

ExxonMobil Engineering Europe Limited

Report and Financial Statements

For the year ended

31 December 2004

(Reg. No. 843314)



ExxonMobil Engineering Europe Limited

(Reg. No. 843314)

DIRECTORS

P van de Wijer

M Siuta - resigned 16 January 2004

P Price

F Smits - appointed 16 January 2004

SECRETARY

J N Boydell

REGISTERED OFFICE

ExxonMobil House

Ermyn Way

Leatherhead

Surrey KT22 8UX

AUDITORS

PricewaterhouseCoopers LLP

1 Embankment Place

London WC2N 6RH

ExxonMobil Engineering Europe Limited

REPORT OF THE DIRECTORS

for the year ended 31 December 2004

The Directors present their annual report and the audited financial statements for the year ended 31 December 2004.

DIRECTORS AND THEIR INTERESTS

The Directors who held office during the year and to the date of this Report are listed on page 1.

During the year and in the period to the date of this report, none of the Directors had any interests in shares of any company of the Group such as would be required to be disclosed in accordance with the provisions of Schedule 7 of the Companies Act 1985.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of ExxonMobil Engineering Europe Limited is the provision of engineering services to ExxonMobil downstream affiliates, primarily in the United Kingdom, continental Europe and the Middle East. The Company provides a complete range of engineering services, including Project Development, Technology Application and Consulting, Regional Training Programmes and Quality Assurance.

FUTURE DEVELOPMENTS

The Company will continue to provide engineering services to ExxonMobil downstream affiliates.

RESEARCH AND DEVELOPMENT

The Company is able to call on the extensive research and development resources of its ultimate holding company, Exxon Mobil Corporation. Research and guidance on environmental matters is also provided by other members of the Group.

HEALTH AND SAFETY

The Company's policy is to conduct its business in a manner that protects the safety of the employees, others involved in its operations, customers and the public. The Company will strive to prevent all accidents, injuries and occupational illnesses through the active participation of every employee. The Company is committed to continuous efforts to identify and eliminate or manage health and safety risks associated with its activities.

RESULTS AND DIVIDENDS

The Company's profit for the year was £nil (2003: £nil).

No dividends were paid during the year (2003: £nil).

AUDITORS

The Company has exercised its entitlement under s386 of the Companies Act 1985 to dispense with holding Annual General Meetings and with appointing auditors annually.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare financial statements for each financial year that 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.

The Directors are required to prepare financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable Accounting Standards have been followed.

ExxonMobil Engineering Europe Limited

REPORT OF THE DIRECTORS

for the year ended 31 December 2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES (Continued)

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.

By Order of the Board,



J N Boydell, Secretary

28th September

2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXXONMOBIL ENGINEERING EUROPE LIMITED

We have audited the financial statements which comprise the profit and loss account the balance sheet, and the related notes.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 in to 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 if, in our opinion, the Directors' report is not consistent with the financial statements, if 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 transactions is not disclosed.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with auditing standards 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 judgements 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.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 2004 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

28 September 2005

ExxonMobil Engineering Europe Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2004

	Note	2004 £	2003 £
Continuing operations:			
Turnover	2	13,875,393	14,746,941
Administrative expenses		<u>(13,882,489)</u>	<u>(14,746,941)</u>
OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(7,096)	0
Taxation on loss on ordinary activities	6	<u>7,096</u>	<u>0</u>
PROFIT AND RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>0</u>	<u>0</u>

The notes on pages 7 to 9 form part of the financial statements.

The Company has no recognised gains and losses other than the profit included above and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the reported profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

ExxonMobil Engineering Europe Limited

BALANCE SHEET

as at 31 December 2004

	Note	2004 £	2003 £
CURRENT ASSETS			
Debtors falling due within one year	7	<u>2,730,816</u>	<u>1,574,068</u>
TOTAL CURRENT ASSETS		<u>2,730,816</u>	<u>1,574,068</u>
Creditors: Amounts falling due within one year	8	<u>(2,730,716)</u>	<u>(1,573,968)</u>
NET ASSETS		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	9	<u>100</u>	<u>100</u>
TOTAL EQUITY SHAREHOLDER'S FUNDS	10	<u>100</u>	<u>100</u>

The notes on pages 7 to 9 form part of the financial statements.

These accounts were approved by the Board on 28th September 2005

Director



F. SMITS

ExxonMobil Engineering Europe Limited

NOTES TO THE ACCOUNTS

for the year ended 31 December 2004

1 ACCOUNTING POLICIES

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. The principal accounting policies which have been applied consistently are set out below.

CASHFLOW STATEMENT

The Company is a wholly-owned subsidiary of Esso Holding Company U.K. Inc. and is included in the consolidated financial statements of Exxon Mobil Corporation, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996).

FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated at rates prevailing at the year end. Foreign currency transactions are translated at the rate ruling at the date of the transaction. Foreign currency translation differences are included in the appropriate profit and loss account categories.

2 SEGMENTAL ANALYSIS

Turnover is all related to the provision of engineering services to ExxonMobil Downstream affiliates and it comprises a recharge of costs incurred by the company to other ExxonMobil affiliates. It originates in the United Kingdom and is recognised at the point of invoicing.

	2004 £	2003 £
TURNOVER BY DESTINATION		
United Kingdom	865,766	133,440
Europe	4,632,093	335,145
Rest of the World	8,377,534	14,278,356
TOTAL	13,875,393	14,746,941

3 OPERATING LOSS

This is stated after charging the following amounts:

Auditors' remuneration:

- Audit services	2,500	2,000
- Non audit services	9,250	9,250

Other staff costs	7,691,859	8,031,389
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Other staff costs comprises employees working on behalf of the Company who were seconded from other ExxonMobil affiliates.

4 DIRECTORS' EMOLUMENTS

DIRECTORS' EMOLUMENTS - AGGREGATE

	2004 £'000	2003 £'000
Pre-tax emoluments, excluding pension contributions	194	279
Company pension contributions to money purchase schemes	0	8
TOTAL	194	287

No Director (2003: 1), including the highest paid Director, exercised share options in the year and no Director (2003: nil), including the highest paid Director, became entitled to receive shares under long term incentive schemes.

Retirement benefits are accruing to 1 Director (2003: 1), including the highest paid Director, under a defined benefit scheme, and no Director (2003: 1), including the highest paid Director, under a money purchase scheme.

ExxonMobil Engineering Europe Limited

NOTES TO THE ACCOUNTS

for the year ended 31 December 2004

4 DIRECTORS' EMOLUMENTS (Continued)

DIRECTORS EMOLUMENTS - HIGHEST PAID DIRECTOR

	2004 £'000	2003 £'000
Pre-tax emoluments, excluding pension contributions	194	279
Company pension contributions to money purchase schemes	0	8
Defined benefit pension scheme: accrued pension at year end	1,259	50

The above figures are based on a percentage split, according to time spent by each Director in ExxonMobil Engineering Europe Limited, which is determined by each Director.

5 EMPLOYEES

The company has no employees (2003: nil). During the year an average of 67 (2003: 72) staff on the payroll of affiliates worked on behalf of the company.

6 TAXATION ON LOSS ON ORDINARY ACTIVITIES

	2004 £	2003 £
Current tax:		
UK Corporation tax on profit for the period	0	(20,191)
Adjustment in respect of previous period	(7,096)	20,191
TOTAL CURRENT TAX	(7,096)	0
TAXATION ON LOSS ON ORDINARY ACTIVITIES	(7,096)	0

Corporation tax has been calculated at 30% on the taxable loss for the year (2003: 30% of taxable profit) and is subject to group relief. The tax assessed for the period is lower (2003: lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below.

	2004 £	2003 £
(Loss)/Profit on ordinary activities before tax	(7,096)	0
(Loss)/Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2003:30%)	(2,129)	0
Effects of:		
Current year provision: tax assessed on a deemed markup of administrative expenses	499,770	515,618
Adjustment to tax charge in respect of previous periods	(7,096)	20,191
Group relief received for nil consideration	(499,770)	(535,809)
Other	2,129	0
Current Tax Charge/(Credit) for the Period	(7,096)	0

7 DEBTORS

AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Trade debtors	29,465	0
Amounts owed by group undertakings	2,686,395	1,564,097
Other debtors	14,956	9,971
TOTAL	2,730,816	1,574,068

ExxonMobil Engineering Europe Limited

NOTES TO THE ACCOUNTS

for the year ended 31 December 2004

7 DEBTORS (continued)

The 2003 comparative for amounts owed by other ExxonMobil group undertakings has been restated from £1,371,590 to £1,564,097 to ensure consistency of treatment with the 2004 figure, by including deferred intercompany amounts previously included within prepayments and accrued income.

Amounts owed by group undertakings are unsecured balances payable by other than instalments.

8 CREDITORS

	2004 £	2003 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Amounts owed to group undertakings	2,326,624	1,164,699
Taxation and social security	402,173	409,269
Other creditors	1,919	0
TOTAL	2,730,716	1,573,968

Amounts owed to group undertakings are unsecured and repayable other than by instalments.

9 CALLED UP SHARE CAPITAL

	2004 £	2003 £
- Authorised: 100 ordinary shares of £1 each	100	100
- Allotted and fully paid: 100 ordinary shares of £1 each	100	100

10 RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	2004 £	2003 £
Opening shareholder's funds	100	100
CLOSING SHAREHOLDER'S FUNDS	100	100

11 RELATED PARTY BALANCES

ExxonMobil Engineering Europe Limited is a 100% subsidiary within the Exxon Mobil Corporation Group and, therefore, utilises the exemption contained in paragraph 3 (c) of FRS 8 Related Party Disclosures not to disclose any transactions with any entities that are part of that group. The address at which the Exxon Mobil Corporation consolidated financial statements are publicly available is detailed in note 12.

At 31 December 2004, no Group company had any lease deposits outstanding from third parties on behalf of Directors (2003: MT Siuta £3,570). The lease deposits are part of the employee expatriate relocation scheme.

At 31 December 2004, no director had a loan balance outstanding with any Group company (2003: MT Siuta £4,398).

No new loans were granted in the period.

12 ULTIMATE HOLDING COMPANY

The immediate holding company is Esso Holding Company U.K. Inc. The ultimate holding company is Exxon Mobil Corporation, incorporated in New Jersey, USA. Exxon Mobil Corporation is listed on the New York Stock Exchange and its shares are widely dispersed. The smallest and largest group of which the Company is a member and for which group accounts are prepared is Exxon Mobil Corporation. Accounts can be obtained from Exxon Mobil Corporation, Shareholder Relations, Post Office Box 140369, Irving, Texas 75014 - 0369, USA.