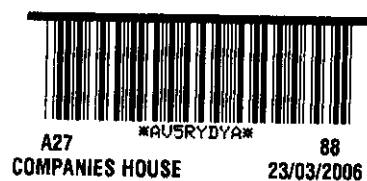


Telemetrix Securities Limited
Report and Financial Statements
Year ended
31 December 2005

(Registered Number 2763030)



Telemetrix Securities Limited

Annual report and financial statements for the year ended 31 December 2005

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Directors

H Rohrer

Secretary and registered office

J Morton, Zetex Technology Park, Chadderton, OL9 9LL

Company number

2763030

Auditors

Ernst & Young LLP, Manchester

Telemetrix Securities Limited

Report of the directors for the year ended 31 December 2005

The directors present their report together with the audited financial statements for the year ended 31 December 2005.

Results and dividends

The profit and loss account is set out on page 5 and shows the result for the year.

Because of the implementation of Financial Reporting Standard 21 "Events After the Balance Sheet Date" dividends are now recognised in the accounts in the year which they are paid, or in the case of a final dividend when approved by the shareholders', such that the amount recognised in the 2005 accounts is made up of last years final dividend. The 2004 results have been adjusted to reflect this change in accounting policy.

Accrued costs were omitted from the profit on disposal of the investment in Trend Communications Limited and the effect of this has been £4,489,000 on the results for the year ended 31 December 2004.

The directors do not recommend payment of a final dividend.

Principal activities, review of business and future developments

The company acts as an investment holding company.

The directors are satisfied with the position of the company.

Directors

The directors of the company during the year were:

R D Conway (resigned 1 February 2006)

H Rohrer (appointed 1 February 2006)

J Samuel (resigned 28 February 2006)

No director had any beneficial interest in the share capital of the company.

The interests of the directors in the share capital of Zetex plc, the company's ultimate parent company are disclosed in the financial statements of that company.

Telemetrix Securities Limited

Report of the directors for the year ended 31 December 2005

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 year. In preparing those financial statements, the directors are required to:

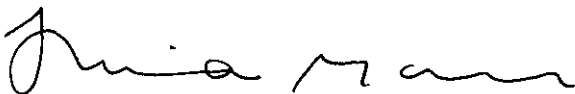
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a 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 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

Ernst & Young LLP have indicated their willingness to continue as auditors to the company, and an appropriate resolution will be put forward at the Annual General Meeting.

By Order of the Board



J Morton
Secretary
8 March 2006

Telemetrix Securities Limited

Report of the independent auditors

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TELEMETRIX SECURITIES LIMITED

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Profit and Loss Account, Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 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 auditors' 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 are responsible for the preparation of the financial statements in accordance with applicable United Kingdom Law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

Telemetrix Securities Limited

Report of the independent auditors (*Continued*)

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditor
Manchester
8 March 2006

Ernst & Young LLP

Telemetrix Securities Limited

Profit and loss account for the year ended 31 December 2005

	Notes	2005	2004 As restated
		£'000	£'000
Loss on disposal of subsidiary		<u>(589)</u>	<u>(2,995)</u>
Loss on ordinary activities before interest and other income		(589)	(2,995)
Dividend received		<u>2,400</u>	<u>6,216</u>
Profit on ordinary activities before taxation		1,811	3,221
Taxation on profit on ordinary activities	5	<u>-</u>	<u>-</u>
Profit for the financial year	11	1,811	3,221
Dividend	6	<u>2,400</u>	<u>1,500</u>
Retained (loss)/profit		<u>(589)</u>	<u>1,721</u>

All amounts relate to continuing activities.

The notes on pages 8 to 14 form part of these financial statements.

Telemetrix Securities Limited

Statement of Total Recognised Gains and Losses for the year ended 31 December 2005

	Notes	2005	2004 As restated
Total recognised gains for the financial year	11	1,811	<u>3,221</u>
Prior year adjustment	1	<u>(5,389)</u>	
Total losses recognised since last financial statements		<u>(3,578)</u>	

All amounts relate to continuing activities.

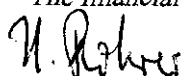
The notes on pages 8 to 14 form part of these financial statements.

Telemetrix Securities Limited

Balance sheet at 31 December 2005

	Notes	2005 £'000	2004 As restated £'000
Fixed assets			
Investments	7	<u>10,000</u>	<u>10,000</u>
Current assets			
Debtors	8	20,262	21,119
Creditors: amounts falling due within one year	9	<u>-</u>	<u>(268)</u>
Net current assets/(liabilities)		<u>20,262</u>	<u>20,851</u>
Total assets less current liabilities		<u>30,262</u>	<u>30,851</u>
Capital and reserves			
Called up share capital	10	-	-
Share premium	11	29,125	29,125
Profit and loss account	11	<u>1,137</u>	<u>1,726</u>
Shareholders' funds	12	<u>30,262</u>	<u>30,851</u>

The financial statements were approved by the board on 22 February 2006.



H Rohrer
Director

The notes on pages 8 to 14 form part of these financial statements

Telemetrix Securities Limited

Notes forming part of the financial statements for the year ended 31 December 2005

1. Accounting Policies

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

In preparing these financial statements the Company has adopted Financial Reporting Standard 21 "Events After the Balance Sheet Date". The adoption of FRS 21 has decreased reported opening net assets by £900,,

In addition to this an error occurred in the financial statements for the year ended 31 December 2004. Accrued costs were omitted from the profit on disposal of the investment in Trend Communications Limited, the effect of this error has been a reduction of £4,489,000 on net assets and a reduction of £4,489,000 on the prior year reported profit.

The following accounting policies have been applied:

Investments

Investments are valued at cost less any provisions for diminution in value.

Consolidated financial statements

In preparing these financial statements the company has taken advantage of the exemption conferred by section 228 of the Companies Act 1985 not to produce consolidated financial statements as the group it heads is included within the consolidated financial statements of Zetex plc, the company's ultimate parent undertaking. The financial statements contain information about Telemetrix Securities Limited as an individual company.

Cash flow statement

In preparing these financial statements the company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash flow statements' not to produce a cash flow statement as the company is included within the consolidated financial statements of Zetex plc, the company's ultimate parent undertaking.

Telemetrix Securities Limited

Notes forming part of the financial statements for the year ended 31 December 2005

1. Accounting Policies (*continued*)

Taxation

The provision for taxation is based on the results for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Dividends

FRS21 'Events after the Balance Sheet Date' has come into effect for periods beginning on 1 January 2005 in respect of companies preparing statutory accounts in accordance with UK standards. This standard requires that proposed dividends are not recognised within the financial statements of the year to which they relate. The Company has applied this in preparing the accounts resulting in a restatement to the prior year Balance Sheet and Profit and Loss Account.

The effect of implementing FRS21 has been to decrease reported opening net assets by £900,000

2. Operating profit

The audit fee is borne by the parent company.

3. Employees

There were no employees, other than directors, during the year.

4. Directors' remuneration

No director received any remuneration from the company during the year.

Telemetrix Securities Limited

Notes forming part of the financial statements for the year ended 31 December 2005

5. Taxation on profit on ordinary activities

	2005 £'000	2004 £'000
UK corporation tax	<u>-</u>	<u>-</u>

The tax assessed on the profit on ordinary activities for the year differ to the standard rate of corporation tax in the UK, as explained below:

	2005 £'000	2004 As restated £'000
Profit on ordinary activities before tax	<u>1,811</u>	<u>3,221</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2004 30%)	543	966
Capital gains tax relief	-	(696)
Timing difference on prior year adjustments	<u>(543)</u>	<u>(270)</u>
Total current tax charge	<u>-</u>	<u>-</u>

6. Dividends

	2005 £'000	2004 As reported £'000
<i>Equity shares</i>		
Ordinary shares		
Final dividend for the year 2004 156.4p (2003 £97.8p) per share	<u>2,400</u>	<u>1,500</u>

Telemetrix Securities Limited

Notes forming part of the financial statements for the year ended 31 December 2005

7. Investments

	£'000
<i>Cost</i>	
At beginning and end of year	<u>10,300</u>
<i>Provision</i>	
At beginning and end of year	<u>(300)</u>
<i>Net Book Value</i>	
At 31 December 2005	<u>10,000</u>
At 31 December 2004	<u>10,000</u>

Subsidiary undertakings

The principal undertakings in which the company's interest at the year end is 100% are as follows:

<i>Subsidiary undertakings</i>	Nature of business
Zetex Semiconductors plc	Manufacture and supply of specialist semiconductors
Component Trading Limited	Dormant

The companies operate and are incorporated in England.

Telemetrix Securities Limited

Notes forming part of the financial statements for the year ended 31 December 2005

8. Debtors

Amounts receivable within one year:

	2005	2004
	£'000	As restated £'000
Amounts due from ultimate parent undertaking	<u>20,262</u>	<u>21,119</u>

9. Creditors

Amounts falling due within one year:

	2005	2004
	£'000	As restated £'000
Accruals	<u>-</u>	<u>268</u>

10. Share Capital

	Authorised		Allotted, called up and fully paid	
	2005	2004	2005	2004
	£	£	£	£
<i>Equity share capital</i>				
20,000 (issued 15,337)	<u>200</u>	<u>200</u>	<u>153</u>	<u>153</u>
ordinary shares of 1p each				

Telemetrix Securities Limited

Notes forming part of the financial statements for the year ended 31 December 2005

11. Reserves

	Share premium £'000	Profit and loss account £'000
At 1 January 2005 as previously stated	29,125	6,215
Prior year adjustment	-	<u>(4,489)</u>
At 1 January 2005 as restated	29,125	1,726
Profit for the financial year	-	1,811
Dividend	-	<u>(2,400)</u>
At 31 December 2005	<u>29,125</u>	<u>1,137</u>

12. Reconciliation of movements in shareholders funds

	2005 £'000	2004 As restated £'000
Profit for the financial year	1,811	3,221
Dividends	<u>(2,400)</u>	<u>(1,500)</u>
Net reduction/addition to shareholders' funds	<u>(589)</u>	<u>1,721</u>
Opening shareholders' funds as previously stated	35,340	29,130
Prior year adjustment (note 1)	<u>(4,489)</u>	-
Opening shareholders' funds as restated	<u>30,851</u>	<u>29,130</u>
Closing shareholders' funds	<u>30,262</u>	<u>30,851</u>

Telemetrix Securities Limited

Notes forming part of the financial statements for the year ended 31 December 2005

13. Ultimate and immediate parent company

At 31 December 2005 the company's ultimate and immediate parent company was Zetex plc. Copies of the consolidated financial statements of Zetex plc are available from Companies House.

14. Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related Party Disclosures" not to disclose transactions with members of the group headed by Zetex plc on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.