

Company Registration No. 1310079 (England and Wales)

OAKLEY (UK) LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005



OAKLEY (UK) LIMITED

COMPANY INFORMATION

Directors

C. Ward
D. Gordon
L. Newcomb
G. Lee
P. Ansell
J. Tennyson
J. Pollard

Secretary

P. Ansell

Company number

1310079

Registered office

Icknield Way
Letchworth
Herts
SG6 1GD

Auditors

Deloitte & Touche LLP
St Albans

Business address

Icknield Way
Letchworth
Herts
SG6 1GD

Accountants

Vantis
Torrington House
47 Holywell Hill
St. Albans
Herts
AL1 1HD

OAKLEY (UK) LIMITED

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OAKLEY (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Principal activities and review of the business

The principal activity of the company continued to be that of wholesale and retail of optical, sports and leisure goods.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect growth in the foreseeable future.

Results and dividends

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

A dividend of £2,484,472 was paid in 2004.

Future developments

The company intends to continue its present management policies for the foreseeable future.

Directors

The following directors have held office since 1 January 2005:

C. Ward
D. Gordon
L. Newcomb
G. Lee
P. Ansell
J. Tennyson
J. Pollard

Directors' interests

None of the directors have a beneficial interest in the shares of the company.

The directors' beneficial interests in the shares of the holding company are as stated below:

	Common stock of \$0.01 each 31 December 2005	1 January 2005
C. Ward	1,000	1,000
L. Newcomb	74,073	84,073
D. Gordon	10,000	5,000
G. Lee	-	-
P. Ansell	-	-
J. Tennyson	-	-
J. Pollard	-	-

OAKLEY (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

The directors have been granted options in the holding company, during the year, as stated below:

	31 December 2005	31 December 2004
C. Ward	-	-
L. Newcomb	120,000	35,000
D. Gordon	97,416	5,000
G. Lee	-	-
P. Ansell	-	-
J. Tennyson	-	-
J. Pollard	-	-

The directors have exercised options, during the year, as stated below:

	31 December 2005	31 December 2004
C. Ward	2,500	-
L. Newcomb	392,141	126,928
D. Gordon	13,322	7,500
G. Lee	-	-
P. Ansell	-	-
J. Tennyson	2,250	-
J. Pollard	2,250	-

Charitable contributions

During the year the company made charitable donations of £2,319 (2004: £1,390).

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Deloitte & Touche LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

OAKLEY (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

Directors' responsibilities

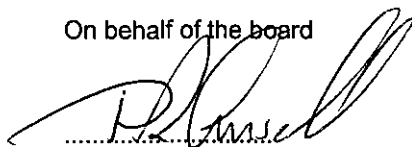
The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare the accounts for the company in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of affairs of the company and of the profit or loss of the company for that period and comply with UK GAAP and the Companies Act 1985. 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 accounting standards have been followed;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

On behalf of the board



20/4/06

OAKLEY (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKLEY (UK) LIMITED

We have audited the individual company financial statements (the "financial statements") of Oakley (UK) Limited for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet, the cash flow statement, the notes to the cash flow statement and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 the directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and 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 United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with the relevant framework, 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 with the company is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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.

OAKLEY (UK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAKLEY (UK) LIMITED (CONTINUED)

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 2005 and of its profit for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
St Albans

20 April 2006

OAKLEY (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £	2004 £
Turnover	2	21,504,806	22,854,488
Cost of sales		(12,973,070)	(13,315,267)
Gross profit		8,531,736	9,539,221
Administrative expenses		(7,871,102)	(8,076,053)
Other operating income		69,883	205,466
Operating profit	3	730,517	1,668,634
Other interest receivable and similar income	4	7,270	57,130
Profit on ordinary activities before taxation		737,787	1,725,764
Tax on profit on ordinary activities	5	(259,653)	(549,607)
Profit on ordinary activities after taxation		478,134	1,176,157
Dividends	6	-	(2,484,472)
Retained profit/(loss) for the year	13	478,134	(1,308,315)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

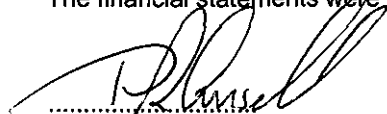
There are no recognised gains and losses other than those passing through the profit and loss account.

OAKLEY (UK) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	7		2,058,218		1,418,589
Current assets					
Stocks	8	2,116,103		2,201,129	
Debtors	9	2,620,516		2,996,616	
Cash at bank and in hand		143,180		55,313	
		4,879,799		5,253,058	
Creditors: amounts falling due within one year	10	(2,784,380)		(2,996,144)	
Net current assets			2,095,419		2,256,914
Total assets less current liabilities			4,153,637		3,675,503
			4,153,637		3,675,503
Capital and reserves					
Called up share capital	12		1,000		1,000
Profit and loss account	13		4,152,637		3,674,503
Shareholders' funds - equity interests	14		4,153,637		3,675,503

The financial statements were approved by the Board on19/4/06.....



Director

OAKLEY (UK) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

	£	2005 £	£	2004 £
Net cash inflow from operating activities		1,880,873		2,866,383
Returns on investments and servicing of finance				
Interest received	7,270		57,130	
Net cash inflow for returns on investments and servicing of finance		7,270		57,130
Taxation		(554,226)		(712,631)
Capital expenditure				
Payments to acquire tangible assets	(1,364,258)		(682,918)	
Receipts from sales of tangible assets	118,208		67,660	
Net cash outflow for capital expenditure		(1,246,050)		(615,258)
Equity dividends paid		-		(2,484,472)
Net cash inflow/(outflow) before management of liquid resources and financing		87,867		(888,848)
Increase/(decrease) in cash in the year		87,867		(888,848)

OAKLEY (UK) LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

1	Reconciliation of operating profit to net cash inflow from operating activities	2005	2004
		£	£
	Operating profit	730,517	1,668,634
	Depreciation of tangible assets	604,555	546,967
	Loss on disposal of tangible assets	1,866	48,482
	Decrease in stocks	85,026	225,198
	Decrease/(increase) in debtors	356,117	(182,421)
	Increase in creditors within one year	102,792	559,523
	Net cash inflow from operating activities	1,880,873	2,866,383

2	Analysis of net funds	1 January 2005	Cash flow	Other non-cash changes	31 December 2005
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	55,313	87,867	-	143,180
		<u>55,313</u>	<u>87,867</u>	<u>-</u>	<u>143,180</u>
	Net funds	<u>55,313</u>	<u>87,867</u>	<u>-</u>	<u>143,180</u>

3	Reconciliation of net cash flow to movement in net funds	2005	2004
		£	£
	Increase/(decrease) in cash in the year	87,867	(888,848)
	Movement in net funds in the year	87,867	(888,848)
	Opening net funds	55,313	944,161
	Closing net funds	143,180	55,313

4 Liquid resources

Liquid resources consist of cash at bank and cash in hand.

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom accounting standards.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvement	Over the term of the lease (if the assets are integral to the premises) otherwise over 5 years
Display stands	Over 4 years
Fixtures and fittings	Over 7 years (Included in fixtures and fittings is computer equipment which is being depreciated over 4 years, excluding laptops which are depreciated over 3 years).
Motor vehicles	Over 5 years (company cars over 4 years)

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6 Stock

Stock is valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

1.8 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. However, in accordance with SSAP 20, where there are related forward contracts in respect of trading balances, the rate specified in those contracts have been used. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.10 Liquid resources

Liquid resources represent cash held at the bank and in hand.

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

2 Turnover

All the turnover is derived from the principal activities of the company.

Geographical market

	Turnover	
	2005	2004
	£	£
United Kingdom	18,480,689	20,228,314
Rest of EU	3,024,117	2,626,174
	<u>21,504,806</u>	<u>22,854,488</u>

3 Operating profit

	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	604,555	546,967
Loss on disposal of tangible assets	1,866	48,482
Loss on foreign exchange transactions	147,433	1,450,033
Operating lease rentals - other assets	787,745	484,871
Auditors' remuneration	12,000	14,500
and after crediting:		
Rents receivable	<u>36,000</u>	<u>171,786</u>

4 Investment income

	2005	2004
	£	£
Bank interest	6,807	57,130
Other interest	463	-
	<u>7,270</u>	<u>57,130</u>

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

5	Taxation	2005 £	2004 £
	Domestic current year tax		
	U.K. corporation tax	241,067	591,136
	Adjustment for prior years	(1,397)	-
		<u>239,670</u>	<u>591,136</u>
	Current tax charge		
	Deferred tax		
	Deferred tax charge/ (credit) current year	19,983	(41,529)
		<u>259,653</u>	<u>549,607</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>737,787</u>	<u>1,725,764</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004: 30.00%)	<u>221,336</u>	<u>517,729</u>
	Effects of:		
	Non deductible expenses	17,998	19,313
	Depreciation	181,926	178,635
	Capital allowances	(170,635)	(121,483)
	Adjustments to previous periods	(1,397)	-
	Other tax adjustments	(9,558)	(3,058)
		<u>18,334</u>	<u>73,407</u>
	Current tax charge	<u>239,670</u>	<u>591,136</u>
6	Dividends	2005 £	2004 £
	Ordinary interim paid	<u>-</u>	<u>2,484,472</u>

Ordinary interim dividends of £nil (2004 - £2,484.47204) per share were paid during the year.

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

7 Tangible fixed assets

	Leasehold improvement	Display stands	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2005	970,206	1,214,711	749,548	632,869	3,567,334
Additions	763,023	129,458	199,210	272,567	1,364,258
Disposals	-	(589,749)	(4,178)	(240,644)	(834,571)
At 31 December 2005	1,733,229	754,420	944,580	664,792	4,097,021
Depreciation					
At 1 January 2005	568,780	822,432	535,691	221,842	2,148,745
On disposals	-	(589,283)	(3,443)	(121,771)	(714,497)
Charge for the year	132,151	190,564	123,595	158,245	604,555
At 31 December 2005	700,931	423,713	655,843	258,316	2,038,803
Net book value					
At 31 December 2005	1,032,298	330,707	288,737	406,476	2,058,218
At 31 December 2004	401,426	392,279	213,857	411,027	1,418,589

8 Stocks

	2005 £	2004 £
Finished goods and goods for resale	2,116,103	2,201,129

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

9 Debtors	2005 £	2004 £
Trade debtors	2,326,282	2,602,966
Amounts owed by parent and fellow subsidiary undertakings	75,701	186,926
Prepayments and accrued income	184,821	153,029
Deferred tax asset	33,712	53,695
	<u>2,620,516</u>	<u>2,996,616</u>
Deferred tax		
	2005 £	
Balance at 1 January 2005	53,695	
Profit and loss account	(19,983)	
	<u>33,712</u>	
Balance at 31 December 2005	<u>33,712</u>	
	2005 £	2004 £
Accelerated capital allowances	32,343	52,063
Other timing differences	1,369	1,632
	<u>33,712</u>	<u>53,695</u>
10 Creditors: amounts falling due within one year	2005 £	2004 £
Trade creditors	628,969	891,376
Amounts owed to parent and fellow subsidiary undertakings	1,763,852	1,389,188
Corporation tax	66,042	380,598
Other taxes and social security costs	186,443	275,405
Other creditors	2,376	-
Accruals and deferred income	136,698	59,577
	<u>2,784,380</u>	<u>2,996,144</u>

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

11 Pension costs

Defined contribution

	2005 £	2004 £
Contributions payable by the company for the year	<u>53,251</u>	<u>42,354</u>

12 Share capital

Authorised

10,000 Ordinary shares of £1 each

2005 £	2004 £
<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid

1,000 Ordinary shares of £1 each

<u>1,000</u>	<u>1,000</u>
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13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2005	3,674,503
Retained profit for the year	<u>478,134</u>
Balance at 31 December 2005	<u>4,152,637</u>

14 Reconciliation of movements in shareholders' funds

	2005 £	2004 £
Profit for the financial year	478,134	1,176,157
Dividends	-	(2,484,472)
Net addition to/(depletion in) shareholders' funds	<u>478,134</u>	<u>(1,308,315)</u>
Opening shareholders' funds	<u>3,675,503</u>	<u>4,983,818</u>
Closing shareholders' funds	<u>4,153,637</u>	<u>3,675,503</u>

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

15 Contingent liabilities

1. Oakley is currently the subject of an investigation by the Office of Fair Trading under the Competition Act 1998. The OFT has issued a Statement of Objections, alleging that Oakley is party to a price-fixing agreement with House of Fraser. Oakley strongly refutes the allegation, and is co-operating fully with the OFT's investigation. It is likely to be some months before the outcome of the enquiry is known.

2. At the year end Oakley Inc, the parent company of Oakley (UK) Limited, had outstanding forward exchange contracts in its own name. The gains or losses upon the exercising of these contracts will be borne by Oakley (UK) Limited.

For Maturity Forward Extra Option contracts Oakley Inc have an option not to take the contract unless the exchange rate exceeds the trigger rate at the specified end of the contract.

Maturity Forward Extra Contracts

	US \$	Exchange rate on forward contract	Sterling equivalent	Trigger rate
February	700,000	1.876	373,134	1.96
March	1,500,000	1.876	799,574	1.96
April	1,500,000	1.876	799,574	1.96
May	1,500,000	1.876	799,574	1.96
June	2,000,000	1.876	1,066,098	1.96
July	2,000,000	1.876	1,066,098	1.96
August	2,000,000	1.876	1,066,098	1.96
September	2,500,000	1.876	1,332,623	1.96
October	1,000,000	1.876	533,049	1.96
November	1,500,000	1.876	799,574	1.96
December	1,800,000	1.876	959,488	1.96

16 Financial commitments

At 31 December 2005 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2006:

	Land and buildings	
	2005	2004
	£	£
Operating leases which expire:		
Between two and five years	27,545	27,545
In over five years	721,640	721,640
	<u>749,185</u>	<u>749,185</u>

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

17 Capital commitments	2005	2004
	£	£

At 31 December 2005 the company had capital commitments as follows:

Contracted for but not provided in the financial statements	42,010	45,357
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18 Directors' emoluments	2005	2004
	£	£

Emoluments for qualifying services	598,849	608,827
Company pension contributions to money purchase schemes	28,083	21,022
	<u>626,932</u>	<u>629,849</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 5 (2004 - 5).

The number of directors who exercised share options during the year was 5 (2004 - 2).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	161,995	169,325
Company pension contributions to money purchase schemes	3,600	3,600

The share options are for shares in the parent company, Oakley Inc, for which details are disclosed in the directors' report.

19 Transactions with directors

A director, C. Ward, is a beneficiary of the Serval Marketing Limited Retirement Benefits Scheme which holds 652 shares in the ultimate parent company, Oakley Inc.

During the year the directors purchased goods from the company on normal commercial terms and had outstanding balances with the company as follows:

	Purchases during 2005	Purchases during 2004	Balance at 31.12.2005	Balance at 31.12.2004
P. Ansell	623	803	-	-
C. Ward	5,957	8,116	-	(80)
J. Tennyson	436	1,296	-	-
J. Pollard	1,712	1,041	-	-
G. Lee	480	740	-	28

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2005 Number	2004 Number
Directors	7	7
Administration	109	98
	<u>116</u>	<u>105</u>

Employment costs

	2005 £	2004 £
Wages and salaries	3,155,762	2,791,216
Social security costs	361,977	316,589
Other pension costs	53,251	42,354
	<u>3,570,990</u>	<u>3,150,159</u>

21 Control

The directors consider the ultimate parent company to be Oakley Inc, a company incorporated in the United States of America. Oakley Inc owns 100% of the issued share capital of Oakley (UK) Limited. The only group in which the results of Oakley (UK) Limited are consolidated is Oakley Inc and are available from One Icon, Foothill Ranch, CA 92610, USA.

OAKLEY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

22 Related party transactions

Oakley Europe, Oakley (GMBH), Oakley Ireland, Oakley EDC and Oakley (UK) Limited are all subsidiaries of Oakley Inc.

At 31 December 2005 Oakley (UK) Limited was owed £61,418 (2004- £54,944) by Oakley (GMBH) and £14,283 (2004- £125,708) by Oakley Ireland.

Oakley (UK) Limited owed Oakley Europe £6,721 (2004- £55,884), Oakley (GMBH) £nil (2004- £1,014), Oakley EDC £315,538 (2004- £403,343) and Oakley Ireland £33,743 (2004- £nil).

During the year:

Oakley Europe received goods and services of £5,722 (2004- £14,714) from Oakley (UK) Limited and supplied goods of £122,148 (2004- £157,216) to Oakley (UK) Limited;

Oakley (GMBH) received goods and services of £500,403 (2004- £322,177) from Oakley (UK) Limited and supplied goods of £nil (2004 - £1,272) to Oakley (UK) Limited;

Oakley Ireland received goods and services of £222,428 (2004- £339,694) from Oakley (UK) Limited and supplied goods of £770,207 (2004- £1,524,432) to Oakley (UK) Limited;

Oakley EDC supplied goods and services of £3,832,071 (2004 - £3,411,801) to Oakley (UK) Limited.

At 31 December 2005 Oakley (UK) Limited owed Oakley Inc £1,407,346 (2004- £928,972). Oakley Inc supplied goods to the company amounting to £7,469,514 (2004- £10,007,734) during the year.