

EGEMIN UK LIMITED

Directors' report and financial statements

for the year ended 31 December 2006



EGEMIN UK LIMITED

Company information

Directors	D Pans	(resigned 01 01 07)
	H Peeters	(resigned 31 03 07)
	J Vercammen	(appointed 01 04 07)
	G Jansen	(appointed 01 04 07)

Secretary	G Mulier
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Company number	2711512
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Registered office	Warwick House Ermine Business Park Spitfire Close Huntingdon Cambs
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Auditors	Ensors Warwick House Ermine Business Park Spitfire Close Huntingdon Cambs
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Bankers	Barclays bank Plc 1 Market Hill Huntingdon Cambs
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	Fortis Bank 23 Camomile Street London
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EGEMIN UK LIMITED

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EGEMIN UK LIMITED

DIRECTORS' REPORT for the year ended 31 December 2006

The directors present their report and the financial statements for the year ended 31 December 2006

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company in the year under review was the design, construction and installation of automated handling systems

The directors are satisfied with the performance of the company during the year. The turnover has increased this year due to the completion of a contract for the installation of an automated handling system. In the previous year the company had only provided maintenance and support services. The company is currently developing new contracts within the UK which the directors believe will lead to more installation contracts.

RESULTS AND DIVIDENDS

The results for the year are set out on page 5.

The directors do not recommend payment of a final dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial risks are:

Credit risk

The company manages its credit risk by dealing with established customers and checking the credit worthiness of new customers. Establishing clear contractual relationships and addressing credit issues as they arise.

Foreign exchange risk

The company handles its exposure to foreign exchange risk by careful management of foreign currency dealings. No derivative financial instruments are used to hedge the exposure to exchange risk.

PAYMENTS OF CREDITORS

The company aims to comply with the repayment terms specified by suppliers, subject to the suppliers providing goods or services of an acceptable standard.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interests in the company are as stated below:

		Class of share	2006	2005 or date of appointment
D. Pans	(resigned 01.01.07)	Ordinary shares	-	-
H. Peeters	(resigned 31.03.07)	Ordinary shares	-	-

The directors hold shares in Egemin International NV which holds 99% of the shares in Egemin NV, the company that controls Egemin UK Limited.

On 1 April 2007 J. Vercammen and G. Jansen were appointed directors of Egemin UK Limited.

EGEMIN UK LIMITED

DIRECTORS' REPORT
for the year ended 31 December 2006

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- 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.

The directors of a company must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles and practice.

In so far as the directors are aware

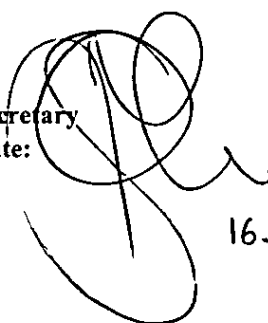
- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

On 2 April 2007 Robert Williams & Company merged its practice with Ensors. In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Ensors be reappointed as auditors of the company will be put to the Annual General Meeting.

Signed on behalf of the board of directors

Secretary
Date:



16.07.07

EGEMIN UK LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
EGEMIN UK LIMITED**

We have audited the financial statements of Egemin UK Limited for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 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.

EGEMIN UK LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
EGEMIN UK LIMITED**

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 2006 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 for the year ended 31 December 2006

Enbors

Chartered Accountants and Registered Auditor
Warwick House
Ermine Business Park
Spitfire Close
Huntingdon
Cambs

Date: 16 JUL 2007

EGEMIN UK LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2006

		Continuing operations	
		2006	2005
	Notes	£	£
TURNOVER	2	590,899	298,422
Cost of sales		(383,330)	(145,104)
GROSS PROFIT		207,569	153,318
Administrative expenses		(133,447)	(186,940)
Other operating income		250	250
OPERATING PROFIT/(LOSS)	3	74,372	(33,372)
Other interest receivable and similar income	4	14,509	12,310
Interest payable and similar charges	5	-	(184)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		88,881	(21,246)
Tax on profit/(loss) on ordinary activities	7	(19,811)	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		69,070	(21,246)
RETAINED PROFIT/(LOSS) FOR THE YEAR		69,070	(21,246)
Retained profit brought forward		481,845	503,091
Retained profit carried forward		<u>550,915</u>	<u>481,845</u>

There are no recognised gains or losses other than the profit or loss for the above two financial years

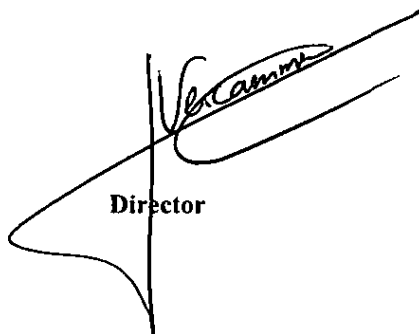
The notes on pages 8 to 13 form an integral part of these financial statements.

EGEMIN UK LIMITED

BALANCE SHEET
as at 31 December 2006

		2006		2005	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	8		1,077		1,926
CURRENT ASSETS					
Stocks	9	1,756		-	
Debtors	10	528,672		286,204	
Cash at bank and in hand		131,654		312,752	
		<u>662,082</u>		<u>598,956</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	11	<u>(62,244)</u>		<u>(69,037)</u>	
NET CURRENT ASSETS			599,838		529,919
Net assets			<u>600,915</u>		<u>531,845</u>
CAPITAL AND RESERVES					
Called up share capital	12		50,000		50,000
Profit and loss account			550,915		481,845
SHAREHOLDERS' FUNDS	13		<u>600,915</u>		<u>531,845</u>

The financial statements were approved by the board on **16 JUL 2007** and signed its behalf by



Director

The notes on pages 8 to 13 form an integral part of these financial statements.

EGEMIN UK LIMITED

CASH FLOW STATEMENT
for the year ended 31 December 2006

	Notes	2006 £	2005 £
Reconciliation of operating profit/(loss) to net cash outflow from operating activities			
Operating profit/(loss)		74,372	(33,372)
Depreciation		849	1,399
(Increase) in stocks		(1,756)	7,535
(Increase) in debtors		(242,468)	50,317
(Decrease) in creditors		(26,604)	(45,857)
Net cash outflow from operating activities		<u>(195,607)</u>	<u>(19,978)</u>
Cash flow statement			
Net cash outflow from operating activities		(195,607)	(19,978)
Returns on investments and servicing of finance	17	14,509	12,126
Taxation	17	-	1,214
Decrease in cash in the year		<u>(181,098)</u>	<u>(6,638)</u>
Reconciliation of net cash flow to movement in net debt (Note 18)			
Decrease in cash in the year		(181,098)	(6,638)
Net funds at 1 January 2006		<u>312,752</u>	<u>319,390</u>
Net funds at 31 December 2006		<u>131,654</u>	<u>312,752</u>

EGEMIN UK LIMITED

Notes to the financial statements for the year ended 31 December 2006

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	10% - 33% of net book value
Fixtures, fittings and equipment	-	10% - 33% of net book value

Leasing

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

Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value

Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more, or less, tax at a future date, at average rates that are expected to apply when the timing differences reverse, based on current rates and laws

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the profit and loss account

2. TURNOVER

	2006 £	2005 £
The turnover attributable to each geographical market is as follows		
Geographical market		
UK	189,908	88,195
Rest of the World	400,991	210,227
	<u>590,899</u>	<u>298,422</u>

EGEMIN UK LIMITED

**Notes to the financial statements
for the year ended 31 December 2006**

3. OPERATING PROFIT/(LOSS)	2006	2005
	£	£
Operating profit/(loss) is stated after charging		
Depreciation and other amounts written off tangible assets	849	1,399
Operating lease rentals		
- Motor vehicles	-	6,058
Auditors' remuneration	5,100	3,950
Auditors' remuneration from non-audit work	1,850	1,800
	<u> </u>	<u> </u>
and after crediting		
Net foreign exchange gain	(4,913)	(7,430)
	<u> </u>	<u> </u>
 4. INTEREST RECEIVABLE AND SIMILAR INCOME	 2006	 2005
	£	£
Bank interest	8,538	8,079
Other interest	5,971	4,231
	<u> </u>	<u> </u>
	14,509	12,310
	<u> </u>	<u> </u>
 5. INTEREST PAYABLE AND SIMILAR CHARGES	 2006	 2005
	£	£
On overdue tax	-	184
	<u> </u>	<u> </u>
 6. EMPLOYEES		
Number of employees	2006	2005
The average monthly numbers of employees	Number	Number
(including the directors) during the year were		
Office and management	6	6
Production and sales	-	1
	<u> </u>	<u> </u>
	6	7
	<u> </u>	<u> </u>
 Employment costs	 2006	 2005
	£	£
Wages and salaries	41,485	48,985
Social security costs	5,967	7,984
	<u> </u>	<u> </u>
	47,452	56,969
	<u> </u>	<u> </u>
 DIRECTORS' EMOLUMENTS	 2006	 2005
	£	£
Remuneration and other emoluments	14,947	14,947
	<u> </u>	<u> </u>

EGEMIN UK LIMITED

Notes to the financial statements for the year ended 31 December 2006

7. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

Analysis of charge in period	2006 £	2005 £
Current tax		
UK corporation tax	19,811	-
Factors affecting tax charge for period		
The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30 per cent) The differences are explained below		
	2006 £	2005 £
Profit/(loss) on ordinary activities before taxation	88,881	(21,246)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 December 2005 30%)	26,664	(6,374)
Effects of:		
Expenses not deductible for tax purposes	(28)	534
Capital allowances for period in excess of depreciation	(12)	63
Utilisation of tax losses	(5,777)	-
Marginal relief	(1,036)	-
Losses carried forward	-	5,777
Current tax charge for period	19,811	-

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2006	18,286	3,394	21,680
At 31 December 2006	18,286	3,394	21,680
Depreciation			
At 1 January 2006	16,663	3,091	19,754
Charge for the year	760	89	849
At 31 December 2006	17,423	3,180	20,603
Net book values			
At 31 December 2006	863	214	1,077
At 31 December 2005	1,623	303	1,926

EGEMIN UK LIMITED

**Notes to the financial statements
for the year ended 31 December 2006**

9. STOCKS	2006	2005
	£	£
Work in progress	<u>1,756</u>	<u>-</u>
10. DEBTORS	2006	2005
	£	£
Trade debtors	122,117	77,975
Amounts owed by group undertakings	401,450	205,606
Prepayments and accrued income	<u>5,105</u>	<u>2,623</u>
	<u>528,672</u>	<u>286,204</u>
11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2006	2005
	£	£
Payments received on account	-	31,987
Trade creditors	5,759	4,353
Amounts owed to group undertaking	25,789	15,062
Corporation tax	19,811	-
Other taxes and social security costs	3,416	1,623
Other creditors	173	1,067
Accruals and deferred income	<u>7,296</u>	<u>14,945</u>
	<u>62,244</u>	<u>69,037</u>
12. SHARE CAPITAL	2006	2005
	£	£
Authorised equity		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid equity		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2006	2005
	£	£
Profit/(loss) for the year	69,070	(21,246)
Opening shareholders' funds	<u>531,845</u>	<u>553,091</u>
Closing shareholders' funds	<u>600,915</u>	<u>531,845</u>

EGEMIN UK LIMITED

Notes to the financial statements for the year ended 31 December 2006

14. FINANCIAL COMMITMENTS

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2006	2005
	£	£
Expiry date:		
Within one year	<u>1,168</u>	<u>2,586</u>

15. RELATED PARTY TRANSACTIONS

Company	Transaction	2006	2005
		£	£
Egemun NV	Materials	385,086	137,569
	Creditor at 31 December 2006	13,426	2,254
	Debtor at 31 December 2006	401,450	205,606
	Interest received	5,921	4,193
Egemun	Administration fee	46,877	60,290
International NV	Creditor at 31 December 2006	12,363	12,648

16. CONTROLLING INTEREST

The company is controlled by Egemun NV, a company incorporated in Belgium

17. GROSS CASH FLOWS

	2006	2005
	£	£
Returns on investments and servicing of finance		
Interest received	14,509	12,310
Interest paid	-	(184)
	<u>14,509</u>	<u>12,126</u>
Taxation		
Corporation tax repaid	-	1,214
	<u>-</u>	<u>1,214</u>

EGEMIN UK LIMITED

**Notes to the financial statements
for the year ended 31 December 2006**

18. ANALYSIS OF CHANGES IN NET FUNDS

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	312,752	(181,098)	131,654
Net funds	<u>312,752</u>	<u>(181,098)</u>	<u>131,654</u>