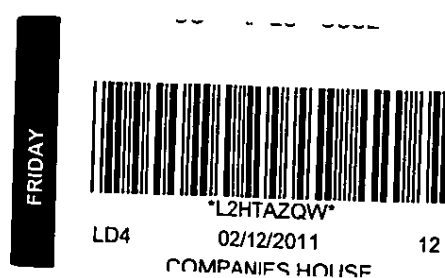


Company registration number 2067006



Alliance Boots Dormants Limited
Directors' report and financial statements
for the year ended 31 March 2011

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Alliance Boots Dormants Limited

Directors' report

for the year ended 31 March 2011

The Directors present their report and the audited financial statements for the year ended 31 March 2011

Principal activities

The Company's principal activity during the year was that of an intermediate investment company within the Alliance Boots GmbH group ('Group')

Business review

The Company's result for the financial year was a loss of £109 (2010 £nil)

On 11 January 2011 the Company changed its name from AB Dormants Limited to Alliance Boots Dormants Limited

Principal risks and uncertainties

The Company's Directors monitor the overall risk profile of the Company. In addition, the Directors are responsible for determining clear policies as to what the Company considers to be acceptable levels of risk. These policies seek to enable people throughout the Company to use their expertise to identify risks that could undermine performance and to devise ways of bringing them within acceptable levels. Where the Directors identify risks that are not acceptable, they develop action plans to mitigate them with clear allocation of responsibilities and timescales for completion and ensure that progress towards implementing these plans is monitored and reported upon.

There are no additional business risks for the Company necessary for an understanding of the development, performance or position of the business other than the financial risks detailed below.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in this report.

As disclosed in note 5, the Company carries an obligation of £18,195,000 owing to Limefast Limited and Alliance Unichem Investments 1 Limited at 31 March 2011. The directors of these companies have agreed not to demand repayment of these amounts until such time as the Company has sufficient funds to settle this obligation. As a result, the Directors have adopted the going concern basis of accounting in preparing the financial statements.

Financial instruments

The Company is exposed to currency, credit and interest rate risk. The Group's treasury function manages these risks at a Group level in accordance with Group Treasury Policy including the use of financial instruments for the purpose of managing these risks. Group risks are discussed in the Group's Annual Review, which does not form part of this report.

Dividends

No dividends were paid in the current or preceding year.

Directors

The following served as Directors during the year:

A Clare	(appointed 17 January 2011)
M Delve	
K McCoy	(resigned 31 December 2010)
F Standish	

The Group places Directors' and Officers' insurance centrally and provides coverage for Directors' and Officers' liability exposure.

Political and charitable donations

No political or charitable donations were made during the current or prior year.

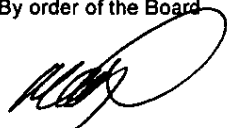
Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors were deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

Statement as to disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



Martin Delve
Director
30 June 2011

Registered office
Sedley Place
4th Floor
361 Oxford Street
London
W1C 2JL

Registered in England and Wales No. 2067006

Alliance Boots Dormants Limited

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

for the year ended 31 March 2011

The Directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Independent auditor's report

to the members of Alliance Boots Dormants Limited

We have audited the financial statements of Alliance Boots Dormants Limited for the year ended 31 March 2011 set out on pages 4 to 8. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 Statement of Directors' responsibilities in respect of the Directors' report and the financial statements set out on page 2, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 31 March 2011 and of its result for the year then ended,
- have been properly prepared in accordance with UK 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 Directors' Report for the financial period 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.



Andrew Cole (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London, E14 5GL
30 June 2011

Alliance Boots Dormants Limited

Profit and loss account

for the year ended 31 March 2011

	Notes	2011 £000	2010 £000
Operating result and result on ordinary activities before taxation	2	-	-
Tax on result on ordinary activities		-	-
Result for the financial year		-	-

There are no recognised gains and losses for the current and preceding financial years other than a loss of £109 (2010 £nil). Accordingly, no statement of recognised gains and losses is presented.

The amounts presented for the current and preceding financial years are derived from continuing operations.

The notes on pages 6 to 8 form part of the Company's financial statements.

Alliance Boots Dormants Limited

Balance sheet

as at 31 March 2011

	Notes	2011 £000	2010 £000
Fixed assets			
Investments	3	18,204	18,204
Current assets			
Debtors	4	5	5
Current liabilities			
Creditors amounts falling due within one year	5	(18,207)	(12)
Net current liabilities		(18,202)	(7)
Total assets less current liabilities		2	18,197
Creditors amounts falling due after more than one year	6	-	(18,195)
Net assets		2	2
Capital and reserves			
Called up share capital	7,8	5	5
Profit and loss account	8	(3)	(3)
Shareholders' funds		2	2

The notes on pages 6 to 8 form part of the Company's financial statements

These financial statements were approved by the Board on 30 June 2011 and were signed on its behalf by



Martin Delve
Director

Alliance Boots Dormants Limited

Notes to the financial statements

for the year ended 31 March 2011

1 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below

Basis of preparation

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, and under the historical cost convention

AB Acquisitions Holdings Limited ('AB AHL'), the ultimate parent undertaking, includes the Company's assets, liabilities and results in its own publicly-available consolidated financial statements. Under FRS 1 (Revised 1996), 'Cash flow statements', the Company is therefore exempt from the requirement to prepare a cash flow statement

The Company's voting rights are wholly controlled within the AB AHL group and, consequently, the Company is exempt under FRS 8, 'Related party Disclosures', from disclosing transactions with entities that are part of the AB AHL Group or investees of the AB AHL Group qualifying as related parties

The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements and deliver them to the Registrar of Companies. The financial statements therefore present information about the Company as an individual undertaking and not about its group

Investments

Investments are stated at cost less provision for impairment

Impairment of assets

The Company's fixed assets are reviewed at each balance sheet date to determine whether events or changes in circumstances exist that indicate that their carrying amount may not be recoverable. If such an indication exists, the fixed asset's recoverable amount is estimated. The recoverable amount is the higher of a fixed asset's net realisable value and its value in use. An impairment loss is recognised in the profit and loss account for the amount by which the asset's carrying amount exceeds its recoverable amount

Taxation

Current taxation

Current tax is recognised at the amount expected to be paid or recovered for the period based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date

Share capital

Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Accordingly, a financial instrument is treated as equity if

- there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable, and
- the instrument is a non-derivative that contains no contractual obligation to deliver a variable number of shares or is a derivative that will be settled only by the Group exchanging a fixed amount of cash or other assets for a fixed number of the Company's own equity instruments

Equity instruments are recorded as share capital and share premium, as applicable, net of tax-effected share issue costs. To the extent that this definition is not met, the proceeds of any issue are classified as a financial liability

2. Operating result

The 2011 fee for the audit of these financial statements was borne by a fellow group undertaking. The amount allocated that would have been incurred is £1,500 (2010: £1,500)

The Directors have not received any remuneration for their services to the Company either during the current or prior year. There were no employees during the year (2010: nil)

Alliance Boots Dormants Limited

Notes to the financial statements (continued) for the year ended 31 March 2011

3. Fixed asset investments

	Shares in subsidiary undertakings £000
Cost	
At 1 April 2010 and at 31 March 2011	18,204

During the previous year AU Dormants Limited, a subsidiary undertaking, transferred all of its interests in its subsidiary undertakings, at cost, to the Company

The Company's principal subsidiary undertaking at the balance sheet date are presented as follows

	Percentage interest in ordinary share capital and voting rights held by the Company	Country of Operation	Country of incorporation	Main activity
Alliance Boots (Nominees) Limited	100%	England and Wales	England and Wales	Holding company
Alliance Unichem Investments 1 Limited	100%	England and Wales	England and Wales	Dormant company
Limefast Limited	100%	England and Wales	England and Wales	Dormant company

As permitted by section 410 of the Companies Act 2006, only principal undertakings are shown. A complete list of all subsidiary undertakings is filed with the Company's annual return

4 Debtors

	2010 £000	2010 £000
Amounts owed by group undertakings	5	5
	5	5

5. Creditors amounts falling due within one year

	2011 £000	2010 £000
Amounts owed to group undertakings	18,207	12
	18,207	12

£18,195,000 of the amounts owed to group undertakings as at 31 March 2011 relates to non interest bearing loans and are repayable on demand. These amounts are owing to Limefast Limited and Alliance Unichem Investments 1 Limited. The directors of these companies have agreed not to demand repayment of these amounts until such time as the Company has sufficient funds to settle the obligation. The remainder relates to a revolving credit facility provided to the Company by a fellow group undertaking. The facility at 31 March 2011 was for £25,000, and this expires on 30 November 2012. Amounts drawn down under the facility are interest bearing, and at 31 March 2011 £12,000 was drawn down (2010: £12,000).

6 Creditors amounts falling due after more than one year

	2011 £000	2010 £000
Amounts owed to group undertakings	-	18,195
	-	18,195

7 Called up share capital

	2011 £000	2010 £000
Allotted, called up and fully paid		
5,002 Ordinary shares of £1 each	5	5
	5	5

Alliance Boots Dormants Limited

Notes to the financial statements (continued)

for the year ended 31 March 2011

8. Reconciliation of movements in equity shareholders' funds

	Called up share capital £000	Profit and loss account £000	Total £000
At 1 April 2009	-	(3)	(3)
Proceeds of ordinary share capital issued	5	-	5
At 1 April 2010	5	(3)	2
Result for the year	-	-	-
At 31 March 2011	5	(3)	2

9. Ultimate parent undertaking

At 31 March 2011 the Company's immediate parent company was Alliance Boots Holdings Limited and its ultimate parent company and controlling party was AB Acquisitions Holdings Limited. AB Acquisitions Holdings Limited is also the parent undertaking of the largest group in which the Company is consolidated.

AB Acquisitions Holdings Limited is incorporated in Gibraltar, and its registered office is 57/63 Line Wall Road, Gibraltar. AB Acquisitions Holdings Limited is jointly controlled by Alliance Santé Participations S.A., and certain funds advised by Kohlberg Kravis Roberts & Co. L.P. S. Pessina and O. Barra, who are directors of Alliance Boots GmbH, are also directors of Alliance Santé Participations S.A., which is ultimately owned by a family trust.

The smallest group in which the results of the Company are consolidated is that headed by Alliance Boots GmbH, a company incorporated in Switzerland. The consolidated financial statements of this group are available from the Alliance Boots website at www.allianceboots.com.