

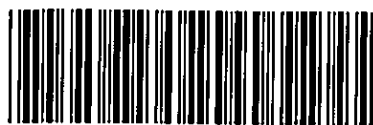
Chemtura Manufacturing (UK) Limited

Directors' report and financial statements

Registered number 2624692

31 December 2007

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Directors and advisers

Directors

Stephen James
Mario Mathieson

Secretary

Christina Huben

Auditors

KPMG LLP
St James' Square
Manchester
M2 6DS

Bankers

Barclays Bank plc
4 Water Street
Liverpool
L69 2DU

Bank of America NT & SA
1 Alie Street
London
E1 8DE

ABN Amro
250 Bishopsgate
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Solicitors

Baker & McKenzie
100 New Bridge Street
London
EC4V 6JA

Registered Office

Tenax Road
Trafford Park
Manchester
M17 1WT

Directors' report

The directors present their report and financial statements for the year ended 31 December 2007.

Results and Dividends

The profit for the year, after taxation, amounted to £6,829,000 (2006: £8,283,000). No dividends were paid in the year (2006: £120,477,000).

Principal activities and business review

The principal activity of the company is the manufacture of speciality chemicals.

Strategic Objectives

The company's strategy is to strengthen its business portfolio and to reduce operating costs. To achieve these goals the company is focussing its resources on its core businesses and divesting non-core businesses and assets and looking to acquire business and assets that will enhance its business portfolio.

Performance during 2007

Financial summary

	2007 £000	2006 £000
Turnover (continuing)	66,543	62,318
Gross profit (continuing)	10,236	7,346
Operating profit/(loss) from continuing operations	4,273	(8,390)
Retained profit for the financial year	6,829	8,283
On time delivery to customers	94%	90%

Operating profit increased as there were no recurring one off pension and environmental costs as in 2006.

Key Risks and Uncertainties

Key risks to the business are recognised as:

- Additional regulatory requirements in environmental, health and safety and product registration.
- Global foreign exchange rate volatility, particularly for the Euro and US dollar.
- Availability and pricing of raw materials and energy.

To mitigate these risks the company uses hedging of foreign currencies. Both employees and external advisors are used to monitor compliance with specific laws and regulations.

Whilst we attempt to match raw material or energy prices increases with corresponding product price increases we may not be able to do so immediately. Ultimately, our ability to pass on increases depends on market conditions.

Directors' report

Key Performance indicators

The company monitors the business internally using a number of performance indicators: these include sales, on time delivery to customers and profitability (see page 2).

Production performance is monitored using various productivity indicators, safety, quality, ship to request and stock levels.

The company produces an annual business plan, plus monthly forecasts showing future sales, profits and cash flow to enable us to monitor ongoing business performance.

Research and Development

The company undertakes research and development on an ongoing basis to enhance its market position.

Directors and their Interests

The directors of the company during the year ended 31 December 2007 and to the date of signing of these financial statements were as follows:

S R James

M Mathieson (Appointed 30 April 2007)

P E M Boury (Resigned 1 June 2007)

Disabled Employees

The company gives a high priority to recruitment and subsequent career development of disabled employees.

Employment Involvement

During the year the policy of providing employees with information about the company has been continued through company journals, notice boards and conferences. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Political and charitable contributions

The company made no political contributions during the year (2006: £nil). Donations to UK charities amounted to £1,295 (2006: £3,400).

Directors' report

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 he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with s384 of the Companies Act 1985, a resolution for the reappointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board



Stephen James
Director

17/12/08

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

The directors are responsible for preparing the directors' report and 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).

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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. 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.



KPMG LLP

St James' Square
Manchester
M2 6DS
United Kingdom

Independent auditors' report to the members of Chemtura Manufacturing (UK) Limited

We have audited the financial statements of Chemtura Manufacturing (UK) Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Reconciliation of Movements in Shareholder's Funds and the related notes. 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 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 5.

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 give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for audit, or if information specified by law regarding the directors' remuneration and other transactions is not disclosed.

We read the Directors' Report 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 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.

Independent auditors' report to the members of Chemtura Manufacturing (UK) Limited (continued)

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP 18 December 2008

KPMG LLP
Chartered Accountants
Registered Auditor

Profit and loss account

for the year ended 31 December 2007

	<i>Notes</i>	2007 £000	2006 £000
Turnover			
-Continuing operations	2	66,543	62,318
-Discontinued operations	2	-	10,878
Cost of sales	3	(56,307)	(62,298)
Gross profit		10,236	10,898
Distribution costs	3	(1,657)	(3,546)
Administrative expenses	3	(4,306)	(13,056)
Exceptional restructuring costs	3	-	(971)
Operating expenses		(5,963)	(17,573)
Operating profit/(loss)		4,273	(8,390)
-Continuing operations		-	1,715
-Discontinued operations			
Profit on disposal of business unit	5	-	14,091
Profit before interest and tax		4,273	7,416
Interest receivable and similar income	8	4,448	4,990
Interest payable and similar charges	9	(36)	-
Profit on ordinary activities before taxation		8,685	12,406
Tax on profit on ordinary activities	10	(1,856)	(4,123)
Profit on ordinary activities after taxation		6,829	8,283

Statement of total recognised gains and losses

for the year ended 31 December 2007

The company has no recognised gains and losses in either the current or preceding year other than those passing through the profit and loss account and therefore no separate statement of total recognised gains and losses has been prepared.

Balance sheet


at 31 December 2007

	Notes	2007 £000	2006 £000
Fixed assets			
Tangible assets	12	23,749	24,811
Investments	13	43,307	43,307
		<u>67,056</u>	<u>68,118</u>
Current assets			
Stocks	14	7,616	5,985
Debtors	15	104,835	99,814
Cash at bank and in hand		454	1,879
		<u>112,905</u>	<u>107,678</u>
Creditors: amounts falling due within one year	16	(126,649)	(129,327)
Net current liabilities		<u>(13,744)</u>	<u>(21,649)</u>
Total assets less current liabilities		53,312	46,469
Creditors: amounts falling due after one year	17	(454)	(123)
Provisions for liabilities and charges	18	(3,045)	(3,362)
Net Assets		<u>49,813</u>	<u>42,984</u>
Capital and reserves			
Share capital	19	-	-
Share premium account	20	25,000	25,000
Profit and loss account	20	24,813	17,984
Total shareholder's funds - equity		<u>49,813</u>	<u>42,984</u>

These financial statements were approved by the board of directors on
 were signed on its behalf by:

17/12/08

and



Stephen James

Director

Reconciliation of movements in shareholder's funds

at 31 December 2007

	2007 £000	2006 £000
Profit for the year	6,829	8,283
Interim dividend (of which £96,970,000 was distributed from capital contribution reserve)	-	(120,477)
Net addition to/(reduction in) shareholder's funds	6,829	(112,194)
Opening shareholder's funds	42,984	155,178
Closing shareholder's funds	49,813	42,984

Notes to the accounts

Forming part of 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 financial statements.

The accounts are prepared under the historical cost convention and in accordance with applicable UK accounting standards.

Basis of preparation

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

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of Great Lakes Europe Unlimited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Great Lakes Europe Unlimited, within which this company is included, can be obtained from the address given in note 25.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Fixed assets and depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less the estimated residual value, by equal instalments over their estimated useful economic lives as follows:

Buildings	-	Between 7 and 40 years
Plant and machinery	-	Between 3 and 14 years

Freehold land is not depreciated

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value as follows:

Raw materials and goods for resale	- purchase cost on a first-in, first-out basis.
Work in progress and finished goods	- cost of direct materials and labour plus attributable overheads based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Notes to the accounts (continued)

Forming part of the financial statements

1. Accounting Policies (cont.)

Post retirement benefits

The company participates in a group wide pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Research and development expenditure

Expenditure on research and development is written off to the profit and loss account in the year in which it is incurred.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

Classification of financial instruments issued by the company

Following the adoption of FRS 25, financial instruments issued by the company are treated as equity (i.e. forming part of shareholder's funds) only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholder's funds.

Notes to the accounts (continued)

Forming part of the financial statements

1. Accounting Policies (cont.)

Turnover

Turnover excludes intra-business turnover and value added taxes. The company generates revenue through sales of specialty chemicals and related services in the open market, through raw material conversion agreements and supply and development contracts. Revenue is recognised when significant risks and rewards in respect of ownership of the products are passed to the customer or when services have been rendered.

Government grants

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the estimated useful economic lives of the assets to which they relate.

2. Turnover and segmental analysis

Turnover is attributable to one business segment, the manufacture and sale of speciality chemicals. Analysis of turnover by geographical market is as follows:

	<i>2007</i>	<i>2006</i>
	<i>£000</i>	<i>£000</i>
Continuing operations:		
Europe	51,503	45,609
Americas	15,040	16,709
Discontinued operations:		
Europe	-	4,637
Asia, Africa & Middle East	-	5,425
Americas	-	816
	<u>66,543</u>	<u>73,196</u>

Notes to the accounts (continued)

Forming part of the financial statements

3. Analysis of costs associated with discontinued operations

	<i>2007 Continuing operations</i>	<i>2007 Discontinued operations</i>	<i>2007 Total</i>	<i>2006 Continuing operations</i>	<i>2006 Discontinued operations</i>	<i>2006 Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Cost of sales	56,307	-	56,307	54,972	7,326	62,298
Net operating expenses						
Distribution costs	1,657	-	1,657	2,633	913	3,546
Administrative expenses	4,306	-	4,306	12,132	924	13,056
Exceptional restructuring costs	-	-	-	971	-	971

The exceptional restructuring costs consist of severance costs due to the rationalisation of support roles at Trafford Park as a result of the merger.

The tax effect of the exceptional restructuring costs is £nil (2006: £291,000).

4. Operating Profit

This is stated after charging:	<i>2007 £000</i>	<i>2006 £000</i>
Auditors' remuneration - audit of these financial statements	45	27
- non-audit services	104	16
Depreciation of owned fixed assets	2,858	3,134
Impairment of fixed assets	-	3,312
Research and development costs	661	1,230
Operating lease rentals – plant and machinery	431	456
Exceptional restructuring costs	-	971

5. Profit on disposal of business unit

The Industrial Water Treatment business was sold as a going concern in May 2006 as detailed below

	<i>2006 £000</i>
Assets sold:	
- Inventory	3,867
- Fixed assets	386
- Receivables	3,399
Other expenses	54
Profit on disposal	14,091
Cash	21,797

Notes to the accounts (continued)

Forming part of the financial statements

6. Directors' emoluments

The emoluments of directors of the company are as stated below:

	2007 £000	2006 £000
Emoluments	218	101
Members of group defined benefit pension schemes	No. 2	No. 1

The emoluments of the highest paid director of the company are as stated below:

	2007 £000	2006 £000
Emoluments	120	101

7. Staff costs

	2007 £000	2006 £000
Wages and salaries	6,827	7,568
Social security costs	662	782
Other pension costs	2,913	4,385
	10,402	12,735

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

	2007 No.	2006 No.
Administration	96	96
Manufacturing	102	111
	198	207

8. Interest receivable and similar income

	2007 £000	2006 £000
Bank interest receivable	-	2
Group undertakings	4,448	4,988
	4,448	4,990

Notes to the accounts (continued)

Forming part of the financial statements

9. Interest payable and similar charges

	2007 £000	2006 £000
Other interest payable	36	-

10. Tax on profit on ordinary activities

(a) Analysis of charge in period	2007 £000	2006 £000
<i>Current tax:</i>		
UK Corporation tax on profits of the period	912	4,584
Adjustments in respect of previous periods	749	76
<i>Total current tax (note 10b)</i>	1,661	4,660
<i>Deferred tax:</i>		
Origination & reversal of timing differences (note 18)	625	(537)
Reversal of provision on IBAs	(430)	-
Tax on profit on ordinary activities	1,856	4,123

(b) Factors affecting tax charge for year

The tax charge for the year is lower than (2006: *higher than*) the standard rate of corporation tax in the UK (30%, 2006: 30%). The differences are explained below:

	2007 £000	2006 £000
Profit on ordinary activities before tax	8,685	12,406
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006: 30%)	2,606	3,722
Effects of:		
Disallowable expenses	(1,306)	335
Capital allowances in (excess of)/less than depreciation	(388)	527
Adjustments to tax charge in respect of previous periods	749	76
Total current tax (note 10a)	1,661	4,660

The corporation tax rate applicable to the company changed from 30% to 28% from 1 April 2008. The deferred tax asset has been calculated at 28% in accordance with FRS 19.

Notes to the accounts (continued)

Forming part of the financial statements

11. Dividends paid

The aggregate amount of dividends comprises

	<i>2007</i>	<i>2006</i>
	<i>£000</i>	<i>£000</i>
Interim dividends paid in respect of the current year:		
From earnings	-	23,507
From Capital Contribution Reserve	-	96,970
	<u>-</u>	<u>120,477</u>

12. Tangible fixed assets

	<i>Freehold land and buildings £000</i>	<i>Plant and machinery £000</i>	<i>Total £000</i>
Cost:			
At 1 January 2007	5,891	58,378	64,269
Additions	-	1,796	1,796
Disposals	-	(73)	(73)
At 31 December 2007	<u>5,891</u>	<u>60,101</u>	<u>65,992</u>
Depreciation:			
At 1 January 2007	1,578	37,880	39,458
Charge for the year	125	2,733	2,858
Disposals	-	(73)	(73)
At 31 December 2007	<u>1,703</u>	<u>40,540</u>	<u>42,243</u>
Net book value:			
At 31 December 2007	<u>4,188</u>	<u>19,561</u>	<u>23,749</u>
At 31 December 2006	<u>4,313</u>	<u>20,498</u>	<u>24,811</u>

Notes to the accounts (continued)

Forming part of the financial statements

13. Investments

	<i>Subsidiary undertakings £000</i>
Cost and net book value: At 1 January 2007 and 31 December 2007	43,307

Details of the investments in which the company holds more than 20% of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>Proportion of voting rights and shares held</i>	<i>Nature of business</i>
G L Development Ltd	Cayman Islands	Ordinary shares	52.1%	Investment company

14. Stocks

	<i>2007 £000</i>	<i>2006 £000</i>
Raw materials and consumables	2,488	2,036
Work in progress	307	264
Finished goods	4,821	3,685
	<u>7,616</u>	<u>5,985</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Notes to the accounts (continued)

Forming part of the financial statements

15. Debtors

	2007 £000	2006 £000
Trade debtors	126	605
Amounts owed by group undertakings	103,649	98,172
Prepayments and accrued income	623	435
Other	437	602
	<u>104,835</u>	<u>99,814</u>

All amounts are due within one year

16. Creditors: amounts falling due within one year

	2007 £000	2006 £000
Trade creditors	4,729	5,349
Amounts owed to group undertakings	116,856	116,243
Accruals and deferred income	2,583	3,419
Corporation tax	2,282	4,083
Other tax and social security	199	233
	<u>126,649</u>	<u>129,327</u>

Amounts owed to group undertakings are shown as due within one year as they are repayable on demand

17. Creditors: amounts falling due after one year

	2007 £000	2006 £000
Deferred income	111	123
Other	343	-
	<u>454</u>	<u>123</u>

Notes to the accounts (continued)

Forming part of the financial statements

18. Provisions

	<i>Environmental Provision</i>	<i>Deferred Tax Provision</i>	<i>Total</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 January 2007	1,009	2,353	3,362
Provided/(released) in the year	(512)	195	(317)
At 31 December 2007	497	2,548	3,045

The environmental provision relates to land remediation costs, of which £63,000 was paid in 2008 and the balance of £434,000 released, due to the full expected liability not arising.

The elements of deferred taxation are set out below:

	<i>2007 Provided £000</i>	<i>2006 Provided £000</i>
Capital allowances in advance of depreciation	2,690	2,394
Other timing differences	(142)	(41)
	2,548	2,353

19. Share Capital

	<i>2007 No.</i>	<i>£</i>	<i>2006 No.</i>	<i>£</i>
Authorised:				
Ordinary shares of £1 each	100	100	100	100
	100	100	100	100
	<i>2007 No.</i>	<i>£</i>	<i>2006 No.</i>	<i>£</i>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	52	52	52	52
	52	52	52	52

Notes to the accounts (continued)

Forming part of the financial statements

20. Reserves

	<i>Share premium £000</i>	<i>Profit and loss £000</i>	<i>Total £000</i>
At 1 January 2007	25,000	17,984	42,984
Profit for the year	-	6,829	5,428
At 31 December 2007	25,000	24,813	48,412

21. Capital commitments

	<i>2007 £000</i>	<i>2006 £000</i>
Contracted, not provided	86	247

22. Other financial commitments

At 31 December 2007, the company had annual commitments under non-cancellable operating leases, none of which related to land and buildings, as set out below:

	<i>2007 £000</i>	<i>2006 £000</i>
Operating leases which expire:		
Within one year	-	25
In two to five years	189	62
	189	87

23. Contingent liabilities

The company is party to bank overdraft set-off arrangements with the parent and other fellow subsidiary undertakings.

Contingent liabilities entered into in the ordinary course of business in respect of tender guarantees and duty deferment bonds totalled £129,400 at 31 December 2007 (2006: £232,505).

Notes to the accounts (continued)

Forming part of the financial statements

24. Pension commitments

The Company is a member of a larger group pension scheme providing benefits based on final pensionable pay. Because the Company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by FRS 17 'Retirement benefits', the scheme has been accounted for, in these financial statements as if the scheme was a defined contribution scheme. The updated FRS 17 valuation at 31 December 2007 indicates that the group scheme has a deficit of £25,148,000 (prior to adjusting for a deferred tax asset of £7,041,000) at that date.

The latest full actuarial valuation was carried out at 31 December 2006 and updated for FRS17 purposes to 2007 by a qualified independent actuary. The contribution for the year was £3,486,000 (2006: £5,020,000). It has been agreed that an employer contribution rate of 10.5% of pensionable pay will apply until 31st May 2007 at which time the defined benefit scheme will close and be replaced with a defined contribution scheme where the employer contribution rate will match employee contribution rate upto a maximum of 7%.

25. Parent undertaking and controlling party

The immediate parent undertaking is Great Lakes Europe Unlimited, a company registered in England and Wales. Copies of Great Lakes Europe Unlimited's accounts can be obtained from the registered office at Tenax Road, Trafford Park, Manchester, M17 1WT.

The ultimate parent undertaking and controlling party is Chemtura Corporation which is incorporated in the USA. The accounts of that company may be obtained from 199 Benson Road, Middlebury, Connecticut, CT 06749, USA.