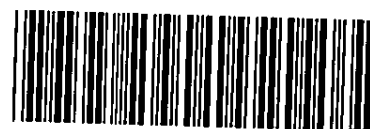


Whessoe Public Limited Company
Report and financial statements
for the year ended 31 December 2008

Registered number 166242

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Whessoe Public Limited Company
Report and financial statements
for the year ended 31 December 2008
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Whessoe Public Limited Company

Directors' report for the year ended 31 December 2008

The directors present their annual report together with the audited financial statements of the company for the year ended 31 December 2008.

Principal activities, business review and future developments

The company's principal activity is that of a holding company. The directors expect the company's performance in the future to be comparable with the current year subject to movements in the pension valuation and the notification of employee claims.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are those surrounding the performance and funding of the pension scheme for which the full details are set out in Note 9.

Key performance indicators ('KPIs')

Given the straightforward nature of the business, as defined as a holding company, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The results for the year are set out on page 5. The directors do not recommend payment of a dividend (2007: £Nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

F Fuenzalida
G Copeland

Directors' indemnities

The company maintains liability insurance for its directors and officers. The company has also provided an indemnity for its directors and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 1985.

Financial risk management

The company's dormant status mean it is not exposed to many financial risks, however it is exposed to issues around liquidity risk. The directors monitor the risks in order to limit the adverse effects on the financial performance by reviewing levels of debt finance and the related finance costs.

Liquidity risk

The company manages and uses its working capital to ensure that it has sufficient funds for ongoing operations.

Whessoe Public Limited Company

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the 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 auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Independent auditors

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the Board

F Fuenzalida
Director



28 May 2009

Whessoe Public Limited Company

Independent auditors' report to the members of Whessoe Public Limited Company

We have audited the financial statements of Whessoe Public Limited Company for the year ended 31 December 2008 which comprise the profit and loss account, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' funds, the balance sheet, the statement of accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Whessoe Public Limited Company

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

28 May 2009

Whessoe Public Limited Company

Profit and loss account for the year ended 31 December 2008

Discontinued operations	Note	2008	2007
		£'000	£'000
Administrative expenses		(121)	(88)
Other income		10	51
Operating loss	1	(111)	(37)
Other finance income / (costs)	9	(93)	(107)
Loss on ordinary activities before taxation		(204)	(144)
Taxation on loss on ordinary activities	3	684	195
Profit for the financial year	8	480	51

There are no material differences between the loss on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

Whessoe Public Limited Company

Statement of total recognised gains and losses for the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
Profit for the financial year		480	51
Actuarial (loss)/gain on the pension scheme	9	(805)	774
Total recognised gains and losses relating to the year		(325)	825

Reconciliation of movements in shareholders' funds for the year ended 31 December 2008

	Note	2008 £'000	2007 £'000
Profit for the financial year		480	51
Actuarial (loss)/gain on the pension scheme	9	(805)	774
Net (deduction from) / increase to shareholders' funds		(325)	825
Opening shareholders' funds		23,139	22,314
Closing shareholders' funds		22,814	23,139

Whessoe Public Limited Company

Balance sheet as at 31 December 2008

	Note	2008 £'000	2007 £'000
Current assets			
Debtors	4	23,382	25,400
Creditors: amounts falling due within one year	5	(432)	(366)
Net current assets		22,950	25,034
Net assets excluding pension liability		22,950	25,034
Pension liability	9	(136)	(1,895)
Net assets including pension liability		22,814	23,139
Capital and reserves			
Called up share capital	7	7,573	7,573
Share premium account	8	20,879	20,879
Other reserves	8	(1,686)	(1,686)
Profit and loss account	8	(3,952)	(3,627)
Total shareholders' funds		22,814	23,139

The financial statements on pages 5 to 17 were approved by the Board on 28 May 2009 and signed on its behalf by:



F Fuenzalida
Director

Whessoe Public Limited Company

Statement of accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Cash flow statement and related party disclosure

The company is a wholly owned subsidiary of Endress + Hauser AG and is included in the consolidated financial statements of Endress + Hauser AG, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996). The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Endress + Hauser AG group.

Accounting for industrial disease claims

The company receives claims against it in respect of industrial diseases. Accruals are made for the uninsured element of such claims when it is probable that there will be a transfer of economic benefits required to settle the claim and a reliable estimate of the amount of the claim can be made. These accruals are held within other creditors.

Pensions

The company has adopted the amendment to FRS17, 'Retirement Benefits'. As a result of this, quoted securities held as fund assets in the defined benefit scheme are now valued at bid price rather than mid-market. The effect of this is immaterial, and hence no prior year restatement has been required.

The retirement defined benefit scheme is funded by contributions made by the company and its employees which are held in trustee administered funds. The assets of the scheme are administered by independent trustees and are held in funds separate from the company.

There is no operating cost of providing pensions as there are no longer any current active members earning any benefits. The financial return expected on the scheme's assets are recognised in the period in which they arise and the effect of the unwinding of the discounted value of the scheme's liabilities is treated as part of other finance costs.

The changes in value of the schemes' assets and liabilities are reported as actuarial gains or losses as they arise in the statement of total recognised gains and losses.

The pension scheme's surplus, to the extent it is considered recoverable, or deficit is recognised in full and presented in the balance sheet net of any related deferred tax.

Whessoe Public Limited Company

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Whessoe Public Limited Company

Notes to the financial statements for the year ended 31 December 2008

1 Operating loss

The operating loss is stated after charges of £104,000 (2007: £66,000) in relation to the settlement of industrial disease claims.

Auditors' remuneration was borne by fellow group companies for the current year and prior year.

2 Directors and employees

The company has no employees (2007: none) other than the directors. None of the directors received any emoluments from Whessoe Public Limited Company (2007: £Nil) and no director (2007: none) had benefits accruing under a group defined benefit pension scheme.

3 Taxation on loss on ordinary activities

(a) Analysis of tax credit in the year

	2008 £'000	2007 £'000
Current tax:		
Group relief receivable	(300)	(304)
Adjustments in respect of prior periods	(15)	-
Total current tax	(315)	(304)
Deferred tax:		
Origination and reversal of timing differences	(369)	102
Change in tax rates or laws	-	7
Total deferred tax (credit) / charge (note 6)	(369)	109
Taxation on loss on ordinary activities	(684)	(195)

Whessoe Public Limited Company

3 Taxation on loss on ordinary activities (continued)

(b) Factors affecting tax credit for the year

The tax assessed for the year is lower (2007: lower) than the standard rate of corporation tax in the UK (28%). The differences are explained below:

	2008 £'000	2007 £'000
Loss on ordinary activities before taxation	(204)	(144)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28.5% (2007: 30%)	(58)	(43)
Effects of:		
Expenses not deductible for tax purposes	1	1
Short term timing differences	-	(494)
Pension cost relief in excess of net pension cost charge	(248)	232
Group relief surrendered not paid	5	-
Adjustments in respect of prior periods	(15)	-
Current tax credit for the year	(315)	(304)

(c) Factors affecting future tax charges

The directors are not aware of any factors that are expected to materially affect future tax charges.

There is an unprovided deferred tax asset of £350,000 (2007: £245,000). This has not been provided because of the uncertainty over whether the losses it relates to will be utilised (note 6). There is also an unprovided deferred tax asset of £38,000 (2007: £531,000) in relation to the defined benefit pension scheme which has not been recognised due to the uncertainty over whether it will be utilised.

4 Debtors

	2008 £'000	2007 £'000
Amounts owed by group undertakings	23,013	25,399
Deferred tax (note 6)	369	-
Prepayments and accrued income	-	1
	23,382	25,400

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

Whesoe Public Limited Company

5 Creditors: amounts falling due within one year

	2008	2007
	£'000	£'000
Amounts owed to group undertakings	209	280
Other creditors	223	86
	432	366

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Other creditors relates to amounts due in respect of industrial disease claims which the company has a history of claims being lodged against it. Settlement has been made for such claims where appropriate and it is likely that similar claims will be received for the foreseeable future. Most of these claims are covered by insurance policies, however there is uncertainty over the extent to which uninsured claims may arise, the timing over which this may occur and the value of such claims, and therefore provision for these claims has not been made. However the directors do not believe these claims to be material in the context of the Company's net assets.

6 Deferred tax

The deferred taxation asset at 31 December 2008 is summarised below:

	Provided		Unprovided	
	2008	2007	2008	2007
	£'000	£'000	£'000	£'000
Short term timing differences	369	-	-	-
Losses	-	-	350	245
Pension provision	-	-	38	531
	369	-	388	776

	£'000
At 1 January 2008	-
Credited to profit and loss account (note 3)	369
At 31 December 2008	369

The deferred taxation asset in relation to losses and pension provisions has not been provided because of the uncertainty over whether the losses it relates to will be utilised.

Whessoe Public Limited Company

7 Called up share capital

	2008 £'000	2007 £'000
Authorised		
48,000,000 ordinary shares of 25p each	12,000	12,000
Allotted and fully paid		
30,292,000 ordinary shares of 25p each	7,573	7,573

8 Reserves

	Share premium account £'000	Other reserves £'000	Profit and loss account £'000
At 1 January 2008	20,879	(1,686)	(3,627)
Profit for the financial year	-	-	480
Actuarial loss on pension scheme (note 9)	-	-	(805)
At 31 December 2008	20,879	(1,686)	(3,952)

9 Pension scheme

The company operates a defined benefit pension scheme, the Whessoe Group Pension Scheme.

This scheme closed on 31 December 2001 and so there are no active members in the scheme.

The valuation of the defined benefit scheme used for Financial Reporting Standard 17 - Retirement Benefits ("FRS17") purposes was based on the most recent actuarial valuation at 1 April 2007 and updated by an independent, qualified actuary, Foden Boyes, with an effective date of 31 December 2008. The valuation used the projected unit method. Scheme assets are stated at their market value at 31 December 2008.

The contributions made to the scheme for the year ended 31 December 2008 were £2,657,000 (2007: £617,000). On 29 January 2009 the Whessoe Group Pension Scheme liabilities were transferred to AIG for a consideration of £10.8 million. This is financed by a loan from a group undertaking and the disposal of the pension scheme assets.

Within the scheme there are a significant number of fully insured members in relation to the number of uninsured members. There are 1,007 pensioners and 216 deferred members who are fully insured and therefore excluded from the FRS 17 disclosures, compared with 27 pensioners and 69 deferred members who are not insured and therefore included in the FRS 17 disclosure. The present value of the insured pension liability and the related annuities in the company's name is estimated at £44.3 million (2007: £48 million). The overall FRS 17 liability is not affected.

Whessoe Public Limited Company

9 Pension scheme (continued)

The financial assumptions used by the actuary for the FRS 17 calculations were:

	2008	2007	2006
Discount rate	6.25%	5.60%	5.10%
Inflation assumption	3.00%	3.30%	2.80%
Rate of increase in salaries	3.50%	3.50%	3.50%
Rate of increase in pensions in payment	3.00%	3.30%	3.30%
Rate of increase in deferred benefits during deferment	3.00%	3.30%	2.80%

The mortality assumptions used in the valuation of the defined benefit pension liabilities are summarised in the table below and have been selected to reflect the characteristics and experience of the membership of those plans. This has been done by adjusting standard mortality tables which reflect recent research into mortality experience in the UK (PA92 tables with the medium cohort effect but restricted up to the calendar year 2010)

	2008 Years	2007 years
Longevity at age 65 for current pensioners		
- Men	21.1	21.1
- Women	23.9	23.9
Longevity at age 65 for future pensioners		
- Men	21.1	21.1
- Women	23.9	23.9

The assets and the liabilities for the members of the scheme, and the expected rates of return were:

	Long term rate of return expected at 31 December 2008 %	Value at 31 December 2008 £'000	Long term rate of return expected at 31 December 2007 %	Value at 31 December 2007 £'000
Equities (fund manager portfolios)	8.25%	4,854	7.10	5,714
Bonds	6.25%	546	5.60	535
Other assets	2.00%	2,986	4.50	1,295
Total market value of assets		8,386		7,544
Present value of scheme liabilities		(8,522)		(9,439)
Deficit in the scheme		(136)		(1,895)
Related deferred tax asset		-		-
Net pension liability		(136)		(1,895)

Whessoe Public Limited Company

9 Pension scheme (continued)

The related deferred tax asset has not been provided because of the uncertainty over whether profits will be generated to offset it.

Reconciliation of present value of scheme liabilities

	2008	2007
	£'000	£'000
1 January	9,439	9,424
Current service cost	-	-
Interest cost	519	474
Benefits paid	(181)	(236)
Actuarial gain	(1,255)	(223)
Closing defined benefit obligation at 31 December	8,522	9,439

Sensitivity analysis of scheme liabilities

	Change in assumption	Impact on scheme liabilities £'000
Discount rate	Increase by 1%	(1,167)
	Decrease by 1%	1,477
Rate of inflation	Increase by 1%	705
	Decrease by 1%	(287)
Rate of increase in salaries	Increase by 1%	n/a
	Decrease by 1%	n/a
Rate of increase in pensions in payment	Increase by 1%	363
	Decrease by 1%	n/a
Mortality	Increase by 1 year	(201)
	Decrease by 1 year	197

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9 Pension scheme (continued)

Reconciliation of fair value of scheme assets

	2008 £'000	2007 £'000
1 January	7,544	6,245
Expected return on scheme assets	571	367
Actuarial gains / (losses)	(2,060)	580
Expenses paid	(145)	(29)
Benefits paid	(181)	(236)
Contributions paid by employer	2,657	617
Closing fair value of assets at 31 December	8,386	7,544

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in respective markets.

The actual return on scheme assets in the year was a loss of £1,489,000 (2007: gain of £967,000)

Analysis of the amount charged to operating loss

The total operating charge is £nil (2007: £nil)

Analysis of the amount charged to other finance costs

	2008 £'000	2007 £'000
Expected return on pension scheme assets	571	367
Expenses paid	(145)	-
Interest on pension scheme liabilities	(519)	(474)
Net cost	(93)	(107)

Analysis of amount recognised in statement of total recognised gains and losses

	2008 £'000	2007 £'000
Actual return less expected return on pension scheme assets	(2,060)	580
Experience gains and losses arising on the scheme liabilities	(39)	(416)
Changes in assumptions underlying the present value of the scheme liabilities	1,294	610
Actuarial gain/(loss) recognised in the statement of total recognised gains and losses	(805)	774

Whessoe Public Limited Company

9 Pension scheme (continued)

Actuarial gains and losses

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses is a loss of £2,258,000 (2007: loss of £3,032,000)

History of experience gains and losses

	2008	2007	2006	2005	2004
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	(8,522)	(9,439)	(9,424)	(8,454)	(7,396)
Plan assets	8,386	7,544	6,245	5,179	4,247
Surplus/Deficit	(136)	(1,895)	(3,179)	(3,275)	(4,149)
Experience adjustments on plan assets					
Amount	(2,060)	580	463	925	392
Experience adjustments on plan liabilities					
Amount	(39)	(416)	(242)	(44)	(402)
Total amount recognised in the statement of total recognised gains and losses:					
Amount	(805)	774	(698)	(172)	(1,212)

10 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Endress + Hauser Investments Limited, a company incorporated in England.

The ultimate parent undertaking is Endress + Hauser AG, a company incorporated in Switzerland.

Endress + Hauser AG is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. Copies of Endress and Hauser AG consolidated financial statements are available upon request from Endress and Hauser AG, Kägenstrasse 2, CH-4153 Reinach/BL Switzerland.

The ultimate controlling parties are the Endress Family Trusts.