

HYTHE CHEMICALS LIMITED

Directors' Report and Financial Statements

for the year ended 31 December 2004

Registered Number: 1383989



Hythe Chemicals Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Balance sheet	2
Profit and loss account	2
Notes to the financial statements	3

Hythe Chemicals Limited

Directors' report

The directors present their annual report and financial statements of the Company, for the year ended 31 December 2004.

Principal activities and business review

The company did not trade during the year.

Political and charitable contributions

The company made no political or charitable contributions during the year (2003: £nil)

Directors

The directors during the year and after the balance sheet date were as follows:

S Catchpole

N Liptrot appointed 2nd September 2005

None of the directors had any interest in the shares of the Company at any time during the year.

At 31 December 2004, the Company's ultimate parent company was Cognis GmbH, which is incorporated in Germany. Therefore, pursuant to s3 of the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985, directors' interests of the ultimate parent do not have to be shown.

Dividends

The directors recommend that no dividend be paid in respect of the year (2003: £nil).

By order of the Board


.....
S Catchpole
Director
October 2005

Charleston Road
Hythe
Southampton
SO45 3ZG

Hythe Chemicals Limited

Balance sheet

at 31 December 2004

	2004 £	2003 £
Current assets		
Debtors	100	100
	-----	-----
Capital and reserves		
Share capital		
Authorised, called up, allotted and fully paid:		
100 ordinary shares of £1 each	100	100
	-----	-----

The Company was dormant within the meaning of Section 250 Companies Act 1985 throughout the period. For the year ended 31 December 2004, the company was entitled to exemption under s249AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with s249B(2).

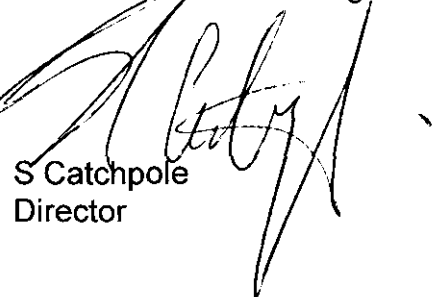
The directors acknowledge their responsibility for:

- Ensuring the company keeps accounting records which comply with s221;
- Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with s226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Profit and loss account

During the financial year and the preceding financial year the Company did not trade and received no income and incurred no expenditure. Consequently, during those years the Company made neither a profit nor a loss.

The financial statements on pages 2 to 3 were approved by the Board on the 7th October 2005 and signed on its behalf by:



S Catchpole
Director

Hythe Chemicals Limited

Notes to the financial statements

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of accounting

The Company financial statements have been prepared under the historical cost convention, in accordance with applicable UK Accounting Standards.

2. Directors and employees

The Company has no employees (2003: *None*). All the directors are employees of other Group undertakings and receive no emoluments in respect of services provided to the Company (2003: *Nil*).

3. Ultimate parent company

The company's ultimate parent company is Cognis GmbH, a company registered in Germany. The largest and smallest group in which the results of the company are consolidated remains that headed by Cognis GmbH.

The consolidated accounts of Cognis GmbH for the year-ended 31 December 2004 will become available to the public and, once available, may be obtained from Cognis Performance Chemicals UK Limited, Charleston Road, Hythe, Southampton, SO45 3ZG.

4. Lease of Property

The Company is the legal owner of certain long leasehold property at Fawley in Hampshire as described in two leases as follows:

(1) a lease dated 1st April, 1958 between Esso Petroleum Company Limited and Gemec Limited, and (2) a lease dated 5th June, 1968 between Esso Petroleum Company Limited and Union Carbide UK Limited.

The beneficial interest in these long leasehold properties is held by Cognis Performance Chemicals UK Limited, a fellow subsidiary of the Company's immediate parent company. Accordingly, these long leasehold properties are recorded in the accounts of Cognis Performance Chemicals UK Limited for the period.