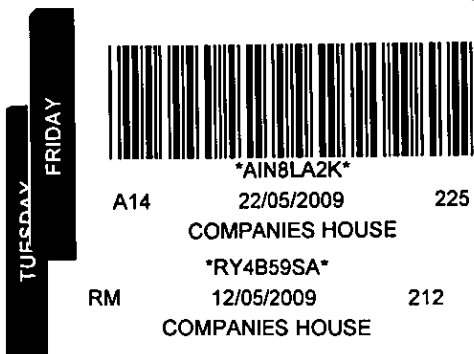


**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JUNE 2008 TO 31 DECEMBER 2008  
FOR  
ACTIVAIR LIMITED**



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**for the Period 1 June 2008 to 31 December 2008**

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**COMPANY INFORMATION**  
**for the Period 1 June 2008 to 31 December 2008**

**DIRECTORS:**

M Fountain  
H Irigoyen  
S McWilliams

**REGISTERED OFFICE:**

Unit 1  
Action Court  
Ashford Road  
Ashford  
Middlesex  
TW15 1XS

**REGISTERED NUMBER:**

2341632 (England and Wales)

**AUDITORS:**

Ernst & Young LLP  
Apex Plaza  
1 Fordingbury Road  
Reading  
RG1 1YE

**REPORT OF THE DIRECTORS**  
**for the Period 1 June 2008 to 31 December 2008**

The directors present their report with the financial statements of the company for the period 1 June 2008 to 31 December 2008.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of a holding company.

**REVIEW OF BUSINESS**

Since Activair became part of OHL International division which incorporates an expanded international network, it has enabled Activair to provide global logistics solutions to customers.

The results for the period and financial position of the company are as shown in the annexed financial statements.

During the period the performance of the company has remained strong. For the seven months ending 31 December 2008, UK turnover was £490,113.

The company continues to provide services in air, sea and road at the forefront of the freight forwarding industry. With continued investment throughout the year in both IT system and infrastructure and people skill, it has ensured that the company can deliver quality services to customers.

The business continues to deliver an exceptional performance in what is a competitive market place. However, by continuing to focus on its strengths - superior service to our customers, although the economic downturn will have some effect to the business it is anticipated that the diversity of business across different sectors will help the company to maintain a strong position within the market place.

The company monitors its performance through the use of Key Performance Indicators (KPI's). A number of Key Performance Indicators are employed - GP%, NP%, turnover/yield ratio together with volume throughput. Monthly management accounts are utilised to monitor these (KPI's) and these are reviewed in comparison to prior year periods and budgets. Any adverse trends are identified at an early stage and investigated.

The directors of the company continually monitor the risks that pose the greatest threat to the company. These risks include:

Sales risk (analysis of market trends and key regions of growth throughout the world)

Staff risk (the risk to the business of recruiting and retaining the right staff)

Competition risk (the risk of competitors entering or eroding the market place)

The directors have not identified any uncertainties that might effect the operations of the business in the future.

**DIVIDENDS**

No dividends will be distributed for the period ended 31 December 2008.

**FUTURE DEVELOPMENTS**

With the integration process, Activair Limited will become part of the bigger network which will facilitate growth and any future developments within the publishing industry and the rest of the commercial sector.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 June 2008 to the date of this report.

M Fountain  
H Irogoyen  
S Mc Williams

Other changes in directors holding office are as follows:

M J Evans - resigned 31 December 2008

**REPORT OF THE DIRECTORS**  
**for the Period 1 June 2008 to 31 December 2008**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 2006. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

Oury Clark Chartered Accountants resigned and Ernst & Young LLP appointed to fill the casual vacancy arising.

The auditors, Ernst & Young LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

H Irigoyen - Director



28 April 2009

## **REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF ACTIVAIR LIMITED**

We have audited the financial statements of Activair Limited for the seven month period ended 31 December 2008 on pages five to fourteen. 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 Sections 495 and 496 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 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 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) and for being satisfied that the financial statements give a true and fair view are set out on page three.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, prepared in accordance with the Companies Act 2006, and give a true and fair view. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

We read the Report of the Directors 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 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 have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006;
- the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2008 and of its loss for the period then ended; and
- the information given in the Report of the Directors is consistent with the financial statements.



K Harkin (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Reading

28 April 2009

**ACTIVAIR LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**for the Period 1 June 2008 to 31 December 2008**

	Notes	Period 1.6.08 to 31.12.08 £	Year Ended 31.5.08 as restated £
<b>TURNOVER</b>		490,113	1,708,860
Administrative expenses		551,223	1,653,726
<b>OPERATING (LOSS)/PROFIT</b>	3	(61,110)	55,134
Profit on sale of investment	4	-	3,503,577
		(61,110)	3,558,711
Interest receivable and similar income		48,288	69,044
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(12,822)	3,627,755
Tax on (loss)/profit on ordinary activities	5	-	92,115
<b>(LOSS)/PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION</b>		(12,822)	3,535,640

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current period.

The notes form part of these financial statements

**ACTIVAIR LIMITED****STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
for the Period 1 June 2008 to 31 December 2008**

	Period 1.6.08 to 31.12.08  £	Year Ended 31.5.08 as restated £
<b>(LOSS)/PROFIT FOR THE FINANCIAL PERIOD</b>	(12,822)	3,535,640
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD</b>	(12,822)	<u>3,535,640</u>
Prior year adjustment	Note 7 (302,208)	
<b>TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT</b>	<u>(315,030)</u>	

The notes form part of these financial statements



**BALANCE SHEET**  
**31 December 2008**

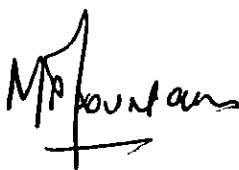
		31.12.08	31.5.08 as restated
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	8	81,804	78,493
Investments	9	350,872	350,872
		<u>432,676</u>	<u>429,365</u>
<b>CURRENT ASSETS</b>			
Debtors	10	635,603	123,372
Cash at bank		560,218	1,413,330
		<u>1,195,821</u>	<u>1,536,702</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	429,372	754,120
<b>NET CURRENT ASSETS</b>		<u>766,449</u>	<u>782,582</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>1,199,125</u></u>	<u><u>1,211,947</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	50,000	50,000
Profit and loss account	13	1,149,125	1,161,947
<b>SHAREHOLDERS' FUNDS</b>	15	<u><u>1,199,125</u></u>	<u><u>1,211,947</u></u>

The financial statements were approved by the Board of Directors on 28 April 2009 and were signed on its behalf by:

H Irigoyen - Director



M Fountain - Director



The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Period 1 June 2008 to 31 December 2008

**1. ACCOUNTING POLICIES****Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

**Preparation of consolidated financial statements**

The company has taken advantage of the exemption permitted by section 400 of the Companies Act 2006 not to prepare group financial statements on the grounds that group financial statements are prepared by the ultimate UK parent company. Consequently, the financial statements represent information about the company as an individual undertaking rather than the group.

**Turnover**

Turnover represents net invoiced sales of services, excluding value added tax.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Cash flow statement exemption**

Exemption has been taken from preparing a cash flow statement on the grounds that the company's cash flows are included in the consolidated cash flow statement of its parent company OH Logistics International (UK) Limited.

**Related party disclosures**

FRS 8 'Related Party Disclosures' requires the disclosure of the details of the material transactions between the reporting entity and any related parties. The company has taken advantage of the exemption available to wholly-owned subsidiaries and accordingly has not provided details of transactions between the company and other members of the group.

**2. STAFF COSTS**

	Period 1.6.08 to 31.12.08	Year Ended 31.5.08 as restated
	£	£
Wages and salaries	273,424	875,225
Social security costs	28,222	123,513
Other pension costs	14,833	33,000
	<u>316,479</u>	<u>1,031,738</u>

The average monthly number of employees during the period was as follows:

	Period 1.6.08 to 31.12.08	Year Ended 31.5.08 as restated
Administration	<u>4</u>	<u>3</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 1 June 2008 to 31 December 2008

2. STAFF COSTS - continued

The employee numbers shown above do not include non-remunerated directors.

3. OPERATING (LOSS)/PROFIT

The operating loss (2008 - operating profit) is stated after charging/(crediting):

	Period 1.6.08 to 31.12.08 £	Year Ended 31.5.08 as restated £
Profit on disposal of fixed assets	-	(11,748)
Auditors' remuneration	45,281	124,423
Foreign exchange differences	6,173	10,533
Plant and machinery impairment	-	302,208
	<u>61,400</u>	<u>603,255</u>
Directors' remuneration	<u>61,400</u>	<u>603,255</u>

Information regarding the highest paid directors is as follows:

	£	£
Emoluments etc	-	189,382

4. EXCEPTIONAL ITEMS

In the previous period the profit on sale of investment of £3,503,577 relates to the disposal by Activair Limited of the subsidiary undertakings, Activair New York Inc and Activair Indianapolis Inc.

5. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the period was as follows:

	Period 1.6.08 to 31.12.08 £	Year Ended 31.5.08 as restated £
Current tax:		
UK corporation tax	-	98,927
Tax (over)/ underprovision	-	(6,812)
	<u>-</u>	<u>92,115</u>
Tax on (loss)/profit on ordinary activities	<u>-</u>	<u>92,115</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 June 2008 to 31 December 2008**

**5. TAXATION - continued****Factors affecting the tax charge**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.6.08 to 31.12.08  £	Year Ended 31.5.08 as restated £
(Loss)/profit on ordinary activities before tax	(12,822)	3,627,755
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 - 29.660%)	(3,590)	1,075,992
Effects of:		
Expenses not deductible for tax purposes	1,721	633
Depreciation and amortisation for period in excess of capital allowances.	(8,683)	64,947
Income not allowable for tax purposes	-	(1,042,645)
Adjustments for tax charge in respect of previous period	-	(6,812)
Losses carry forward for future relief	10,552	-
Current tax charge	-	92,115

**6. DIVIDENDS**

	Period 1.6.08 to 31.12.08  £	Year Ended 31.5.08 as restated £
Ordinary shares of £1 each		
Final	-	3,503,687

The final dividend per share for the year ended 31 May 2008 was £70.05.

**7. PRIOR YEAR ADJUSTMENT**

The prior year adjustment relates to the impairment of plant and machinery being computer software acquired in years ended 31 May 2007 and 2008. Following the acquisition of the company the computer software is to be standardised throughout the group resulting in the writing off of the software currently being used by the company.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 1 June 2008 to 31 December 2008

8. TANGIBLE FIXED ASSETS

	Plant and machinery £
<b>COST</b>	
At 1 June 2008	78,493
Additions	3,311
	<hr/>
At 31 December 2008	81,804
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2008	81,804
	<hr/>
At 31 May 2008	78,493
	<hr/>

9. FIXED ASSET INVESTMENTS

	Unlisted investments £
<b>COST</b>	
At 1 June 2008 and 31 December 2008	350,872
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 December 2008	350,872
	<hr/>
At 31 May 2008	350,872
	<hr/>

The company's investments at the balance sheet date in the share capital of companies include the following:

**Activair (UK) Ltd**

Country of incorporation: England & Wales

Nature of business: Freight forwarding

	%
Class of shares:	holding
Ordinary	100.00

**Activair (Singapore) Pte Ltd**

Country of incorporation: Singapore

Nature of business: Freight forwarding

	%
Class of shares:	holding
Ordinary	100.00

**Activair (Hong Kong) Ltd**

Country of incorporation: Hong Kong

Nature of business: Freight forwarding

	%
Class of shares:	holding
Ordinary	100.00

**Activair (New Zealand) Ltd**

Country of incorporation: New Zealand

Nature of business: Freight forwarding

	%
Class of shares:	holding
Ordinary	100.00

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 1 June 2008 to 31 December 2008

9. **FIXED ASSET INVESTMENTS - continued**

**Activair Australia Pte Ltd**

Country of incorporation: Australia

Nature of business: Freight forwarding

Class of shares:	%
Ordinary	holding 100.00

**Activair Travel Ltd**

Country of incorporation: England and Wales

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

**Activroad Limited**

Country of incorporation: England & Wales

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

**Activsea Limited**

Country of incorporation: England and Wales

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

**Activair Sea Logistics (Pty) Ltd**

Country of incorporation: South Africa

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

10. **DEBTORS**

	31.12.08	31.5.08 as restated
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	128,914	117,799
Other debtors	4,970	5,573
Due from group companies	26,918	-
	<u>160,802</u>	<u>123,372</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	474,801	-
	<u>474,801</u>	<u>-</u>
Aggregate amounts	<u>635,603</u>	<u>123,372</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 June 2008 to 31 December 2008**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.08	31.5.08 as restated
	£	£
Trade creditors	37,583	60,048
Amounts owed to group undertakings	16,451	363
Social security and other taxes	88,114	110,288
Accrued expenses	287,224	583,421
	<u>429,372</u>	<u>754,120</u>

**12. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31.12.08	31.5.08 as restated
Number:	Class:	Nominal value:		
			£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

**13. RESERVES**

	Profit and loss account £
At 1 June 2008	1,464,155
Prior year adjustment	(302,208)
	<u>1,161,947</u>
Deficit for the period	(12,822)
At 31 December 2008	<u>1,149,125</u>

**14. ULTIMATE PARENT COMPANY**

The Company's immediate parent company is OH Logistics International (UK) Limited. Copies of the group financial statements are available from OH Logistics International (UK) Limited, 20-22 Bedford Row, London, WC1R 4JS.

The Company's ultimate parent undertaking and controlling party is OH Logistics International Holdings Inc, a company incorporated in the USA. Copies of the group financial statements are available from 7101 Executive Center Drive, Brentwood, TN 37027, United States.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 June 2008 to 31 December 2008**

**15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31.12.08	31.5.08 as restated
	£	£
(Loss)/Profit for the financial period	(12,822)	3,535,640
Dividends	-	(3,503,687)
	<hr/>	<hr/>
<b>Net (reduction)/addition to shareholders' funds</b>	<b>(12,822)</b>	<b>31,953</b>
Opening shareholders' funds		
(originally £1,514,155 before		
prior year adjustment of £(302,208))	<hr/> 1,211,947	<hr/> 1,179,994
<b>Closing shareholders' funds</b>	<hr/> <b>1,199,125</b> <hr/>	<hr/> <b>1,211,947</b> <hr/>