,761	1,027,266	-	1,027,266

Note 27 **ACQUISITION OF SUBSIDIARY UNDERTAKING**

On 3 January 2002 the Group acquired Omnibyte Corporation, based in the United States. The following table sets out the fair value of the assets and liabilities at the date of acquisition and the goodwill arising:

	Book value	Accounting policy (1)	Reval'n (2)	Other (3)	Total
	£	£	£	£	£
Tangible fixed assets	29,023	15,858	-	-	44,881
Stock	383,957	-	20,179	-	404,136
Trade debtors	136,747	-	-	-	136,747
Trade creditors	(19,776)	-	-	-	(19,776)
Other current assets and liabilities	(30,876)	-	-	-	(30,876)
Deferred tax asset	-	-	-	208,000	208,000
Cash	197,444	-	-	-	197,444
Net assets acquired	696,519	15,858	20,179	208,000	940,556

Satisfied by:	£
Cash consideration	1,034,483
Expenses arising from acquisition	159,850
Total consideration	1,194,333
Goodwill arising	253,777

Cashflow effect of acquisition:	£
Cash paid	(1,034,483)
Expenses arising from acquisition	(159,850)
Cash acquired	197,444
	(996,889)

(1) Change in accounting policy: fixed asset depreciation rates brought into line with Group accounting policies.
(2) Revaluation: stock revalued to replacement cost at date of acquisition.
(3) Other: valuation of brought forward losses available for use against taxable profits in future periods.

Notes to the Financial Statements (continued)

Note 27 **ACQUISITION OF SUBSIDIARY UNDERTAKING (CONTINUED)**

Omnibyte Corporation incurred a loss after taxation of £424,173 in the year ended 31 January 2002 (year ended 31 January 2001: profit £233,732), of which £363,504 arose in the period from 1 February 2001 to the date of acquisition, 3 January 2002. The average US$ exchange rates used for translating profits and losses for the periods concerned are $1.436, $1.459 and $1.438 respectively.

The summarised profit and loss account and statement of total recognised gains and losses for the period from 1 February 2001 to 3 January 2002, shown on the basis of the accounting policies of Omnibyte Corporation prior to the acquisition, are as follows:

Profit and Loss Account

	£
Turnover	664,422
Cost of sales	636,860
Gross profit	27,562
Net operating expenses	401,997
Operating profit	(374,435)
Net interest	10,931
Loss on ordinary activities before taxation	(363,504)
Tax on loss on ordinary activities	-
Loss for the financial period	(363,504)
Dividend	-
Retained loss for the period	(363,504)

Statement of Recognised Gains and Losses

Apart from the loss for the financial period there were no other recognised gains and losses.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Concurrent Technologies Plc will be held at the Butterfly Hotel, A12/A120 junction, Old Ipswich Road, Colchester, Essex CO7 7QY on 25 April 2003 at 4.30 p.m. for the purpose of transacting the following business:

ORDINARY BUSINESS

1 To receive and adopt the audited Financial Statements of the Company for the year ended 31 December 2002 and the reports of the Directors and auditors thereon.

2 To re-appoint Baker Tilly, Chartered Accountants, as auditors to the Company and to authorise the Directors to agree their remuneration.

3 To re-appoint the following Directors who retire by rotation:
a) D Evans-Hughes
b) G A Fawcett

4 To declare a final dividend for the year ended 31 December 2002 which the Directors recommend should be 0.35p per share to be paid on 9 May 2003.

SPECIAL BUSINESS
ORDINARY RESOLUTION

5 THAT:

5.1 in substitution for all existing authorities the Directors be and are hereby generally and unconditionally authorised for the purposes of s.80 of the Companies Act 1985 ("the Act") during the period commencing on the date of the passing of this resolution and expiring on the date of the conclusion of the Annual General Meeting of the Company to be held in 2004 to exercise all powers of the Company to allot relevant securities of the Company (as defined in s.80(2) of the Act) provided that the maximum amount of relevant securities which may be allotted pursuant to the authority set out in this resolution shall be an amount equal to the lesser of (a) 5 per cent of the aggregate nominal value of the issued Ordinary Share capital of the Company at the date of the passing of this resolution and (b) the amount of the authorised but unissued Ordinary Share capital of the Company at the date of the passing of this resolution; and,

5.2 the Directors be entitled by s.80(7) of the Act and paragraph 5.1 of this resolution to make at any time prior to the expiry of such authority any offer or agreement which would or might require relevant securities of the Company to be allotted after the expiry of such authority.

SPECIAL RESOLUTIONS

6 THAT:

6.1 in substitution for all existing powers and subject to the passing of resolution 5, the Directors be and they are hereby empowered pursuant to s.95 of the Act to allot equity securities (as defined in s.94(2) of the Act) of the Company for cash within the terms of the authority set out in paragraphs 5.1 and 5.2 of resolution 5 as if s.89(1) of the Act did not apply to such allotment provided that such power shall:

6.1.1 expire at the conclusion of the Annual General Meeting of the Company to be held in 2004 or if earlier 15 months after the passing of this resolution, but the Company may before such expiry date make an offer or agreement which would or might require equity securities to be allotted after the expiry of this power and the Directors may allot equity securities in pursuance of that offer or agreement as if the power conferred by this resolution had not expired; and,

6.1.2 be limited to:

6.1.2.1 allotments of equity securities in connection with a rights issue, open offer or other pre-emptive offer in favour of holders of Ordinary Shares made in proportion (as nearly as may be) to their respective existing holdings of Ordinary Shares but subject to the Directors having a right to make such exclusions or other arrangements in connection with the offer as they deem necessary or expedient to deal with (i) equity securities representing fractional entitlements and (ii) legal or practical problems arising in any overseas territory or by virtue of shares being represented by depository receipts, the requirements of any regulatory body or stock exchange, or any other matter whatsoever; and,

Notice of Annual General Meeting (continued)

6.1.2.2 the allotment (otherwise than pursuant to sub-paragraphs 6.1.2.1 of this resolution) of equity securities for cash provided that the aggregate nominal value of such equity securities shall not exceed an amount equal to 5 per cent of the aggregate nominal value of the issued Ordinary Share capital of the Company as shown in the audited accounts of the Company most recently published prior to the date of the allotment.

7 That the Company be generally and unconditionally authorised to make one or more market purchases (within the meaning of s.163(3) of the Act) of Ordinary Shares provided that:

7.1 the maximum aggregate number of Ordinary Shares authorised to be purchased is 7,270,001 (representing 10 per cent of the issued Ordinary Share capital); and,

7.2 the minimum price which may be paid for an Ordinary Share is one penny; and,

7.3 the maximum price which may be paid for an Ordinary Share is an amount equal to 105 per cent of the average of the middle market quotations for an Ordinary Share on The London Stock Exchange Alternative Investment Market for the five business days immediately preceding the day on which that Ordinary Share is purchased; and,

7.4 this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2004 or within 15 months from the date of the passing of this resolution whichever is earlier; and,

7.5 the Company may make a contract or contracts to purchase Ordinary Shares under this authority before the expiry of the authority which will or may be executed wholly or partly after the expiry of the authority, and may make a purchase of Ordinary Shares in pursuance of any such contract or contracts.

OTHER ORDINARY BUSINESS

8 To transact any other business which may lawfully be transacted at the Annual General Meeting.

By order of the Board

Cargil Management Services Limited
Company Secretary

28 March 2003

Notes:

- A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and on a poll vote in his stead. The proxy need not be a member.
- If you do not indicate how you wish to use your vote in any particular matter, the proxy will exercise his/her discretion as to how he/she votes and as to whether he/she abstains from voting.
- In the case of a corporation the form of proxy must be executed under the seal or under the hand of an officer or attorney duly authorised in writing.
- Forms of proxy, to be valid, must be signed and lodged, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, with the Company Secretary, c/o MSP Secretaries Limited, Craven House, West Street, Farnham, Surrey, GU9 7ZB not less than 48 hours before the time appointed to hold the meeting.
- In the case of joint holders, the signature of any of them will suffice, but if a holder other than the first-named holder signs the proxy it will help the Registrars if the name of the first-named holder is given.
- Any alteration to the form of proxy must be initialled.