

**Motivation Investment Holding S.A.**

Financial statements  
(with the accompanying report of the "Commissaire aux Comptes")

**For the year ended December 31<sup>st</sup> 2002**

**ROTHLEY  
COMPANY  
L.t.d**

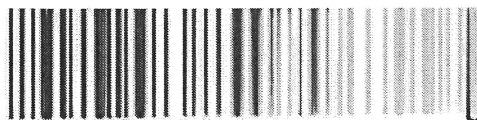
# Motivation Investment Holding S.A.

Registered office :  
12, rue Guillaume Schneider  
L-2522 Luxembourg  
RC : B 76 381

## Profit and loss account as at December 31st 2002

(Business year from January 1st 2002 to December 31st 2002)  
(Currency : Icelandic Krona, ISK)

CHARGES	2002	2001
Value adjustments		
Amortization on formation expenses	109 543	109 543
Interests and other financial charges	14 416	21 451
Other charges	459 897	411 972
	<u>583 856</u>	<u>542 966</u>
INCOME		
Income from current assets	74 228	140 008
Loss for the business year	509 628	402 958
	<u>583 856</u>	<u>542 966</u>



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**Balance Sheet as at December 31st 2002**  
(Business year from January 1st 2002 to December 31st 2002)  
(Currency : Icelandic Krona, ISK)

	Notes	2002	2001
<b>ASSETS</b>			
Formation expenses	2.3	219 088	328 631
Current assets			
Cash at bank		821 055	1 222 377
		<u>1 040 143</u>	<u>1 551 008</u>
<b>LIABILITIES</b>			
Equity			
Subscribed capital	3	2 500 000	2 500 000
Result brought forward		(951 479)	(548 521)
Result for the business year		<u>(509 628)</u>	<u>(402 958)</u>
		1 038 893	1 548 521
Debts			
Creditors		1 250	1 250
Amounts due to banks		<u>-</u>	<u>1 237</u>
		1 250	2 487
		<u>1 040 143</u>	<u>1 551 008</u>

# **Motivation Investment Holding S.A.**

Notes to the annual accounts

December 31<sup>st</sup> 2002

## **1 General**

Motivation Investment Holding S.A. ("the Company") was incorporated under the Luxembourg law on the May 26<sup>th</sup> 2000 as a limited company "société anonyme" and qualifies as a Holding Company under the law of July 31<sup>st</sup>, 1929.

The object of the Company is to hold participations of any kind in Luxembourg or foreign companies or other entities, and any other form of investment, and to manage, control and develop these participations and investments within the limits defined by the law of July 31<sup>st</sup>, 1929 on holding companies.

## **2 Significant accounting policies**

The financial statements have been drawn up in accordance with Luxembourg law and generally accepted accounting principles.

### **2.1 Foreign currency translation**

The Company maintains its books in Icelandic Krona (ISK) and its annual accounts have been prepared in this currency.

All assets, other than fixed assets, are stated at the lower of their countervalue translated into ISK at historical rate and the rate prevailing at the period end. The cost of fixed assets is translated into ISK at historical rates.

All liabilities are stated at the higher of their countervalue translated into ISK at historical rates and at the rate prevailing at the period end.

Income and expenses in other currencies are translated into ISK at the exchange rate prevailing at the transaction date.

### **2.2 Financial assets**

Each financial asset is valued individually at the end of the period. Unrealized losses on financial assets are reflected in the profit and loss account. Unrealized gains are not reflected.

### **2.3 Formation expenses**

Formation expenses for setting up the Company are written off over a five year period.



## **Motivation Investment Holding S.A.**

Notes to the annual accounts

December 31<sup>st</sup> 2002

### **3 Subscribed capital**

The subscribed capital, issued and fully paid amounts to ISK 2.500.000 represented by 250.000 shares of ISK 100,- each.

### **4 Taxation**

The Company has Holding Company tax status in Luxembourg and is therefore not subject to taxation on income or capital gains. However the Company is subject to an annual "taxe d'abonnement" on the nominal value of the issued share capital and share premium at a rate of 0,20% per annum.

### **5 Legal reserve**

Under Luxembourg law, the Company is required to transfer annually at least 5% of its net profit to a non-distributable legal reserve. This requirement is fully satisfied when the reserve has reached 10% of the Company's share capital. At December 31<sup>st</sup> 2002, the result for the business year being a loss, no transfer to the legal reserve is required.

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## Rothley Company Limited

P.O. Box 3186  
Road Town  
Tortola  
British Virgin Islands

To the shareholders of  
Motivation Investment Holding S.A.  
Luxembourg

### **Report of the Statutory Auditor (Commissaire aux comptes) on the annual accounts as at December 31<sup>st</sup> 2002**

In conformity with the mandate of statutory auditor you entrusted to us, we are pleased to advise you that we have audited the accompanying annual accounts of Motivation Investment Holding S.A. for the period from January 1<sup>st</sup> 2002 to December 31<sup>st</sup> 2002. Our mandate is based on Article 62 of the amended law of August 1915 which does not require the statutory auditor to give an opinion on the annual accounts. Accordingly, we have not examined the annual accounts in accordance with the international auditing standards.

We have performed our control to obtain reasonable assurance about whether the annual accounts are free of material misstatement. We have examined the annual accounts, on a test basis, evidence supporting the amounts and disclosures in the annual accounts.

We have noted that the annual accounts as at December 31<sup>st</sup> 2002 are in agreement with the accounting records and related documents which were provided to us and therefore we recommend you to approve them and give discharge to the Board of Directors.

Without further qualifying our opinion, we draw to your attention that in accordance with the provision of article 100 of the modified law of August 15<sup>th</sup> 1915 concerning commercial companies, a general meeting of shareholders will have to decide whether to continue the activities of Motivation Investment Holding S.A. in spite of a loss exceeding fifty percents of the subscribed capital

Luxembourg, January 22, 2004



**Rothley Company Limited**

Rothley Company Ltd.  
Anne Rassel, Director