SHL Systemhouse Europe Limited

Report and Financial Statements

31 October 2013
Directors
J Shaikhali
S Letcher

Secretary
R Putland

Auditors
Ernst & Young LLP
Apex Plaza
Forbury Road
Reading
Berkshire
RG1 1YE

Registered Office
Amen Corner
Cain Road
Bracknell
Berkshire
RG12 1HN
Directors’ report

The directors present their report and financial statements for the year ended 31 October 2013

Principal activity
The company is non-trading and is expected to continue to be non-trading in the foreseeable future

It is the directors’ intention to liquidate the company in the foreseeable future hence the financial statements have been prepared on a break up basis

The loss for the year, after taxation, amounted to £1,185,670 (2012 £nil) as set out on page 6 of the financial statements

On 17 April 2013, 1 ordinary share with a nominal value of £1 and share premium of £1,299,999 was issued for cash to the company’s current 100% shareholder, E D S International Limited. On the same date the company acquired 1 ordinary share in SHL Technology Solutions Limited for a total consideration of £1,223,249

Directors
The directors during the year, and to date, were as follows

J Shaikhah
S Letelier

During the year, and up to the date of approval of the financial statements, the company had in place third party indemnity provision for the benefit of all the directors of the company

Directors’ statement as to disclosure of information to auditors
The directors who were members of the board at the time of approving the directors’ report are listed on page 1. Having made enquiries of fellow directors and of the company’s auditors, each of these directors confirms that

- to the best of each director’s knowledge and belief, there is no information relevant to the preparation of their report of which the company’s auditors are unaware, and

- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company’s auditors are aware of that information

Auditors
Ernst & Young LLP continue as the company’s auditor. In accordance with the elective resolution passed by the company under section 386 of the Companies Act 1985, which continues in force under the Companies Act 2006, the company has elected to dispense with the obligation to appoint auditors annually

Strategic report
Advantage has been taken of the exemption under section 414B of the Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 from the requirement to prepare a strategic report

On behalf of the Board

J Shaikhah
Director
Date 19/12/13
Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 period.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
Independent auditor's report

to the members of SHL Systemhouse Europe Limited

We have audited the financial statements of SHL Systemhouse Europe Limited for the year ended 31 October 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are prepared on a break-up basis.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 October 2013 and of its loss for the year then ended,

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
Independent auditor’s report
to the members of SHL Systemhouse Europe Limited (continued)

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors’ remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies’ exemption in not preparing the Strategic Report and take advantage of the small companies’ exemption in preparing the directors’ report

David Brown (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Reading

Date 26-12-2015
Profit and loss account
for the year ended 31 October 2013

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td><strong>£</strong></td>
<td><strong>£</strong></td>
</tr>
<tr>
<td>Impairment of fixed asset investments</td>
<td>(1,185,670)</td>
<td></td>
</tr>
<tr>
<td><strong>Operating loss</strong></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(1,185,670)</td>
<td></td>
</tr>
<tr>
<td><strong>Loss on ordinary activities before taxation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax on loss on ordinary activities</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Loss for the financial year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(1,185,670)</td>
<td></td>
</tr>
</tbody>
</table>

All of the activities of the company are classed as discontinued.

The company has no recognised gains or losses other than the results for the period as set out above.
## Balance sheet
at 31 October 2013

<table>
<thead>
<tr>
<th>Note</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>5</td>
<td>37,579</td>
</tr>
<tr>
<td>Debtors</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td><strong>Creditors amounts falling due within one year</strong></td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net assets / (liabilities)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>37,579</td>
</tr>
<tr>
<td><strong>Capital and reserves</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called up share capital</td>
<td>8</td>
<td>91,442,704</td>
</tr>
<tr>
<td>Share premium account</td>
<td>9</td>
<td>5,514,237</td>
</tr>
<tr>
<td>Profit and loss account</td>
<td>9</td>
<td>(96,919,362)</td>
</tr>
<tr>
<td><strong>Equity shareholders' funds / (deficit)</strong></td>
<td>9</td>
<td>37,579</td>
</tr>
</tbody>
</table>

Approved by the Board

J Shaikhali
Director
Date 19/12/13
Notes to the financial statements
at 31 October 2013

1. Accounting policies

Accounting convention

The financial statements are prepared on a break-up basis, reflecting the directors’ intention to liquidate this company in the foreseeable future. Accordingly, all assets and liabilities are recognised at their net realisable value. Any fixed assets and long-term liabilities have been classified as current assets and liabilities.

The company is exempt from the requirement to prepare group financial statements by virtue of Section 401 of the Companies Act 2006, and accordingly the financial statements present information about the company as an individual undertaking and not about its group.

Cash flow statement

In accordance with Financial Reporting Standard 1 (revised), SHL Systemhouse Europe Limited has not published a cash flow statement as its ultimate parent company, Hewlett-Packard Company, which is incorporated in the United States of America, has published consolidated financial statements in which the cash flows of the company are included.

Taxation

The credit for taxation is based on the loss for the year 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 without discounting in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date. Timing differences are differences between the company’s taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Investments

Investments are included at cost, less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities. The carrying value of investments is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2. Operating loss

The auditor’s remuneration for the company of £3,399 (2012 £nil) has been borne by a fellow group company, HP Enterprise Services UK Ltd.

3. Directors’ emoluments

Directors’ emoluments have been borne by fellow group companies. The directors of the company are also directors or officers of other companies within the Hewlett-Packard group. These directors’ services to the company do not occupy a significant amount of their time and are considered to be incidental. As such, these directors do not consider that they receive any remuneration for their services to the company for the years ended 31 October 2013 and 31 October 2012.
Notes to the financial statements
at 31 October 2013

4. Taxation on loss on ordinary activities

(a) Analysis of tax charge in the year

\[
\begin{array}{lcc}
& 2013 & 2012 \\
\hline
\text{United Kingdom corporation tax charge based on taxable loss for the year at} \\
\text{23.42\% (2012 24.83\%)} & - & - \\
\text{Tax on loss on ordinary activities (note 4b)} & - & - \\
\end{array}
\]

(b) Factors affecting tax charge for year

The tax assessed on the loss on ordinary activities for the year is different than the standard rate of corporation tax in the United Kingdom of 23.42\% (2012 24.83\%). The differences are reconciled below

\[
\begin{array}{lcc}
& 2013 & 2012 \\
\hline
\text{Loss on ordinary activities before tax} & (1,185,670) & - \\
\text{Loss on ordinary activities multiplied by standard rate of corporation} \\
\text{tax in the UK of 23.42\% (2012 24.83\%)} & (277,684) & - \\
\text{Effects of} \\
\text{Expenses disallowable for tax purposes} & 277,684 & - \\
\text{Total current tax (note 4a)} & - & - \\
\end{array}
\]

(c) Factors that may affect future tax charges

The Finance Bill 2012 included a reduction in the United Kingdom corporation tax rate from 25\% to 24\% effective from 1 April 2012 and 24\% to 23\% effective from 1 April 2013 (substantively enacted on 3 July 2012)

The Finance Bill 2013 included a reduction in the United Kingdom corporation tax rate from 23\% to 21\% from 1 April 2014 and a further reduction to 20\% from 1 April 2015 These rates were substantively enacted on 2 July 2013
Notes to the financial statements
at 31 October 2013

5. Investments

<table>
<thead>
<tr>
<th>Shares in group undertakings £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
</tr>
<tr>
<td>At 1 November 2012</td>
</tr>
<tr>
<td>Additions</td>
</tr>
<tr>
<td>At 31 October 2013</td>
</tr>
</tbody>
</table>

Amounts provided

|At 1 November 2012 | 85,864,675 |
|Charge for the year | 1,185,670  |
|At 31 October 2013 | 87,050,345 |

Net book value

|At 31 October 2013| 37,579 |

On 17 April 2013, the company acquired 1 ordinary share in SHL Technology Solutions Limited for a total consideration of £1,223,249. A review of the company’s investment in SHL Technology Solutions Limited, following the investment, has resulted in an impairment of £1,185,670. The carrying value of the investment is now equal to the net assets of the subsidiary.

At 31 October 2013 the company’s subsidiary undertakings were as follows:

<table>
<thead>
<tr>
<th>Company</th>
<th>Country of incorporation</th>
<th>Principal activity</th>
<th>Class and percentage of shares held</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHL Technology Solutions Limited</td>
<td>England and Wales</td>
<td>Non trading</td>
<td>£1 ordinary shares 100%</td>
</tr>
</tbody>
</table>

6. Debtors

<table>
<thead>
<tr>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Amount owed by other group undertakings</td>
<td>-</td>
</tr>
</tbody>
</table>

7. Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Amount owed to other group undertakings</td>
<td>-</td>
</tr>
</tbody>
</table>
Notes to the financial statements
at 31 October 2013

8. Share capital

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Almighty, issued and fully paid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary shares of £1 each</td>
<td>91,442,704</td>
<td>91,442,703</td>
</tr>
</tbody>
</table>

On 17 April 2013, 1 ordinary share with a nominal value of £1 and share premium of £1,299,999 was issued for cash to the company’s current 100% shareholder, E D S International Limited.

9. Reconciliation of shareholders’ funds and movements on reserves

<table>
<thead>
<tr>
<th></th>
<th>Share capital</th>
<th>Share Premium</th>
<th>Profit and loss account</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 November 2011</td>
<td>91,442,703</td>
<td>4,214,238</td>
<td>(95,733,692)</td>
<td>(76,751)</td>
</tr>
<tr>
<td>Result for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>At 31 October 2012</td>
<td>91,442,703</td>
<td>4,214,238</td>
<td>(95,733,692)</td>
<td>(76,751)</td>
</tr>
<tr>
<td>Loss for the year</td>
<td>-</td>
<td>-</td>
<td>(1,185,670)</td>
<td>(1,185,670)</td>
</tr>
<tr>
<td>Issue of ordinary share</td>
<td>1</td>
<td>1,299,999</td>
<td>-</td>
<td>1,300,000</td>
</tr>
<tr>
<td>At 31 October 2013</td>
<td>91,442,704</td>
<td>5,514,237</td>
<td>(96,919,362)</td>
<td>37,579</td>
</tr>
</tbody>
</table>

10. Parent undertaking and controlling party

The Company’s intermediate holding company is E D S International Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and controlling party which heads the largest and smallest group in which these accounts are consolidated is the Hewlett-Packard Company, a company incorporated in the United States of America. Copies of the consolidated financial statements of Hewlett-Packard Company can be obtained from 3000 Hanover Street, Palo Alto, California 94304, USA.

11. Related parties

The company has taken advantage of the exemption available to wholly owned subsidiary undertakings under Financial Reporting Standard Number 8 (“Related Party Transactions”), and accordingly has not provided details of its transactions with other wholly owned entities forming part of the Hewlett-Packard Company group.