COMPANY No: 26077

Report of the Directors and

Financial Statements for the Period 26 December 2010 to 31 December 2011

for

Delta Limited

Delta Limited (Registered number 26077)

Contents of the Financial Statements
for the Period 26 December 2010 to 31 December 2011

Delta Limited

Company Information
for the Period 26 December 2010 to 31 December 2011

DIRECTORS:	T Atkinson M C Jaksich R A Massey J A Taylor E R Meaney T J McClain G S Lebens
SECRETARY:	David Venus & Company LLP
REGISTERED OFFICE:	Thames House Portsmouth Road Esher Surrey KT10 9AD
REGISTERED NUMBER:	26077 (England and Wales)
AUDITORS:	Deloitte LLP Chartered Accountants and Statutory Auditor London

Delta Limited (Registered number. 26077)

Report of the Directors
for the Period 26 December 2010 to 31 December 2011

The directors present their report with the financial statements of the company for the period 26 December 2010 to 31 December 2011

The 2011 results have been prepared for the period 26 December 2010 to 31 December 2011 The 2010 results have been prepared for the period 1 January 2010 to 25 December 2010 The year-end date for the company has changed to 31 December 2011 This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc, (Valmont), its new parent.
The Company's financial statements solely reflect the trading performance and assets of the Company and not of the Company's subsidiaries As such reported profit includes only investment income less expenses incurred by the Company. Consequently the format and information presented in the Company's financial statements are different than those formerly presented in the Group's consolidated financial statements

PRINCIPAL ACTIVITY

The Company owns businesses in Australasia, Asia, Africa and the US These businesses are engaged in the manufacture and distribution of engineered steel products, the provision of hot-dip galvanising and zinc reclamation services, and the manufacture and distribution of manganese materials

REVIEW OF BUSINESS

On 12 May 2010 the Group was acquired by Valmont. Following the acquisition, the Company's ordinary and preference shares on the London Stock Exchange were delisted, and the name of the Company was changed from Delta plc to Delta Limited

The Group's subsidiary businesses continued to generate profit and cash flow during the year and the Company received £88 9 million of dividends from its subsidiaries As a result of restructuring within subsidiary entities of Delta Limited, the entity has realised an increase in dividends in the current year and write down of certain investments

The Company's administration costs totalled £2 3 million during the year, compared to £5 1 million in the previous year The reduction was due to costs related to the acquisition of the Group by Valmont in the previous year
There are a number of potential risks and uncertainties which could impact the Company's financial position and performance principally due to their potential impact on the Company's subsidiary businesses

Global, Political and Economic conditions

The Company owns businesses in five countries and has either sales or sourcing arrangements with various counterparties located within other countries within Asia, Africa and South America Whilst the Company benefits from the growth opportunities in these continents, it is similarly exposed to the economic, political and business risks associated with such international operations Throughout its investments the Company encounters different legal and regulatory requirements including those for taxation, exchange control (including repatriation of profits), environmental, operational and competitive matters

Pensions

The Company sponsors a UK defined benefit plan, The Delta Pension Plan ("the Plan") The Plan had an FRS17 valuation net deficit of £44 1 million at 31 December 2011 (2010 deficit of £61 5 million), with the Plan's assets totalling £275 2 million and its liabilities totalling £319 3 million (2010 assets of £232 9 million and liabilities of £294 4 million) The Plan is exposed to the risk of changes in interest rates, investment returns, the market value of investments, inflation and changes in the expected longevity of its members The Plan is also exposed to changes in UK laws and regulations with regard to pension plans

Foreign exchange

The company is exposed to movements in exchange rates between sterling and other world currencies particularly the South African rand, the Chinese yuan and the US and Australian dollar, which could adversely or positively impact the value of the Company's investments

DIVIDENDS

The Company paid a dividend of 7 2p per ordinary share on 10 June 2011

The directors have declared a second interim dividend for 2011 of 9 8p per share on 5 May 2012 In accordance with FRS 21, this has not been included as a liability in these financial statements

The Directors have not recommended a final dividend for 2011

Report of the Directors
for the Period 26 December 2010 to 31 December 2011

DIRECTORS

The directors shown below have held office during the whole of the period from 26 December 2010 to the date of this report.

T Atkinson
E R Meaney
T J McClain

Other changes in directors holding office are as follows

R W Gowen - resigned 12 February 2011
M C Jaksich - appointed 11 February 2011
R A Massey - appointed 11 February 2011
J A Taylor - appointed 7 August 2011
G S Lebens - appointed 7 August 2011

Directors indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report

COMPANY'S POLICY ON PAYMENT OF CREDITORS

The Company's policy in respect of the majority of its trade creditors is to negotiate terms and conditions and, provided these are met, payments are made accordingly Typically trade creditors are paid within 30 days of their invoice date

GOING CONCERN

The directors have acknowledged the latest guidance on going concern The Company has net cash balances of £51 3 million at 31 December 2011, and the Company's subsidiary businesses continue to trade profitably and hold substantial cash balances The dividends expected from the Company's subsidiary companies, together with the Company's existing cash balances and the value of the Company's investments, are expected to be sufficient to fulfil the Company's foreseeable obligations to the Delta Pension Plan Consequently, after making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the Company's financial statements

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Delta Limited (Registered number. 26077)

Report of the Directors
for the Period 26 December 2010 to 31 December 2011

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD:

M C Jaksich

M C Jaksich - Director

Date 25 June 2012

Independent Auditor's Report to the Members of
Delta Limited

We have audited the financial statements of Delta Limited for the period ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 23 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)

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, 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 annual report to identify material inconsistencies with the audited financial statements 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 December 2011 and of its profit 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

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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report

Robert Matthews

Robert Matthews (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date 25 June 2012

Delta Limited (Registered number. 26077)

Profit and Loss Account
for the Period 26 December 2010 to 31 December 2011

	Notes	Period 26 12 10 to 31 12 11 £'000	£'000	Period 1 1 10 to 25 12 10 £'000	£'000
TURNOVER			-		-
Administrative expenses			(2,303)		(5,100)
			(2,303)		(5,100)
Other operating (expense)/income			(86)		1,895
OPERATING LOSS	4		(2,389)		(3,205)
Income from shares in group undertakings	5	88,874		47,866	
Expected return on defined benefit assets	19	12,600		12,700	
Interest receivable and similar income	6	1,010		303	
			102,484		60,869
			100,095		57,664
Amounts written off investments	7		(64,858)		-
			35,237		57,664
Interest payable and similar charges	8	(10)		(9)	
Expected interest on defined benefit liabilities	19	(16,000)		(16,400)	
			(16,010)		(16,409)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			19,227		41,255
Tax on profit on ordinary activities	9		-		-
PROFIT FOR THE FINANCIAL PERIOD			19,227		41,255

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous period

Delta Limited (Registered number, 26077)

Statement of Total Recognised Gains and Losses
for the Period 26 December 2010 to 31 December 2011

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
PROFIT FOR THE FINANCIAL PERIOD	19,227	41,255
Revaluation surplus on investments	161,025	12,850
Actuarial gain on defined benefit scheme	14,694	6,100
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD	194,946	60,205

Delta Limited (Registered number, 26077)

Balance Sheet
as at 31 December 2011

	Notes	31 12 11 £'000	£'000	25 12 10 £'000	£'000
FIXED ASSETS					
Investments	11		820,999		631,424
CURRENT ASSETS					
Debtors	12	168		649	
Cash at bank	13	51,278		74,544	
		51,446		75,193	
CREDITORS					
Amounts falling due within one year	14	(354)		(931)	
NET CURRENT ASSETS			51,092		74,262
TOTAL ASSETS LESS CURRENT LIABILITIES			872,091		705,686
CREDITORS					
Amounts falling due after more than one year	15		(399,738)		(399,847)
PENSION LIABILITY	19		(44,100)		(61,461)
NET ASSETS			428,253		244,378
CAPITAL AND RESERVES					
Called up share capital	17		38,441		38,441
Share premium	18		33,998		33,998
Revaluation reserve	18		235,066		96,509
Capital contribution reserve	18		2,893		2,893
Profit and loss account	18		117,855		72,537
SHAREHOLDERS' FUNDS	21		428,253		244,378

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 25 June 2012 and were signed on its behalf by

M C Jaksich

M C Jaksich - Director

1. ACCOUNTING POLICIES

Going concern
In preparing the financial statements, the directors have adopted a basis of a going concern as explained in the directors' report

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets, in accordance with United Kingdom Financial Reporting Standards

The 2011 results have been prepared for the period 26 December 2010 to 31 December 2011 The 2010 results have been prepared for the period 1 January 2010 to 25 December 2010 The year-end date for the company has changed to 31 December 2011 This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc, (Valmont), its new parent.
The directors have taken advantage of the exemption from producing a cash flow statement under FRS 1 as it is a subsidiary undertaking of Valmont, where 100% of the voting rights are controlled within the group, and the consolidated financial statements of Valmont are publicly available See note 20, for further details of this ultimate parent undertaking
The Directors have taken advantage of the exemption offered under FRS 8 not to disclose related party transactions when the transaction is between wholly owned companies in the same group

Foreign currencies
Foreign currency transactions are translated into sterling using exchange rates prevailing at the dates of the transactions Exchange differences resulting from the settlement of such transactions and from the translation at exchange rates ruling at the statement of financial position date of monetary assets and liabilities denominated in currencies other than sterling are recognised in the profit and loss account

Leasing
All leases are classified as operating leases Payments made under operating leases are recognised as an expense in the profit and loss account on a straight-line basis over the lease term Any incentives to enter into operating leases are recognised as a reduction of rental expense over the lease term on a straight-line basis

Pension costs and other post-retirement benefits
The Company operates a defined benefit pension plan
A defined benefit pension plan is one that specifies the amount of pension benefit that an employee will receive on retirement The Company operates a funded defined benefit pension plan, where actuarially-determined payments are made to trustee-administered funds
The defined benefit obligation is calculated by independent actuaries using the projected unit credit method and is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability
The Company accounts for actuarial gains and losses in full through the statement of recognised income and expense in the year in which they occur Where the actuarial valuation of the plan demonstrates that the plan is in surplus, the recognisable asset is limited to that from which the Company can benefit in the future
The current service cost is included in distribution costs and administrative expenses in the profit and loss account Past service costs, if any, are similarly included where the benefits have vested, otherwise they are amortised on a straight-line basis over the vesting period Gains and losses on settlements and curtailments are taken to the statement of total recognised gains and losses
The expected return on assets of funded defined benefit pension plans is recorded in investment income in the profit and loss account. The expected interest on pension plan liabilities is recorded in finance costs in the profit and loss account.

continued

1 ACCOUNTING POLICIES - continued

Investments in subsidiary undertakings

The Company accounts for its investments in subsidiary undertakings by the equity method, whereby the original cost of the investments is adjusted for the movement in underlying net assets applicable to the investments since their date of acquisition with an adjustment to the Company's revaluation reserve, except where any diminution in the value of the investment is considered permanent. In such cases the permanent diminution is recorded as a reduction in the Company's profit and loss account

In prior years, the loans from subsidiary undertakings had been presented as a deduction from the revalued cost of investments in the fixed asset investment on the balance sheet The liability for these loans has been reclassified in the current year and is now presented within creditors due after more than one year Further detail showing the impact of this adjustment is included in note 11

Impairment of assets

The Company assesses at each reporting date whether there is any indication that an asset may be impaired Where an indicator of impairment exists, the Company makes an estimate of recoverable amount Where the carrying amount of an asset exceeds its recoverable amount the asset is written down to its recoverable amount Recoverable amount is the higher of fair value less costs to sell and value in use and is determined for an individual asset If the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined The present value of estimated future cash flows is calculated using discount rates reflecting the risks specific to that asset and the current market assessment of the time value of money for the value in use calculation Impairments are recognised in the profit and loss account
Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of the recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years A reversal of an impairment loss is recognised through the profit and loss account immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire

continued

1 **ACCOUNTING POLICIES - continued**

Provisions
Provisions are recognised when a present obligation (legal or constructive) exists in respect of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and where the amount can be reliably estimated by the directors Where the impact is material, provisions are discounted to present value

Share-based payments
The Company operates various equity-settled incentive schemes for certain employees For equity-settled share options and awards, the services received from employees are measured by reference to the fair value of the share options or awards granted Fair value is calculated at grant date and recognised in the profit and loss account, together with a corresponding increase in shareholders' equity, on a straight-line basis over the vesting period, based on an estimate of the number of options or awards that will eventually vest Vesting conditions, other than market conditions, are not taken into account when estimating fair value
Fair value is measured using either the Black-Scholes option pricing or Stochastic model The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations

Employee Share Ownership Trust
Investments in own shares (held through an Employee Share Ownership Trust) are shown at cost as a deduction from shareholders' equity and shown under the heading "Employee Share Ownership Trust" in the statement of financial position The costs of administration of the Employee Share Ownership Trust are included in the profit and loss account as they accrue Dividends on shares held by the Trust have been waived

Critical accounting judgements and key sources of estimation uncertainty
In the process of applying the Company's accounting policies which are described above, management has made various judgements that potentially have a significant effect on the amounts recognised in the financial statements These judgements relate primarily to the following items

Pensions (see note 19)
The obligation in respect of the Company's retirement benefit obligations is dependent on a number of estimates including those relating to mortality, inflation, salary increases and the rate at which liabilities are discounted Any change in these assumptions would impact the retirement benefit obligation recognised

Carrying amount of certain assets
In reviewing the carrying value of certain assets, estimates of future financial performance of the assets and businesses concerned are taken into account The estimates inherently include assumptions of internal and external factors that, whilst considered reasonable at the date of these accounts, may change in the future from those levels currently expected

Deferred tax assets
Deferred tax assets have not been recognised since the Directors hold the view that it is improbable that the Company will be able to utilise them in the future, given the lack of operations and so potential taxable income in the UK

2 STAFF COSTS

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Wages and salaries	155	2,682
Social security costs	24	209
Other pension costs	7	105
	186	2,996

The average monthly number of employees during the period was as follows

	Period 26 12 10 to 31 12 11	Period 1 1 10 to 25 12 10
Administration	2	11

Wages and salaries include share-based payment expenses of £Nil (2010 £863,100) In addition wages and salaries includes the cost of bonuses, retention costs and redundancy costs made in connection with Valmont's acquisition of the Company.

3 DIRECTORS' REMUNERATION AND TRANSACTIONS

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Emoluments	64	1,976

	Number	Number
The number of directors who		
Are members of a defined benefit pension scheme	-	2
Exercised options over shares in the Company	-	2
Had awards receivable in the form of shares under a long-term incentive scheme	-	2

continued

3 DIRECTORS' REMUNERATION AND TRANSACTIONS - continued

Remuneration of the highest paid director

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Emoluments	33	1,150

The highest paid director neither exercised nor received share options in the year In the previous year, the highest paid director exercised 470,308 share options, and received 533,258 shares for qualifying services under a long-term incentive scheme, paid out at the Valmont purchase price of £1 85 per share

Directors' transactions

There were no transactions with directors during the year

4 OPERATING LOSS

The operating loss is stated after charging/(crediting)

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Other operating leases	28	143
Auditor's remuneration - company	45	58
Auditor's remuneration – subsidiary entities	35	50
Foreign exchange gains	(103)	-

5 INCOME FROM SHARES IN GROUP UNDERTAKINGS

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Income from shares in group undertakings	88,874	47,866

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Other interest received	327	303
Interest received on intra-group loan	683	-
	1,010	303

continued

7 AMOUNTS WRITTEN OFF INVESTMENTS

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Provision for diminution in value of fixed asset investments	64,858	-

8 INTEREST PAYABLE AND SIMILAR CHARGES

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Other interest paid	10	9

9 TAXATION

Analysis of the tax charge
No liability to UK corporation tax arose on ordinary activities for the period ended 31 December 2011 nor for the period ended 25 December 2010

Factors affecting the tax charge
The tax assessed for the period is lower than the standard rate of corporation tax in the UK The difference is explained below

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Profit on ordinary activities before tax	19,227	41,255
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26 5% (2010 - 28%)	5,095	11,551
Effects of		
Tax effect of overseas dividends not assessable for tax	(23,552)	(13,403)
Tax effect of unrelieved current year losses	4,222	6,157
Short term timing differences	(4,054)	(5,490)
Expenses not deductible	17,187	2
Tax effect of transfer pricing adjustments	(1,660)	(1,528)
Tax effect of group relief surrendered	2,762	2,711
Current tax charge	-	-

The rate of current tax used in the reconciliation above is 26 5% This is a blended rate used to reflect the rate of tax falling from 28% to 26% partway through the period

continued

10 DIVIDENDS PAID

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000
Ordinary shares of 25p each		
Interim	11,071	7,381
6% Cumulative first preference shares of £1 each		
Interim	-	137
4 5% Cumulative second preference shares of £1 each		
Interim	-	84
	11,071	7,602

The directors have declared a second interim dividend for 2011 of 9 8p per share on 5 May 2012 In accordance with FRS 21, this has not been included as a liability in these financial statements

11 FIXED ASSET INVESTMENTS

	Shares in group undertakings £'000
COST OR VALUATION	
At 26 December 2010	891,661
Additions	93,414
Revaluations	161,025
At 31 December 2011	1,146,100
PROVISIONS	
At 26 December 2010	260,237
Provision for period	64,864
At 31 December 2011	325,101
NET BOOK VALUE	
At 31 December 2011	820,999
At 25 December 2010	631,424

(i) The net book value of shares is equivalent to the Company's share of the issued share capital and reserves of the subsidiary companies
(ii) The cost of shares in subsidiary companies is £888,556,149 (2010 £795,152,189)

Prior period reclassification
In prior years, the loans from subsidiary undertakings had been presented as a deduction from the revalued cost of investments in the fixed asset investment on the balance sheet The liability for these loans has been reclassified in the current year and is now presented within creditors due after more than one year

Previously, net loans of £399,738,000 (2010 £399,847,000) had been deducted from the net book value of investments giving an investment carrying value of £421,261,000 (2010 £231,577,000)

continued

11 FIXED ASSET INVESTMENTS - continued

The Company has investments in the following principal subsidiary undertakings

Country of Incorporation	Company	% interest	Principal activity
Philippines	Industrial Galvanizers Corporation of the Philippine Inc	100%	Galvanizing services
South Africa	Delta EMD (Pty) Ltd*	54 8%	Electrolytic Manganese
South Africa	Manganese Metal Co (Pty) Ltd	49%	Manganese metal

* - Delta Limited's interests in electrolytic manganese dioxide are held indirectly through Delta EMD Ltd which is listed on the Johannesburg Stock Exchange

All of the above named companies are indirectly owned by Delta Limited

12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11	25 12 10
	£'000	£'000
Amounts owed by group undertakings	14	398
Other debtors	154	251
	168	649

Deferred tax not recognised:

	31 12 11	25 12 10
	£'000	£'000
Tax losses	(26,077)	(22,785)
Retirement benefit obligations	(11,025)	(20,727)
	(37,102)	(43,512)

Deferred tax assets have not been recognised because the directors believe it is unlikely that the company will generate taxable profits in the foreseeable future, so will be unable to utilise the deferred tax assets

The comparative value of unrecognised deferred tax assets in relation to retirement benefit obligations has been increased from £3,510,000 to £20,727,000 to include the full deferred tax relating to the pension liability

13 CASH AT BANK

Cash as at 31 December 2011 includes money market funds of £37,919,397 (2010 £74,281,772) and other bank balances of £13,358,316 (2010 £261,865)

continued

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 11	25 12 10
	£'000	£'000
Trade creditors	78	82
Taxation and social security	-	37
Other creditors	276	812
	354	931

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 12 11	25 12 10
	£'000	£'000
Loans from group undertakings	399,738	399,847

Previously, these loans had been deducted from the net book value of fixed asset investments Refer to note 11 for further information on the change in presentation

16 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	31 12 11	25 12 10
	£'000	£'000
Expiring		
Within one year	-	100

17 CALLED UP SHARE CAPITAL

Ordinary shares	31 12 11	25 12 10
	£'000	£'000
Authorised		
188,000,000 ordinary shares of 25p each	47,000	47,000
Issued and fully paid		
153,763,755 ordinary shares of 25p each	38,441	38,441

The Company has one class of ordinary share There has been no change in the number of issued shares during the year

continued

18 RESERVES

	Profit and loss account £'000	Share premium £'000	Revaluation reserve £'000	Capital contribution reserve £'000	Totals £'000
At 26 December 2010	72,537	33,998	96,509	2,893	205,937
Profit for the period	19,227	-	-	-	19,227
Dividends	(11,071)	-	-	-	(11,071)
Reserve transfer	22,468	-	(22,468)	-	-
Actuarial gains	14,694	-	-	-	14,694
Revaluation surplus on investment	-	-	161,025	-	161,025
At 31 December 2011	117,855	33,998	235,066	2,893	389,812

Profit and loss account excluding pension liability	161,955
Pension deficit	(44,100)
Profit and loss account	117,855

Employee Share Ownership Trust (ESOT)

The ESOT was closed in 2010, following the takeover by Valmont, and the remaining cash returned to the company

	31 12 11 £'000	25 12 10 £'000
Balance brought forward	Nil	204
Satisfaction of share options	Nil	Nil
Cash returned to the company	Nil	(204)
Cash remitted by Trustees	Nil	Nil
Balance carried forward	Nil	Nil

19 EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit scheme

The company operates a funded defined benefit scheme for qualifying employees in the United Kingdom via the Delta Pension Plan (DPP) Under the DPP, participants are entitled to pension retirement benefits of 1 67% of final salary per year of service on attainment of a retirement age of 65 years
The company has opted to recognise all actuarial gains and losses immediately via the statement of total recognised gains and losses

continued

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the balance sheet are as follows

	Defined benefit pension plans	
	31 12 11	25 12 10
	£'000	£'000
Present value of funded obligations	(319,300)	(294,401)
Fair value of plan assets	275,200	232,940
	(44,100)	(61,461)
Present value of unfunded obligations	-	-
Deficit	(44,100)	(61,461)
Net liability	(44,100)	(61,461)

The expected rates of return on each of the scheme assets are disclosed in the valuation assumptions section above The DPP assets do not include any of the Company's own financial instruments, nor any property occupied by, or other assets used by, the Company

The amounts recognised in profit or loss are as follows

	Defined benefit pension plans	
	31 12 11	25 12 10
	£'000	£'000
Current service cost	-	200
Interest cost	16,000	16,400
Expected return	(12,600)	(12,700)
Past service cost	-	-
Losses on settlements	1,300	-
	4,700	3,900
Actual return on plan assets	42,093	13,700

Current service cost and losses on settlements are included in administrative expenses

Following completion of the triennial valuation at 31 March 2009 employer funding contributions have been set at £6 3 million per annum in accordance with the Plan's 10-year recovery plan, along with a contribution to cover the administrative costs of the Plan of approximately £1 0 million per annum

continued

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows

	Defined benefit pension plans	
	31 12 11	25 12 10
	£'000	£'000
Opening defined benefit obligation	294,401	289,001
Current service cost	-	200
Interest cost	16,000	16,400
Actuarial losses/(gains)	14,799	(5,100)
Benefits paid	(7,200)	(6,100)
Settlements	1,300	-
	319,300	294,401

Changes in the fair value of scheme assets are as follows

	Defined benefit pension plans	
	31 12 11	25 12 10
	£'000	£'000
Opening fair value of scheme assets	232,940	217,841
Contributions by employer	7,367	7,499
Expected return	12,600	12,700
Actuarial gains/(losses)	29,493	1,000
Benefits paid	(7,200)	(6,100)
	275,200	232,940

The amounts recognised in the statement of recognised gains and losses are as follows

	Defined benefit pension plans	
	31 12 11	25 12 10
	£'000	£'000
Actuarial gains/(losses)	14,694	6,100
	14,694	6,100
Cumulative amount of actuarial gains/(losses)	(16,606)	(31,300)

continued

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The major categories of scheme assets as amounts of total scheme assets are as follows

	Defined benefit pension plans	
	31 12 11	25 12 10
	£'000	£'000
Equity instruments	10,700	11,100
Debt instruments	263,600	220,940
Cash	900	900
	275,200	232,940

Details of valuation assumptions for the purposes of this Annual Report
The most recent actuarial valuation of the DPP's assets and liabilities for financial reporting purposes was performed as at 31 December 2011 by independent actuaries Xafinity Consulting Limited The projected unit credit method was used for valuation purposes The projected unit credit method is an accrued benefits valuation method

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31 12 11	25 12 10
Discount rate	4 80%	5 50%
Inflation rate (RPI)	3 20%	3 50%
Expected return on equity instruments	7 50%	7 50%
Expected return on debt instruments	4 40%	5 50%
Expected return on cash	2 00%	2 00%
Expected rate of salary increases	-	4 50%
Future pension increases	2 90%	3 30%

Mortality assumptions	S1PxA 80%(m/60%(f LC) 1% floor both from 2002	S1PxA 80%(m/60%(f LC) 1%(m/0 75%(f)
Expected future lifetimes from age 65		
- Males aged 45	23 8 years	23 7 years
- Females aged 45	25 6 years	25 4 years
- Males aged 65	21 9 years	21 7 years
- Females aged 65	23 8 years	23 6 years

The expected return on DPP assets is a blended average of projected long-term returns for the various asset classes Asset class returns are based on a forward-looking building block approach Equity returns are developed based on the selection of an equity risk premium above the risk-free rate which is measured in accordance with yields on government bonds Bond returns are selected by reference to the yields on government and corporate debt as appropriate to the DPP holdings of these instruments

continued

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

The estimated sensitivities regarding the principal assumptions used to measure the scheme liabilities as above are set out as follows

Assumption	Change in assumption	Impact on scheme liabilities
Discount rate	Increase/decrease by 0 5%	Decrease/increase by 11%
Inflation rate	Increase/decrease by 0 5%	Increase by 9%/decrease by 3%
Rate of mortality	Increase by 1 year	Increase by 3%

Amounts for the current and previous four periods are as follows

	Period 26 12 10 to 31 12 11 £'000	Period 1 1 10 to 25 12 10 £'000	Year Ended 31 12 09 £'000	Year Ended 31 12 08 £'000	Year 31 12 07 £'000
Defined benefit pension plans					
Defined benefit obligation	(319,300)	(294,401)	(289,001)	(197,160)	(631,200)
Fair value of scheme assets	275,200	232,940	217,841	194,700	640,700
Deficit	(44,100)	(61,461)	(71,160)	(2,460)	9,500
Experience adjustments on scheme liabilities	16,100	(5,100)	86,100	(27,300)	(20,800)
Experience adjustments on scheme assets	29,500	1,000	10,600	(39,800)	(11,900)

Additional information with respect to the DPP

Triennial valuation
The next triennial valuation for the DPP is due as at 31 March 2012 At the last valuation, as of 31 March 2009, the DPP's assets totalled £184 3 million and its liabilities totalled £232 8 million, resulting in a net deficit of £48 5 million The following assumptions were employed discount rate 5 9%, annual increase in pensionable earnings 3 4%, annual pension increases from 2 2% to 3 0%, cash commutation 25%, and price inflation 2 4% Mortality tables used were PxA92MC with a 1%(m)/0 75%(f) floor, for both pensioner and non-pensioner members

Analysis of scheme assets
The scheme assets of the Delta Pension Plan at 31 December 2011 may be further analysed as follows

	2011 £'000
UK index tracking equity instruments	3,600
Non UK index tracking equity instruments	7,100
Total equity instruments	10,700
UK corporate bonds	200,500
UK government bonds - index linked	63,200
Total debt instruments and insured policies	263,700
Property	Nil
Cash	900
	275,300

Of the above table's asset values, 99 6 % is managed by Legal & General Investment Management and 0 1% by Blackrock Investment Management (UK) Ltd, a total of 99 7% The Trustee receives advice regarding investment strategy and asset allocation from Towers Watson

continued

19 EMPLOYEE BENEFIT OBLIGATIONS - continued

In the following tables, 'M' denotes Male, 'F' denotes Female, and 'T' denotes Total 'Current' denotes participants in current employment with the Company's UK businesses 'Deferred' denotes participants who have departed the Company's UK businesses, however are not yet drawing a pension 'Pensioners' are those in receipt of a pension
The number of plan participants as at 31 December 2011 for the years below was as follows

Number of participants	Current	Deferred	Pensioners	Total
5 April 2005	86	9,681	10,799	20,566
5 April 2006	79	7,824	10,600	18,503
5 April 2007	72	7,564	10,349	17,985
31 December 2008	57	7,114	197	7,368
31 December 2009	7	6,694	507	7,208
25 December 2010	6	6,402	706	7,114
31 December 2011	-	6,018	950	6,968

The 6,968 plan participants at 31 December 2011 may be analysed as follows

	Current			Deferred			Pensioners			Total		
Age	M	F	T	M	F	T	M	F	T	M	F	T
25-34	-	-	-	71	31	102	-	-	-	71	31	102
35-44	-	-	-	624	356	980	1	5	6	625	361	986
45-54	-	-	-	1,618	640	2,258	14	37	51	1,632	677	2,309
55-64	-	-	-	1,886	313	2,199	203	222	425	2,089	535	2,624
65-74	-	-	-	346	9	355	432	23	455	778	32	810
75-84	-	-	-	123	1	124	4	4	8	127	5	132
85+	-	-	-	-	-	-	2	3	5	2	3	5
Total	-	-	-	4,668	1,350	6,018	656	294	950	5,324	1,644	6,968

The liabilities of the Delta Pension Plan as at 31 December 2011 pertained to the participant population as follows

Age	Current	Deferred	Pensioners	Total
25-34	-	1 1	-	1 1
35-44	-	25 2	0 4	25 6
45-54	-	116 9	2 8	119 7
55-64	-	103 1	31 4	134 5
65-74	-	2 4	27 5	29 9
75-84	-	0 1	0 1	0 2
85+	-	-	0 3	0 3
Total	£Nil	£248 8m	£62 5m	**£311 3m

** - This table excludes £8m of the accounting liability which relates to former pension members, now bought out with the Pension Insurance Company

Deferred tax

Included in note 12 to the financial statements is an unrecognised deferred tax asset of £11,025,000 (2010 £17,217,000) relating to the defined benefit pension scheme liability

Defined contribution scheme

The company does operate a defined contribution scheme

 continued

20 ULTIMATE PARENT COMPANY

The ultimate parent company is Valmont Industries Inc, a company incorporated in the United States of America Valmont Industries Inc is the parent undertaking of the largest and smallest group which includes the Company and for which group accounts are prepared Copies of the consolidated financial statements of Valmont Industries Inc can be obtained from www valmont com

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 11	25 12 10
	£'000	£'000
Profit for the financial period	19,227	41,255
Dividends	(11,071)	(7,602)
	8,156	33,653
Other recognised gains and losses relating to the period	175,719	18,950
Share based payments	-	863
Return of funds from the ESOT	-	204
Satisfaction of share options	-	(4,600)
Premium on redemption of preference share capital	-	87
Net addition to shareholders' funds	183,875	49,157
Opening shareholders' funds	244,378	195,221
Closing shareholders' funds	428,253	244,378

22 SHARE-BASED PAYMENT TRANSACTIONS

FRS 20 Share-based payments has only been applied to equity instruments that were granted after 7 November 2002 and that had not vested before 1 January 2005 All share based payment schemes were closed during the year, following the takeover by Valmont
Included within staff costs are FRS 20 expenses related to share-based payments totalling £Nil (2010 £0 9 million)

Save As You Earn schemes
The Company had a scheme in place known as "Save As You Earn" (SAYE), and its international equivalent, known as "International Save As You Earn" (ISAYE) There were no SAYE or ISAYE grants made since October 2002 (and thus this share-based payment scheme did not fall under the provisions of FRS 20) Options were exercisable at a price equal to the average quoted market price of the Company's shares on the date of grant In normal circumstances the options matured either 36, 60 or 84 months following grant and could be exercised within six months of the relevant maturity date Options were forfeited if the employee left the Company before the option vested

continued

22 SHARE-BASED PAYMENT TRANSACTIONS - continued

Executive Share Option Scheme (ESOS)

The Company had a share option scheme for executives of the Company Options were exercisable at a price equal to the average quoted market price of the Company's shares on the date of grant The options were exercisable between three and ten years after the date on which the options were granted subject to performance criteria being met. Options were forfeited if the executive left the Company before the options vested

ESOS was approved by shareholders at the May 1999 Annual General Meeting The scheme was amended in 2002 to reflect the preferences of certain institutional investors Grants under the ESOS were made annually and had values of up to one times annual salary There were no grants made since 2005

ESOS options were subject to the following performance conditions

(a) granted before 29 June 2001, on or before the tenth anniversary of the grant date

- earnings per share growth over a period of at least three consecutive years must equal or exceed the growth in the Retail Prices Index plus 3% per annum, and
- earnings per share before exceptional items must equal or exceed twenty pence

(b) granted on or after 29 June 2001, on or before the sixth anniversary of the grant date

- earnings per share growth over a period of at least three consecutive years must equal or exceed the growth in the Retail Prices Index plus 3% per annum

Details of the share options outstanding during the year are as follows

	At 31 December 2011		At 25 December 2010	
	Number of share options	Weighted average exercise price (p)	Number of share options	Weighted average exercise price (p)
Outstanding at the beginning of the year	Nil	Nil	176,657	141 1
(Forfeited) during the year	Nil	Nil	(21,000)	150 0
(Exercised) during the year	Nil	Nil	(155,657)	134 9
Outstanding at the end of the year	Nil	Nil	Nil	Nil
Exercisable at the end of the year	Nil	Nil	Nil	Nil

The weighted average share price at the date of exercise for share options exercised during the year was Nil (2010 185 0p)

There were no options granted under this scheme in 2011 or 2010 The scheme was replaced by the Performance Share Plan which was approved by shareholders on 28 April 2006

The Company recognised total expenses of £nil (2010 £nil) relating to the above equity-settled ESOS during the year

Performance Share Plan

The Performance Share Plan was introduced in 2006 to replace the ESOS The conditional awards generally had a three-year vesting period and an exercise price of £nil The extent to which an award under the plan may vest was determined by the Company's Total Shareholder Return ("TSR") performance over the three-year period commencing the start of the financial year in which the grant was made against the TSR performance of the constituents of the FTSE SmallCap Index (excluding investment trusts) over the same period For median performance, one quarter may vest, rising proportionally to full vesting for upper quartile performance

Regardless of the Company's TSR performance, no part of an award under the plan would vest unless the Financial Underpin Condition was met, the Financial Underpin Condition being that the Remuneration Committee considered that the Company's underlying financial performance over the same measurement period was satisfactory

Awards were forfeited if the executive left the Company before the awards vested

continued

22 SHARE-BASED PAYMENT TRANSACTIONS - continued

Details of the share awards outstanding during the year are as follows

	At 31 December 2011		At 25 December 2010	
	Number of share options	Weighted average exercise price (p)	Number of share options	Weighted average exercise price (p)
Outstanding at the beginning of the year	Nil	Nil	1,510,270	Nil
Granted during the year	Nil	Nil	Nil	Nil
(Forfeited) during the year	Nil	Nil	Nil	Nil
(Exercised) during the year	Nil	Nil	(1,510,270)	Nil
Outstanding at the end of the year	Nil	Nil	Nil	Nil
Exercisable at the end of the year	Nil	Nil	Nil	Nil

The weighted average share price at the date of exercise for share options exercised during the year was Nil
There were no awards granted during 2011 or 2010

The Company recognised total expenses of £Nil (2010 £0 5 million) related to the above equity-settled share-based Performance Share Plan during the year

Deferred Bonus Plan

The Deferred Bonus Plan was introduced in 2006 One half of any bonus payable under the scheme was paid in cash with the other half being deferred in ordinary shares in the Company
Deferred bonus share awards were forfeited on cessation of employment prior to the third anniversary of award, except in the case of "good leavers" in which case the deferred shares were released early
Details of the share awards outstanding during the year are as follows

	At 31 December 2011		At 25 December 2010	
	Number of share options	Weighted average exercise price (p)	Number of share options	Weighted average exercise price (p)
Outstanding at the beginning of the year	Nil	Nil	779,712	Nil
Granted during the year	Nil	Nil	Nil	Nil
(Forfeited) during the year	Nil	Nil	Nil	Nil
(Exercised) during the year	Nil	Nil	(779,712)	Nil
Outstanding at the end of the year	Nil	Nil	Nil	Nil
Exercisable at the end of the year	Nil	Nil	Nil	Nil

There were no share options exercised during the year In 2010, the weighted average share price at the date of exercise for share options exercised was 185 0p

There were no awards granted during 2011 or 2010

The Company recognised total expenses of £Nil (2010 £0 4 million) related to the above equity-settled Deferred Bonus Plan during the year

23 SUBSEQUENT EVENTS

The directors have declared a second interim dividend for 2011 of 9 8p per share on 5 May 2012 In accordance with FRS 21, this has not been included as a liability in these financial statements