

Kudelski Group

Consolidated financial statements

Report of the Group auditors

Kudelski Group
Financial statements 2004

Report of the Group auditors to the General Meeting of Shareholders of Kudelski SA, Cheseaux-sur-Lausanne

As auditors of the Group, we have audited the consolidated financial statements (balance sheet, income statement, statement of cash flows, statements of changes in shareholders' equity and notes) included on pages 4 to 35 of Kudelski SA for the year ended December 31, 2004.

These consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the Swiss profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the consolidated financial statements. We have also assessed the accounting principles used, significant estimates made and the overall consolidated financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the results of operations and the cash flows in accordance with the Swiss GAAP FER and comply with Swiss law.

We recommend that the consolidated financial statements submitted to you be approved.

PRICEWATERHOUSECOOPERS 



F. Roth



Th. Vigne

Lausanne, February 24, 2005