

REGISTERED NUMBER: 00026077 (England and Wales)

Report of the Directors and
Financial Statements for the Period 1 January 2012 to 29 December 2012
for
Delta Limited

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Delta Limited (Registered number, 00026077)

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for the Period 1 January 2012 to 29 December 2012

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Delta Limited

Company Information

for the Period 1 January 2012 to 29 December 2012

DIRECTORS:

T G 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:

00026077 (England and Wales)

AUDITOR:

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
EC4A 3BZ

Delta Limited (Registered number 00026077)

Report of the Directors
for the Period 1 January 2012 to 29 December 2012

The directors present their report with the financial statements of the company for the period 1 January 2012 to 29 December 2012

The 2012 results have been prepared for the period 1 January 2012 to 29 December 2012. The 2011 results have been prepared for the period 26 December 2010 to 31 December 2011. The year-end date for the company has changed to 29 December 2012. This is to align Delta Limited's period end with that of Valmont Industries, Inc. (Valmont), its 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.

PRINCIPAL ACTIVITY

The Company owns businesses in Africa and Europe. The European business holds assets that ultimately achieve a return from the Australasian, Asian and US businesses it used to indirectly own. 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

The Group's subsidiary businesses continued to generate profit however, as at 29 December 2012, the Company had not received dividends from those subsidiaries. The impact was seen in an upward revaluation in the fixed asset investments of £23.9m.

The Company's administration costs totalled £0.9 million during the year, compared to £2.3 million in the previous year. The reduction was primarily due to the non-recurrence of a £1.3m defined benefit settlement cost.

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 £69.5 million at 29 December 2012 (2011 deficit of £44.1 million), with the Plan's assets totalling £301.3 million and its liabilities totalling £370.8 million (2011 assets of £275.2 million and liabilities of £319.3 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 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 9.8p per ordinary share on 5 May 2012.

The Directors have not recommended a final dividend for 2012.

Report of the Directors
for the Period 1 January 2012 to 29 December 2012

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2012 to the date of this report

T G Atkinson
M C Jaksich
R A Massey
J A Taylor
E R Meaney
T J McClain
G S Lebens

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 £27.2 million at 29 December 2012, 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.

SUBSEQUENT EVENTS

On 19 February 2013, a subsidiary of Delta Limited, Valmont MMC Holdings Limited sold its interest in its wholly owned subsidiary, Bilston Investments (Pty) Limited for £19.4m realising a £4.4m profit on disposal.

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 00026077)

Report of the Directors

for the Period 1 January 2012 to 29 December 2012

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 auditor is unaware, and each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is 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

AUDITOR

Deloitte LLP will continue in office in accordance with Section 487(2) of the Companies Act 2006

ON BEHALF OF THE BOARD:


R A Massey - Director

Date APRIL 26, 2013

Independent Auditors' Report to the Members of
Delta Limited

We have audited the financial statements of Delta Limited for the period ended 29 December 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 21. 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 Report of the Directors 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 29 December 2012 and of its loss for the period 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 Report of the Directors 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, or
- 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 (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

Date 26 April 2013

Delta Limited (Registered number: 00026077)

Profit and Loss Account
for the Period 1 January 2012 to 29 December 2012

	Notes	Period 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
TURNOVER		-	-
Administrative expenses		(929)	(2,303)
		(929)	(2,303)
Other operating income		-	(86)
OPERATING LOSS	4	(929)	(2,389)
Income from shares in group undertakings	5	-	88,874
Expected return on defined benefit assets	18	12,100	12,600
Interest receivable and similar income	6	166	1,010
		12,266	102,484
		11,337	100,095
Amounts written off investments	7	(212)	(64,858)
		11,125	35,237
Interest payable and similar charges	8	(4)	(10)
Expected interest on defined benefit liabilities	18	(14,800)	(16,000)
		(14,804)	(16,010)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(3,679)	19,227
Tax on (loss)/profit on ordinary activities	9	-	-
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		(3,679)	19,227

CONTINUING OPERATIONS

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

The notes form part of these financial statements

Delta Limited (Registered number: 00026077)

Statement of Total Recognised Gains and Losses
for the Period 1 January 2012 to 29 December 2012

	Period 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD	(3,679)	19,227
Revaluation surplus on investments	24,122	161,025
Actuarial (loss)/gain on defined benefit scheme	<u>(30,078)</u>	<u>14,694</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD	<u>(9,635)</u>	<u>194,946</u>

The notes form part of these financial statements

Delta Limited (Registered number. 00026077)

Balance Sheet
29 December 2012

	Notes	29 12 12 £'000	31 12 11 £'000
FIXED ASSETS			
Investments	11	844,909	820,999
CURRENT ASSETS			
Debtors	12	198	168
Cash at bank	13	27,230	51,278
		27,428	51,446
CREDITORS			
Amounts falling due within one year	14	(374)	(354)
NET CURRENT ASSETS		27,054	51,092
TOTAL ASSETS LESS CURRENT LIABILITIES		871,963	872,091
CREDITORS			
Amounts falling due after more than one year	15	(398,845)	(399,738)
PENSION LIABILITY	18	(69,500)	(44,100)
NET ASSETS		403,618	428,253
CAPITAL AND RESERVES			
Called up share capital	16	38,441	38,441
Share premium	17	33,998	33,998
Revaluation reserve	17	259,188	235,066
Capital contribution reserve	17	2,893	2,893
Profit and loss account	17	69,098	117,855
SHAREHOLDERS' FUNDS	21	403,618	428,253

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 *April 26, 2013* and were signed on its behalf by


M C Jaksich - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Period 1 January 2012 to 29 December 2012

I ACCOUNTING POLICIES

Going concern

In preparing the financial statements, the directors have adopted a basis of a going concern basis 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 UK generally accepted accounting principles

The 2012 results have been prepared for the period 1 January 2012 to 29 December 2012. The 2011 results have been prepared for the period 26 December 2010 to 31 December 2011. The year-end date for the company has changed to 29 December 2012. This is to align Delta Limited's reporting deadline with that of Valmont Industries, Inc. (Valmont), its 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 19, 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 companies in the same group.

Preparation of consolidated financial statements

The financial statements contain information about Delta Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Valmont Industries, Inc, a company registered in the US.

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 total recognised gains and losses 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.

I 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

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 in income 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.

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.

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:

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

1 ACCOUNTING POLICIES - continued

Pensions (see note 18)

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 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
Wages and salaries	-	155
Social security costs	1	24
Other pension costs	-	7
	<u>1</u>	<u>186</u>

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

	Period 1 1 12 to 29 12 12	Period 26 12 10 to 31 12 11
Administration	<u>-</u>	<u>2</u>

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	<u>5</u>	<u>71</u>

Prior year Directors' benefits in kind have been re-presented to include prior benefit not included in prior year disclosure.

Directors' transactions

There were no transactions with directors during the year.

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

4 OPERATING LOSS

The operating loss is stated after charging/(crediting)

	Period 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
Other operating leases	-	28
Auditor's remuneration – company	39	45
Auditor's remuneration – subsidiary entities	30	35
Foreign exchange differences	<u>286</u>	<u>(103)</u>

5 INCOME FROM SHARES IN GROUP UNDERTAKINGS

	Period 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
Income from shares in group undertakings	<u>-</u>	<u>88,874</u>

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	Period 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
Other interest received	166	327
Interest received on intra-group loan	<u>-</u>	<u>683</u>
	<u>166</u>	<u>1,010</u>

7 AMOUNTS WRITTEN OFF INVESTMENTS

	Period 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
Provision for diminution in value of fixed asset investments	<u>212</u>	<u>64,858</u>

8 INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1 1 12 to 29 12 12 £'000	Period 26 12 10 to 31 12 11 £'000
Other interest paid	<u>4</u>	<u>10</u>

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

9 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the period ended 29 December 2012 nor for the period ended 31 December 2011

Factors affecting the tax charge

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below

	Period 1112 to 291212 £'000	Period 261210 to 311211 £'000
(Loss)/profit on ordinary activities before tax	<u>(3,679)</u>	<u>19,227</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	(901)	5,095
Effects of		
Tax effect of overseas dividends not assessable for tax	-	(23,552)
Tax effect of unrelieved current year losses	-	4,222
Short term timing differences	(1,147)	(4,054)
Income not taxable/expenses not deductible	50	17,187
Tax effect of transfer pricing adjustments	(1,432)	(1,660)
Tax effect of group relief surrendered	<u>3,430</u>	<u>2,762</u>
Current tax charge	<u>-</u>	<u>-</u>

The rate of current tax used in the reconciliation above is 24.5%. This is a blended rate used to reflect the rate of tax falling from 26% to 24% partway through the period.

10 DIVIDENDS

	Period 1112 to 291212 £'000	Period 261210 to 311211 £'000
Ordinary shares of 25p each		
Interim	<u>15,000</u>	<u>11,071</u>

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

II FIXED ASSET INVESTMENTS

	Shares in group undertakings £'000
COST OR VALUATION	
At 1 January 2012	1,146,100
Disposals	(64,630)
Revaluations	24,122
	<u>1,105,592</u>
At 29 December 2012	<u>1,105,592</u>
PROVISIONS	
At 1 January 2012	325,101
Provision for period	212
Eliminated on disposal	(64,630)
	<u>260,683</u>
At 29 December 2012	<u>260,683</u>
NET BOOK VALUE	
At 29 December 2012	<u>844,909</u>
At 31 December 2011	<u>820,999</u>

(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 £846,404,149 (2011 £880,556,149)

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*	52.2%	Electrolytic Manganese
South Africa	Manganese Metal Co (Pty) Ltd	49%	Manganese metal
Netherlands	Delta Electrical and Engineering Holdings BV	100%	Investment holding company

* - 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 with the exception of Delta Electrical and Engineering Holdings BV ("DEEH") which is owned directly. Following a group reorganisation in 2011, the holdings in Australasian, American and South East Asian subsidiaries held indirectly via DEEH were replaced by loan notes in that entity.

The Company's interest in Manganese Metal Co (Pty) Ltd was sold in February 2013 as part of the disposal of Bilston Investments (Pty) Ltd group.

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	29 12 12	31 12 11
	£'000	£'000
Amounts owed by group undertakings	14	14
Other debtors	<u>184</u>	<u>154</u>
	<u>198</u>	<u>168</u>

Deferred tax not recognised.

	29 12 12	31 12 11
	£'000	£'000
Tax losses	(23,967)	(26,077)
Retirement benefit obligations	<u>(15,985)</u>	<u>(11,025)</u>
	<u>(39,952)</u>	<u>(37,102)</u>

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 reduction in the tax loss asset is as a result of a fall in future corporate tax rates.

13 CASH AT BANK

Cash as at 29 December 2012 includes money market funds of £25,452,739 (2011: £37,919,397) and other bank balances of £1,777,749 (2011: £13,358,316).

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	29 12 12	31 12 11
	£'000	£'000
Trade creditors	53	78
Other creditors	<u>321</u>	<u>276</u>
	<u>374</u>	<u>354</u>

15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	29 12 12	31 12 11
	£'000	£'000
Amounts owed to group undertakings	<u>398,845</u>	<u>399,738</u>

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

16 CALLED UP SHARE CAPITAL

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

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

17 RESERVES

	Profit and loss account £'000	Share premium £'000	Revaluation reserve £'000	Capital contribution reserve £'000	Totals £'000
At 1 January 2012	117,855	33,998	235,066	2,893	389,812
Deficit for the period	(3,679)	-	-	-	(3,679)
Dividends	(15,000)	-	-	-	(15,000)
Actuarial losses	(30,078)	-	-	-	(30,078)
Revaluation surplus on investment	-	-	24,122	-	24,122
At 29 December 2012	<u>69,098</u>	<u>33,998</u>	<u>259,188</u>	<u>2,893</u>	<u>365,177</u>
Profit and loss account excluding pension liability	138,598				
Pension deficit	<u>(69,500)</u>				
Profit and loss account	<u>69,098</u>				

18 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.

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

18 EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the balance sheet are as follows

	Defined benefit pension plans	
	29 12 12	31 12 11
	£'000	£'000
Present value of funded obligations	(370,800)	(319,300)
Fair value of plan assets	<u>301,300</u>	<u>275,200</u>
	(69,500)	(44,100)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(69,500)</u>	<u>(44,100)</u>
Net liability	<u>(69,500)</u>	<u>(44,100)</u>

The expected rates of return on each of the scheme assets are disclosed in the valuation assumptions section below. 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	
	29 12 12	31 12 11
	£'000	£'000
Current service cost	-	-
Interest cost	14,800	16,000
Expected return	(12,100)	(12,600)
Past service cost	-	-
Losses on settlements	<u>-</u>	<u>1,300</u>
	<u>2,700</u>	<u>4,700</u>
Actual return on plan assets	<u>26,122</u>	<u>42,093</u>

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.

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

18 EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	29 12 12	31 12 11
	£'000	£'000
Opening defined benefit obligation	319,300	294,401
Interest cost	14,800	16,000
Actuarial losses	44,100	14,799
Benefits paid	(7,400)	(7,200)
Settlements	-	1,300
	<u>370,800</u>	<u>319,300</u>

Changes in the fair value of scheme assets are as follows

	Defined benefit pension plans	
	29 12 12	31 12 11
	£'000	£'000
Opening fair value of scheme assets	275,200	232,940
Contributions by employer	7,378	7,367
Expected return	12,100	12,600
Actuarial gains	14,022	29,493
Benefits paid	(7,400)	(7,200)
	<u>301,300</u>	<u>275,200</u>

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

	Defined benefit pension plans	
	29 12 12	31 12 11
	£'000	£'000
Actuarial (losses)/gains	<u>(30,978)</u>	<u>14,694</u>
	<u>(30,978)</u>	<u>14,694</u>
Cumulative amount of actuarial gains/(losses)	<u>(47,584)</u>	<u>(16,606)</u>

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

18 EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	29 12 12	31 12 11
	£'000	£'000
Equity instruments	11,800	10,700
Debt instruments	282,000	263,600
Cash	7,500	900
	<u>301,300</u>	<u>275,200</u>

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 29 December 2012 by independent actuaries AON Hewitt 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)

	29 12 12	31 12 11
Discount rate	4.60%	4.80%
Inflation rate (RPI)	3.20%	3.20%
Expected return on equity instruments	7.50%	7.50%
Expected return on debt instruments	4.20%	4.40%
Expected return on cash	1.00%	2.00%
Future pension increases	2.90%	2.90%

Mortality assumptions	95%/90% of SINxA with future improvements in line with CMI 2010 projections applied from 2002 with a long-term rate of 1.25%	SIPxA with future improvements in line with 80%/60% of long cohort projections for males/females
Expected future lifetimes from age 65		
- Males aged 45	24.8 years	23.8 years
- Females aged 45	27.6 years	25.6 years
- Males aged 65	23.0 years	21.9 years
- Females aged 65	25.6 years	23.8 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.

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

18 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 10%
Inflation rate	Increase/decrease by 0.5%	Increase by 6%/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 1112 to 291212 £'000	Period 261210 to 311211 £'000	Period 1110 to 251210 £'000	Year Ended 311209 £'000	Year Ended 311208 £'000
Defined benefit pension plans					
Defined benefit obligation	(370,800)	(319,300)	(294,401)	(289,001)	(197,160)
Fair value of scheme assets	301,300	275,200	232,940	217,841	194,700
Deficit	(69,500)	(44,100)	(61,461)	(71,160)	(2,460)
Experience adjustments on scheme liabilities	44,100	16,100	(5,100)	86,100	(27,300)
Experience adjustments on scheme assets	14,000	29,500	1,000	10,600	(39,800)

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 29 December 2012 may be further analysed as follows

	2012 £'000
UK index tracking equity instruments	4,100
Non UK index tracking equity instruments	7,700
Total equity instruments	11,800
UK corporate bonds	215,400
UK government bonds - index linked	66,600
Total debt instruments and insured policies	282,000
Property	Nil
Cash	7,500
	301,300

Of the above table's asset values, 99.4% is managed by Legal & General Investment Management and less than 0.1% by Blackrock Investment Management (UK) Ltd, a total of 99.4%. The Trustee receives advice regarding investment strategy and asset allocation from Towers Watson.

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

18 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 29 December 2012 for the years below was as follows

Number of participants	Current	Deferred	Pensioners	Total
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
29 December 2012	-	5,481	1,178	6,659

The 6,659 plan participants at 29 December 2012 may be analysed as follows

Age	Current			Deferred			Pensioners			Total		
	M	F	T	M	F	T	M	F	T	M	F	T
25-34	-	-	-	39	13	52	-	-	-	39	13	52
35-44	-	-	-	501	285	786	-	3	3	501	288	789
45-54	-	-	-	1,491	625	2,116	7	36	43	1,498	661	2,159
55-64	-	-	-	1,671	344	2,015	212	248	460	1,883	592	2,475
65-74	-	-	-	366	11	377	588	71	659	954	82	1,036
75-84	-	-	-	130	3	133	6	4	10	136	7	143
85+	-	-	-	2	-	2	-	3	3	2	3	5
Total	-	-	-	4,200	1,281	5,481	813	365	1,178	5,013	1,646	6,659

The liabilities of the Delta Pension Plan as at 29 December 2012 pertained to the participant population as follows

Age	Current	Deferred	Pensioners	Total
25-34	-	0.9	-	0.9
35-44	-	25.3	0.3	25.6
45-54	-	128.7	1.9	130.6
55-64	-	132.8	30.2	163.0
65-74	-	8.0	35.1	43.1
75-84	-	0.1	0.2	0.3
85+	-	-	0.1	0.1
Total	£Nil	£295.8m	£67.8m	**£363.6m

** - This table excludes £7.2m of the accounting liability which relates to former spouses and dependant pension members, who are being secured with the Pension Insurance Company

Deferred tax

Included in note 12 to the financial statements is an unrecognised deferred tax asset of £15,985,000 (2011 £11,025,000) relating to the defined benefit pension scheme liability

Defined contribution scheme

The company does operate a defined contribution scheme

Delta Limited (Registered number: 00026077)

Notes to the Financial Statements - continued
for the Period 1 January 2012 to 29 December 2012

19 ULTIMATE PARENT COMPANY

The ultimate parent company is Valmont Industries Inc, a company incorporated in the US. 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

20 SUBSEQUENT EVENTS

On 19 February 2013, a subsidiary of Delta Limited, Valmont MMC Holdings Limited sold its interest in its wholly owned subsidiary, Bilston Investments (Pty) Limited for £19.4m realising a £4.4m profit on disposal.

21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	29 12 12	31 12 11
	£'000	£'000
(Loss)/profit for the financial period	(3,679)	19,227
Dividends	<u>(15,000)</u>	<u>(11,071)</u>
	(18,679)	8,156
Other recognised gains and losses relating to the period (net)	<u>(5,956)</u>	<u>175,719</u>
Net (reduction)/addition to shareholders' funds	(24,635)	183,875
Opening shareholders' funds	<u>428,253</u>	<u>244,378</u>
Closing shareholders' funds	<u>403,618</u>	<u>428,253</u>