QUILVEST

Financial Information 2004

Ordinary General Meeting
June 24, 2005

Table of Contents

Report of the Independent Auditors
to the Shareholders
on the Consolidated Accounts 3

Consolidated Accounts of the Group 4

Report of the Statutory Auditors on the
Accounts of the Parent Company
to the Shareholders 19

Accounts of the Parent Company 20

Earnings and Allocations 26

Report of the Independent Auditors to the Shareholders
on the Consolidated Accounts

We have audited the consolidated accounts of QUILVEST S.A., Luxembourg and its subsidiary companies (QUILVEST Group) for the years ended December 31, 2004 and 2003 and we have read the related consolidated management report. These consolidated accounts and the consolidated management report are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated accounts based on our audit and to check the consistency of the consolidated management report with them.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated accounts. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated accounts give, in conformity with Luxembourg legal and regulatory requirements, a true and fair view of the consolidated financial position of the QUILVEST Group as at December 31, 2004 and 2003 and of the consolidated result of its operations for the years then ended.

The consolidated management report is in accordance with the consolidated accounts.

KPMG
Klynveld Peat Marwick Goerdeler SA

Günter Haag
Swiss Certified Accountant

Jane Hallauer-Wong
Chartered Certified Accountant
(United Kingdom)

Zurich, April 29, 2005

KPMG Audit S.à r.l.

John Li
Réviseur d'Entreprises

Luxembourg, April 29, 2005

QUILVEST

Consolidated Balance Sheets

as of December 31, in $ 000

	Note	2004	2003
Assets			
Cash, balances with central banks and post office banks		371	450
Deposits at credit institutions	5.1. & 7.3.	91,595	48,059
Loans and advances to customers		87,671	67,829
Investments in securities	5.2.	339,632	326,966
Non-consolidated investments		815	918
Intangible assets	5.3.	4,743	4,944
Tangible assets	5.4.	6,214	4,812
Own shares	5.5.	249	6,219
Other receivables	5.6.	25,410	11,019
Prepayments and accrued income		3,377	2,072
Total Assets		**560,077**	**473,288**

The accompanying notes form an integral part of these consolidated accounts

Consolidated Balance Sheets

as of December 31, in $ 000

	Note	2004	2003
Liabilities and Shareholders' Equity			
Amounts owed to credit institutions		45,903	33,478
Deposits received from customers	6.1. & 7.3.	72,022	43,601
Other liabilities	6.2.	12,415	16,872
Convertible bonds	6.3.	16,240	16,240
Accruals and deferred income		26,047	19,213
Provisions for liabilities and charges	6.4.	13,101	7,594
Subscribed capital	6.5.	36,500	36,904
Reserves		319,260	287,855
Minority interest		18,589	11,531
Total Liabilities and Shareholders' Equity		**560,077**	**473,288**

	Note	2004	2003
Off balance sheet items			
Contingent liabilities	7.1.	25,385	31,664
Guarantees	7.2.	1,987	-
Open commitments	7.3.	417,410	281,514
Fiduciary deposits	7.4.	1,012,182	852,651
Other information			
Staff on payroll		107	94

The accompanying notes form an integral part of these consolidated accounts

Consolidated Income Statements

for the years ended December 31,			in $ 000
	Note	2004	2003
Income			
Interest received and similar income		4,987	3,643
Income from investments in securities		12,499	5,612
Commissions received		23,706	18,289
Realized gains		53,866	11,985
Reversal of value adjustments on loans and advances		2,300	188
Reversal of value adjustments on investments in securities	8.1.	42,806	43,190
Other operating income		7,272	15,895
Total Income		**147,436**	**98,802**

The accompanying notes form an integral part of these consolidated accounts

Consolidated Income Statements

for the years ended December 31,			in $ 000
	Note	2004	2003
Charges			
Interest paid and similar charges		2,690	2,225
Commissions paid		648	399
Realized losses		34,126	18,314
General administrative expenses		38,051	42,905
Salaries	3.1.	22,049	26,345
Other administrative expenses		16,002	16,560
Depreciation and amortization		1,248	1,142
Other operating charges		8,540	4,267
Value adjustments on loans and advances		1,314	524
Value adjustments on investments in securities		20,849	79,004
Taxes		2,694	173
		110,160	148,953
Profit/(Loss) for the financial year		36,226	(50,459)
Minority interest		1,050	308
Total Charges		147,436	98,802

The accompanying notes form an integral part of these consolidated accounts

QUILVEST

Changes in Consolidated Shareholders' Equity

in $ 000	Subscribed capital	Issue premium	Legal reserve	General reserve	Reserve for own shares (*)	Profit brought forward	Profit/ (Loss) for the year	Total
Balance at January 1, 2004 (as reported)	36,904	21,861	2,800	214,231	6,219	93,972	(50,459)	325,528
Restatements 2003 (reclassification to Minority Interest)						(769)		(769)
Balance at January 1, 2004 (restated)	36,904	21,861	2,800	214,231	6,219	93,203	(50,459)	324,759
Ordinary General Meeting June 25, 2004								
- dividend payment (gross)						(4,423)		(4,423)
- allocation of consolidated loss 2003						(50,459)	50,459	-
Extraordinary General Meeting June 25, 2004								
- Cancellation of 120,000 QUILVEST shares	(404)					(6,766)		(7,170)
Write back of reserve for own shares (*)					(5,970)	5,970		
Profit for the year							36,226	36,226
Translation adjustments						6,368		6,368
Balance at December 31, 2004	**36,500**	**21,861**	**2,800**	**214,231**	**249**	**43,893**	**36,226**	**355,760**

(*) in accordance with article 49-5 of the Luxembourg Company law of August 10, 1915 and subsequent amendments

As of December 31, 2004 the company's authorized share capital is $100,000,000 represented by 14,957,572 shares without par value, of which $36,500,000 represented by 5,400,000 shares without par value are issued and fully paid.

Notes to the Consolidated Accounts

1. Basis of Presentation

QUILVEST is a Luxembourg Holding Company incorporated under the laws of August 10, 1915 and July 31, 1929 as amended. Until December 31, 1999, the consolidated accounts have been presented in accordance with article 320 (1) of the Law of July 11, 1998 as transposed into Luxembourg Law from the 7th Directive of the European Union.

The Commission Regulation (EC) No. 1725/2003 adopting certain international accounting standards in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council provides for all listed companies within the European Union to conform to International Financial Reporting Standards ("IFRS", formerly "IAS") the latest by 2005. QUILVEST has opted for changing its basis of preparation and presentation of the consolidated accounts starting 2000. The major changes are:

- The two subsidiaries that conduct banking activities, previously accounted for using the equity method, are fully consolidated since 2000. As a result, the consolidated accounts include the Group's private equity business and the banking activities.
- The consolidated accounts are presented using the standard Luxembourg bank accounts structure as a guideline and in accordance with the accounting policies described hereafter. Management believes that this presentation gives a fairer view of the different underlying activities of the Group when compared to a presentation using the Luxembourg commercial company accounts structure.

2. Summary of Activities

The business of QUILVEST is that of a financial holding company, controlling two subholding companies QUILVEST OVERSEAS LTD, Tortola, British Virgin Islands and QUILVEST EUROPE S.A., Luxembourg.

The business of QUILVEST OVERSEAS LTD and subsidiaries is that of an investment holding company, investing both directly and indirectly. The investments include direct equity and debt investments in private equity made in the United States, Europe, South-East Asia and Latin America.

QUILVEST EUROPE S.A., Luxembourg invests in European markets and controls QUILVEST CAPITAL FRANCE (QCF) and subsidiaries. QCF makes public and private investments in France. Two of the subsidiaries of QUILVEST EUROPE, namely SOCIÉTÉ INTERNATIONALE DE FINANCE (SIF) in Zurich, Switzerland and BANQUE PRIVÉE QUILVEST in Paris, France, are involved in banking activities. Société Internationale de Finance in Zurich, Switzerland and Banque Privée QUILVEST in Paris, France, are involved in wealth management and banking activities.

SIF is a licensed Securities Dealer and, together with its subsidiaries, provides advisory and discretionary asset management, wealth planning and trust services as well as the co-ordination and administration of globally invested assets.

Banque Privée Quilvest is a bank and its main activities consist of asset management, investment advisory services, patrimonial engineering and assistance services for private individuals or legal entities.

Notes to the Consolidated Accounts

3. Principles of Consolidation

The consolidated accounts include the accounts for the year ended December 31, 2004 of QUILVEST, QUILVEST OVERSEAS LTD, QUILVEST EUROPE and their respective subsidiaries in which they hold either directly or indirectly more than 50% of the voting rights. Subsidiaries, which are immaterial to the Group, are excluded from consolidation.

Using the full consolidation method, the assets, liabilities, revenues and expenses are incorporated in full.

All material intercompany transactions and balances have been eliminated.

3.1. Change in the Scope of Consolidation

QUILVEST FINANCE Ltd, and QUILVEST EUROPE S.A. decreased their shareholding in two of their indirect subsidiaries to below 50% during December 2003.

Starting 2003, these two subsidiaries are accounted for using the equity method. In the 2003 consolidated accounts, the revenues ($10.4 million) and expenses ($15.0 million), however, are still included for the full year.

3.2. List of Major Consolidating Subsidiaries

The following companies are fully consolidated:

- QUILVEST OVERSEAS LTD, Tortola, British Virgin Islands and its subsidiaries;
  - QUILVEST FINANCE LTD, Tortola, British Virgin Islands and its subsidiaries;
    - QS PEP 2002 Inc., Tortola, British Virgin Islands;
    - QOL PEP 2003 Inc., Tortola, British Virgin Islands;
    - QOL PEP 2004 Inc., Tortola, British Virgin Islands;
  - QUILVEST AMERICAN EQUITY LTD, Tortola, British Virgin Islands;
  - QUILVEST AMERICAN EQUITY II LTD, Tortola, British Virgin Islands;
  - QUILVEST AMERICAN EQUITY III LTD, Tortola, British Virgin Islands;
  - QUILVEST AMERICAN VENTURE LTD, Tortola, British Virgin Islands;
  - QUILVEST EUROPEAN EQUITY LTD, Tortola, British Virgin Islands;
  - QUILVEST EUROPEAN EQUITY I, Tortola, British Virgin Islands;
  - QUILVEST EUROPEAN EQUITY II, Tortola, British Virgin Islands;
  - QUILVEST EUROPEAN VENTURE LTD, Tortola, British Virgin Islands;
  - QUILVEST ASIAN EQUITY LTD, Tortola, British Virgin Islands;
  - QUILVEST ASIA VENTURE LTD, Tortola, British Virgin Islands;
- QUILVEST EUROPE S.A., Luxembourg and its subsidiaries:
  - SOCIÉTÉ INTERNATIONALE DE FINANCE, Switzerland
  - BANQUE PRIVÉE QUILVEST, France and its subsidiaries.
  - QUILVEST CAPITAL FRANCE (Paris) and its subsidiaries.

Notes to the Consolidated Accounts

3.3. Year-end

All consolidated companies have December 31 year-ends.

4. Accounting Policies

4.1. Intangible assets

Intangible assets, except for goodwill, are stated at purchase price, less accumulated amortization.
Goodwill is amortized on a straight-line basis over 20 years.

4.2. Tangible assets

Tangible assets are stated at purchase price, less accumulated depreciation. Tangible assets are depreciated over their expected useful life.

The rates and methods of depreciation are as follows:

	Depreciation rate	Method
Buildings	2%	linear
Office Equipment, Fixtures & Fittings	10-100%	linear/degressive

4.3. Own shares

Own shares are recorded at the lower of cost and year-end market value.

4.4. Investments

Investments include direct long-term investments in unlisted shares, loans, listed securities as well as indirect investments via participation in syndicates and funds managed by third parties.

All investments are stated at the lower of cost and market value.

Notes to the Consolidated Accounts

Market values are determined as follows:

- Listed investments: Stock price at year-end date
- Unlisted private equity investments: Estimates made by management primarily based on transaction and/or comparable companies multiples.
- Syndicates and Funds: Valuation as reported by the Fund managers.

Value adjustments are made for investments which estimated market value is below cost. Value impairments are directly deducted from the investments.
Because of the inherent uncertainty of valuation, the value of investments and any related value adjustments may differ significantly from the amounts that would have been used had a ready market for the investments existed, and the difference could be material.

4.5. Foreign Currency Translation

The share capital of QUILVEST and most of its subsidiaries is expressed in United States dollars (USD) and the accounting records are maintained in that currency.

Transactions in foreign currencies are translated into the respective reporting currencies at exchange rate prevailing at transaction date. Assets and liabilities denominated in foreign currencies are translated into the reporting currencies at the rate of exchange prevailing at balance sheet date. Exchange differences are recorded in the income statement.

Accounts of subsidiaries expressed in a currency other than USD are translated into USD at the rate of exchange prevailing at the balance sheet date. Translation adjustments have been charged or credited directly to retained earnings.

4.6. Taxation

Taxes are mainly accounted for on an accrued basis, based on the profit and loss account for the year under review.

Notes to the Consolidated Accounts

5. Detailed Disclosures Relating to Asset Headings

5.1. Deposits at Credit Institutions

These relate mainly to the banking activities of SOCIÉTÉ INTERNATIONALE DE FINANCE and BANQUE PRIVÉE QUILVEST.

Loans and advances to credit institutions are presented as follows:

in $ 000	2004	2003
Current accounts	67,239	45,646
Call & Fixed deposits	24,356	2,413
	91,595	48,059

5.2. Investments in Securities

Investments in securities are presented as follows:

in $ 000	2004	2003
Listed	26,863	24,799
Unlisted	312,769	302,167
	339,632	326,966

The market value of the listed shares is $27.9 million as of December 31, 2004 ($25 million in 2003).

5.3. Intangible Assets

The intangible assets mainly consist of goodwill arising from the acquisition of a French subsidiary by Banque Privée QUILVEST.

Notes to the Consolidated Accounts

5.4. Tangible Assets

in $ 000	Land & Buildings	Office Equipment, Fixtures & Fittings	Total
January 1, 2003	2,786	2,421	5,207
Currency adjustments	573	271	844
Change in scope of consolidation	-	(965)	(965)
Additions	60	498	558
Disposals	(53)	(154)	(207)
Depreciation	(58)	(567)	(625)
December 31, 2003	3,308	1,504	4,812
Currency adjustments	244	93	337
Additions	158	1,564	1,722
Disposals	-	(3)	(3)
Depreciation	(79)	(575)	(654)
December 31, 2004	3,631	2,583	6,214

5.5. Own Shares

As of December 31, 2004 a subsidiary of QUILVEST OVERSEAS LTD holds 4,419 shares (108,003 shares as of December 31, 2003) of its ultimate parent QUILVEST with an acquisition cost of $0.2 million and a fair market value of $0.2 million.
At the Extraordinary General Meeting of June 25, 2004 QUILVEST cancelled 120,000 shares by way of capital reduction.
The effect is that the shareholders' equity is $7.2 million lower than prior year.

5.6. Other Receivables

The balance essentially consists of accrued income and receivables from investments.

Notes to the Consolidated Accounts

6. Detailed Disclosures Relating to Liability Headings

6.1. Deposits Received from Customers

These relate mainly to the banking activities of SOCIÉTÉ INTERNATIONALE DE FINANCE and BANQUE PRIVÉE QUILVEST and are maturing within less than one year.
Please also read Note 5.1.

6.2. Other Liabilities

Other liabilities are presented as follows:

in $ 000	2004	2003
Accounts payable (within one year)	10,755	9,326
Dividends payable	63	77
Interest payable	1,155	506
Taxes payable	442	49
Co-investors	-	6,914
	12,415	16,872

6.3. Convertible Bonds

On July 1, 2003 QUILVEST issued 160,000 bonds at a price of $100 nominal each, bearing an interest rate of 3%, p.a. payable annually as of June 30, maturing in 2008. The bonds are convertible at the option of the bond holders upon maturity at a conversion rate of one bond unit for 1.1 QUILVEST shares. The amount shown includes accrued interest of $240,000.

Notes to the Consolidated Accounts

6.4. Provisions for Liabilities and Charges

The provisions are presented as follows:

in $ 000	2004	2003
Provision for bank credit risk	1,611	1,766
Provision for general banking risk	2,039	1,445
Provision for taxation	2,743	2,022
Other provisions	6,708	2,361
	13 ,101	7,594

These provisions (except for Other provisions) relate mainly to the banking activities of SOCIÉTÉ INTERNATIONALE DE FINANCE and BANQUE PRIVÉE QUILVEST.

Other provisions mainly relate to the Group's Management Incentive programs.

6.5. Subscribed Capital

The issued share capital of $36,500,000 (2003: $36,904,385) consists of 5,400,000 (2003: 5,520,000) shares without par value (following a capital decrease during 2004) (see also note 5.5.).

6.6. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

Notes to the Consolidated Accounts

7. Information Relating to Off-balance Sheet Items

7.1. Contingent Liabilities

These relate mainly to the banking activities of SOCIÉTÉ INTERNATIONALE DE FINANCE and BANQUE PRIVÉE QUILVEST.

7.2. Guarantees

During 2004, the company issued guarantees in favour of a third party in the amount of $2.0 million (£1.0 million) to secure credit facilities granted to that third party by a financial institution.

7.3. Open Commitments

As of December 31, 2004 the Group has open commitments to fund investments of approximately $178 million (2003: $165 million). This figure includes remaining commitments of $12 million ($35 million) to the Three Cities Fund III, $32 million ($27 million) to TCR Industrial Partners and $75 million ($58 million) to the sponsored PEP 2002, 2003 and 2004 investment programs.

Open commitments also include the full amount of $239 million (CHF 272 million) related to currency hedging programs of SOCIÉTÉ INTERNATIONALE DE FINANCE controlled at 75% ($117 million in 2003).

7.4. Fiduciary Deposits

The fiduciary deposit-taking activities of the Group mainly relate to SOCIÉTÉ INTERNATIONALE DE FINANCE, controlled at 75%, and are handled by back-to-back fiduciary agreements.

7.5. Stock Option Plan

BANQUE PRIVÉE QUILVEST has issued 2,575 stock options at the price of FRF 198 (€30) each to a member of its management team, exercisable within 5 years after May 23, 2000 on a one option for one share in BANQUE PRIVÉE QUILVEST. The exercise price is FRF 150 (€23) over the nominal value of the shares.

During 2002, BANQUE PRIVÉE QUILVEST issued another 1,545 stock options, at zero price, to its employees, exercisable until June 30, 2008 on a one option for one share in BANQUE PRIVÉE QUILVEST. The exercise price is €200 over the nominal value of the shares.

No options have been exercised as of December 31, 2004 and 2003.

Notes to the Consolidated Accounts

8. Detailed Disclosures Relating to Income Statements

8.1. Reversal of Value Adjustments on Investments in Securities

The value adjustments split up as follows:

in $ 000	2004	2003
Reversal of provision upon disposal	27,348	20,230
Reversal of provision due to change in fair market valuation	15,458	22,960
	42,806	43,190

9. Preparation for IFRS Compliance

Quilvest has appointed a project leader and has completed all significant relevant analyses and implemented certain preparatory steps. Management has determined the IFRS accounting policies which will be applied to the consolidated accounts from January 1, 2005.

Report of the Statutory Auditors on the Accounts of the Parent Company to the Shareholders

We have audited the accompanying accounts of QUILVEST S.A., Luxembourg for the year ended December 31, 2004. These accounts are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these accounts based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall accounts presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying accounts give, in conformity with Luxembourg legal and regulatory requirements, a true and fair view of the financial position of QUILVEST S.A., Luxembourg as at December 31, 2004 and of the result of its operations for the year then ended.

KPMG
Klynveld Peat Marwick Goerdeler SA

Günter Haag
Swiss Certified Accountant

Jane Hallauer-Wong
Chartered Certified Accountant
(United Kingdom)

Zurich, April 29, 2005

KPMG Audit S.à r.l.

John Li
Réviseur d'Entreprises

Luxembourg, April 29, 2005

QUILVEST

Balance Sheets

as of December 31,			in $ 000
	Note	2004	2003
Assets			
Fixed Assets			
Financial assets	3	56,756	56,756
		56,756	56,756
Current Assets			
Debtors	4	34,964	40,687
Prepaid expenses		68	56
Cash at bank		64	94
		35,096	40,837
Total Assets		91,852	97,593

The accompanying notes form an integral part of these accounts

Balance Sheets

as of December 31,			in $ 000
	Note	2004	2003
Liabilities & Shareholders' Equity			
Shareholders' Equity	5		
Subscribed capital		36,500	36,904
Issue premium		21,861	21,861
Legal reserve		2,800	2,800
General reserve		2,171	2,171
Profit brought forward		5,114	17,919
Profit/(Loss) for the year		5,364	(1,615)
		73,810	80,040
Liabilities			
Provisions for liabilities and charges		1,166	734
Convertible bonds	6	16,240	16,240
Other creditors		636	579
		18,042	17,553
Total Liabilities & Shareholders' Equity		91,852	97,593

The accompanying notes form an integral part of these accounts

Income Statements

for the years ended December 31, in $ 000

	Note	2004	2003
Income			
Income from Fixed Assets	7	7,170	-
Financial Income		1,006	728
Total Income		**8,176**	**728**

		2004	2003
Charges			
Value adjustments in respect of assets		432	401
Interest and similar charges		486	244
Other charges		1,894	1,666
Taxes		-	32
Profit/(Loss) for the year		5,364	(1,615)
Total Charges		**8,176**	**728**

The accompanying notes form an integral part of these accounts

Notes to the Accounts

1. Basis of Presentation

The company maintains its accounts and records in US dollars. The annual accounts are prepared under the provisions of the law of August 10, 1915 as amended.

2. Summary of Significant Valuation Rules

The accounts have been prepared under the historical cost convention.

Transactions in foreign currencies have been reflected in the accounts at the rates prevailing at the transaction date.

Financial assets in foreign currencies have been stated at the historical exchange rate. Current assets and liabilities in foreign currencies have been stated at the exchange rates as of December 31, 2004.

Financial assets are valued at acquisition cost. In case of a permanent reduction in the value of financial assets, they are valued at the lowest figures to be attributed to them. In the year ended December 31, 2004, no value adjustment was necessary.

3. List of Direct Subsidiaries

as of December 31, 2004

	Share capital	Number of shares held	% of Capital	Book value
QUILVEST OVERSEAS LTD, Tortola (British Virgin Islands)	$57,599,800 575,998 shares of $100 par value	575,997	99.99%	$54,104,177
QUILVEST EUROPE S.A. (Luxembourg)	€ 2,500,000 2,500,000 shares without par value	2,499,997	99.99%	$2,651,712
Total				$56,755,889

Notes to the Accounts

4. Debtors

These represent loans receivable from QUILVEST EUROPE and from QUILVEST FINANCE LTD.

5. Shareholders' Equity

in $	Subscribed capital	Issue premium	Legal reserve	General reserve	Profit brought forward	Profit/ (Loss) for the year	Total
Balance at January 1, 2004	36,904,385	21,860,615	2,800,000	2,171,295	17,918,737	(1,615,497)	80,039,535
Ordinary General Meeting June 25, 2004					(1,615,497)	1,615,497	-
Dividend decided by OGM					(4,521,000)		(4,521,000)
Undistributed 2003 dividend relating to own shares					98,400		98,400
Extraordinary General Meeting June 25, 2004 - Cancellation of 120,000 QUILVEST shares	(404,385)				(6,766,202)		(7,170,587)
Profit for the year						5,363,462	5,363,462
Balance at December 31, 2004	36,500,000	21,860,615	2,800,000	2,171,295	5,114,438	5,363,462	73,809,810

As of December 31, 2004 the company's authorized share capital is $100,000,000 represented by 14,794,520 shares without par value, of which $36,500,000 represented by 5,400,000 shares without par value are issued and fully paid.

6. Convertible Bonds

On July 1, 2003 QUILVEST issued 160,000 bonds at a price of $100 nominal each, bearing an interest rate of 3%, p.a. payable annually as of June 30, maturing in 2008. The bonds are convertible at the option of the bond holders upon maturity at a conversion rate of one bond unit for 1.1 QUILVEST shares. The amount shown includes accrued interest of $240,000.

Notes to the Accounts

7. Income from Fixed Assets

During 2004, the company received a dividend in kind in the amount of $7,170,587 represented by 120,000 own shares. These shares were cancelled in the course of the share capital reduction.

8 . Contingencies

As of December 31, 2004 and 2003 Quilvest S.A. has granted an indemnity in favor of an indirectly held subsidiary in the amount of $ 1.3 million (CHF 1.5 million) to cover that subsidiary's loss on an asset.

During 2004, the company issued guarantees in favour of a third party in the amount of $2.0 million (£1.0 million) to secure credit facilities granted to that third party by a financial institution.

Earnings and Allocations

Proposal	in $
The balance sheet as per December 31, 2004 shows a profit of:	5,363,462
· adding the profit brought forward	11,782,240
· Capital reduction	(6,766,202)
· Undistributed 2003 dividend relating to own shares	98,400
The total available for distribution is:	**10,477,900**

The Board of Directors proposes to:	
· distribute a gross dividend of	6,860,000
· allocate to legal reserve	270,000
· carry forward	3,347,900
	10,477,900

The Board of Directors proposes a dividend for the year ended December 31, 2004 of $1.27 per share.

Furthermore the Board of Directors proposes an allocation to the legal reserve of $270,000 in accordance with Luxembourg law whereas at least 5% of the statutory profit must be appropriated to a non-distributable legal reserve until the aggregate reserve reaches 10% of the subscribed capital.

No delegation of task was made by the Board of Directors to any of its members and accordingly no salary, allocation or remuneration was paid except as stated in Article 14 of the Articles of Incorporation.

A gross remuneration of $468,000 will be proposed for the year 2004.

QUILVEST
84, Grand-Rue
L-1660 Luxembourg
R.C.S.: B 6091
Tel.: (352) 47 38 85-1
Fax: (352) 22 60 56
Internet: http://www.QUILVEST.com
E-Mail: QUILVEST@pt.lu