

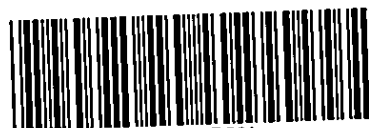
Registered Number 2808255

# **SOUTHCORP WINES EUROPE LIMITED**

**Directors' Report and Financial Statements**

**For the year ended 30 June 2006**

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# Southcorp Wines Europe Limited

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# Southcorp Wines Europe Limited

## Company Information

Registered Number	2808255
Country of Incorporation	England
Registered Office	Regal House 70 London Road Twickenham Middlesex TW1 3QS
Directors	Mr A Ford Mr P Jackson Mr S Pickles
Company Secretary	Mr S Pickles
Auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

# Southcorp Wines Europe Limited

## Directors' Report

The directors present their report and audited financial statements of the company for the year ended 30 June 2006

## Business Review and Principal Activities

The company is principally involved in sales, marketing and distribution management of beverage products, principally wine, exported from Australian group companies

On 28 November 2005, the company sold 100% of the share capital to another Foster's Group Limited company, Foster's EMEA Limited at fair value

On 1 December 2005 the company disposed of its the trade, assets and liabilities at their net book value, to Foster's EMEA Limited whose principal activities are that of wine sales, marketing and distribution

The company's loss for the financial year amounted to £ 3,771,999 (2005 profit £4,799,000)  
No dividend was paid during the year (2005 £nil)

Due to the disposal of its trade and operations, the company is now dormant. The directors will review the future of the business in the current financial year

## Directors

The directors who served during the period to the date of this report were

Mr C Howes (resigned 10/10/2005)  
Mr A Ford (appointed 17/05/2006)  
Mr S Pickles (appointed 01/08/2005)  
Mr J Wilkinson (resigned 31/07/2005)  
Mr J Philips (resigned 28/06/2006)  
Mr P Jackson (appointed 17/05/2006)

None of the directors at 30 June 2006 held shares in the company (or a subsidiary of the company, or its holding company, or any other subsidiary of its holding company), which are required to be disclosed under Section 324 of the Companies Act 1985

The company maintains insurance as referred to in Section 310 (3) of the Companies Act 1985, in respect of its directors and officers against liability in relation to the company

## Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

The directors are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- a) Select suitable accounting policies and then apply them consistently
- b) Make judgements and estimates that are reasonable and prudent
- c) State whether the financial statements comply with IFRSs as adopted by the European Union, and

# Southcorp Wines Europe Limited

## Directors' Report (continued)

- d) Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the group will continue in business

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that 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 1985 and Article 4 of the IAS Regulation. 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 of disclosure of information to auditors

So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware.

Each director has taken all the steps (such as making enquiries of other directors and the auditors and any other steps required by the directors' duty to exercise due care, skill and diligence) that he ought to have taken in his duty as 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

The company has passed a resolution in accordance with section 379A of the Companies Act 1985 to dispense with the obligation to appoint auditors annually. Therefore PricewaterhouseCoopers LLP will continue to hold office.

## By order of the Board



Director

25/4/ 2007

# Independent Auditors' Report to the Members of Southcorp Wines Europe Limited

We have audited the financial statements of Southcorp Wines Europe Limited for the year ended 30 June 2006 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Change in Shareholders' Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

## Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

In addition, we also 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 our audit, or if information specified by law regarding 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 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.

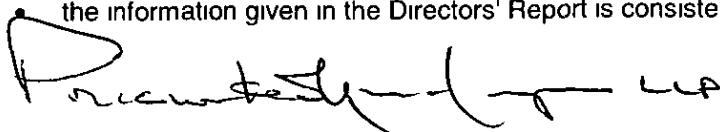
## Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 30 June 2006 and of its loss and cash flows for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and

Independent Auditors' Report to the Members of Southcorp Wines  
Europe Limited (cont )

the information given in the Directors' Report is consistent with the financial statements



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
London

25 April 2007

# Southcorp Wines Europe Limited

## Income Statement for the year ended 30 June 2006

	Note	2006 £'000	2005 £'000
<b>Revenue</b>	2,3	<b>40,116</b>	108,234
Cost of sales		(32,599)	(83,331)
<b>Gross profit</b>		<b>7,517</b>	24,903
Administrative expenses		(5,961)	(15,969)
Distribution and Selling expenses		(387)	(1,141)
<b>Operating profit before exceptional items</b>		<b>1,169</b>	7,793
Integration costs		(4,993)	(968)
<b>Operating (loss)/profit after exceptional items</b>		<b>(3,824)</b>	6,825
Finance income	8	49	4
Finance expense		-	-
<b>(Loss)/profit before taxation</b>	4	<b>(3,775)</b>	6,829
Taxation		3	(2,030)
<b>(Loss)/profit for the year</b>		<b>(3,772)</b>	4,799

There is no difference between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents

## Statement of Changes in Shareholders' Equity for the year ended 30 June 2006

	Note	2006 £'000	2005 £'000
Called up share capital	16	23	23
Opening retained profit as at 1 July		7,958	3,159
Retained (loss)/profit for the year		(3,772)	4,799
Closing retained profits as at 30 June		4,186	7,958
Share Premium Reserve		19,987	19,987
<b>Total Equity Shareholders' Funds as at 30 June</b>		<b>24,196</b>	27,968



# Southcorp Wines Europe Limited

## Balance Sheet at 30 June 2006

	Note	2006 £'000	2005 £'000
<b>Assets</b>			
<b>Non Current Assets</b>			
Property plant and equipment	10	-	472
Deferred Tax	17	-	37
<b>Current Assets</b>			
Inventories	11	-	8,868
Trade and other receivables	12	24,196	31,936
Cash and cash equivalents	13	-	12,474
<b>Total Assets</b>		<b>24,196</b>	<b>53,787</b>
<b>Liabilities</b>			
Trade and other payables	16	-	(24,546)
Provisions for other liabilities and charges	15	-	(1,273)
<b>Total Liabilities</b>		<b>-</b>	<b>(25,819)</b>
<b>Net Assets</b>		<b>24,196</b>	<b>27,968</b>
<b>Equity Shareholders Funds</b>			
<b>Capital and reserves attributable to equity holders of the company</b>			
Share capital	14	23	23
Share premium reserve		19,987	19,987
Retained earnings		4,186	7,958
<b>Total Equity Shareholders' Funds</b>		<b>24,196</b>	<b>27,968</b>

The financial statements on pages 6 to 18 were approved by the board of directors on 25/7/07  
2007 and signed on its behalf by



Director

# Southcorp Wines Europe Limited

## Cash Flow Statement for the year ended 30 June 2006

	Note	2006 £'000	2005 £'000
<b>Cash flows from operating activities</b>	19		
Cash generated from operations		(12,998)	14,774
Interest received		49	4
Income tax received/(paid)		3	(4,496)
<b>Net cash generated from operations</b>		<b>(12,946)</b>	<b>10,282</b>
<b>Cash flows from investing activities</b>			
Property plant and equipment acquisitions		(106)	(92)
Proceeds from sale of property plant and equipment		578	78
<b>Net cash used in investing activities</b>		<b>472</b>	<b>(14)</b>
<b>Net (outflow) / inflow in cash and cash equivalents</b>		<b>(12,474)</b>	<b>10,268</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>12,474</b>	<b>2,206</b>
Effect of foreign exchange rates		-	-
<b>Cash and cash equivalents at end of year</b>		<b>-</b>	<b>12,474</b>

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006

### 1 Summary of significant accounting policies

#### **Basis of accounting**

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS

The 2006 financial statements are the company's first financial statements prepared under IFRS, with a transition date of 1 July 2004. Consequently, the comparative figures for 2005 and the balance sheet as at 1 July 2004 have been restated to comply with IFRS

The financial statements have been prepared under the historical cost convention

#### **Revenue**

Revenue represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year. Revenue is reported net of discounts and allowances provided to customers

Sales are recognised at the time ownership transfers to the customer, either on shipment or despatch

A provision is made for promotional discounts due to customers based on an estimate of qualifying sales made by each customer during the period, hence reducing revenue

#### **Foreign currencies**

Transactions in currencies other than the entity's functional currency (foreign currencies) are initially recorded at the rates of exchange prevailing on the date of the transaction. At each subsequent balance sheet date assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial period. Foreign exchange differences are taken to the income statement in the period in which they arise. All exchange differences arising are dealt with in the income statement

#### **Hedging**

The company does not use financial instruments to hedge its assets and liabilities that are denominated in foreign currencies

#### **Pensions**

The pension cost is charged to the income statement as and when incurred. The company contributes to a defined contribution stakeholder pension scheme

#### **Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, on the straight line basis as follows

Fixtures, fittings and equipment	10 – 33 %
Leasehold buildings & improvements	10% pa
Motor vehicles	20 %

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 1 Summary of significant accounting policies (continued)

#### **Taxation**

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the balance sheet date.

#### **Deferred taxation**

Deferred tax is recognised using the balance sheet liability method on all temporary differences at the tax rates that have been enacted or substantially enacted at the balance sheet date.

A deferred tax asset represents the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

A deferred tax liability represents the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred taxation liabilities are recognised for all taxable temporary differences unless specifically exempt.

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to set off current taxation assets against current taxation liabilities and it is the intention to settle these on a net basis.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short term high liquidity investments with original maturities of three months or less.

#### **Inventories**

Inventory is valued at the lower of the cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### **Provisions**

Provisions are recognised when a present obligation (legal, equitable or constructive) to make a future sacrifice of economic benefits to other entities arises as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 1 Summary of significant accounting policies (continued)

#### **Financial assets**

The company classifies its financial assets in the following categories at fair value through the profit and loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The company has no financial assets classified as at fair value through the profit and loss or as available for sale.

#### **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts.

All receivables are regularly reviewed and a provision for impairment of trade receivables is established when there is objective evidence that all amounts may not be collectible according to the original terms of the sales transaction. Bad debts are written off when identified.

#### **Loans and borrowings**

All loans and borrowings except for certain inter-entity loans and borrowings are non-interest bearing and are initially recognised at fair value and subsequently recorded at amortised cost, representing the present value of the loan, calculated using the effective interest rate of the loan or borrowing over its term.

Loans are classified as current assets, and borrowings as current liabilities, unless the company has an unconditional right to defer settlement of the loan or borrowing for at least 12 months after the balance sheet date. Costs incurred with borrowings are expensed to the income statement in the year in that they are incurred.

#### **Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

### 2 Critical judgements in applying the entity's accounting policies

#### **Revenue recognition**

The company recognises revenue net of discounts and allowances provided to customers. Discounts are provided to customers based on total volumes sold to them over a pre-determined period of time. At the balance sheet date the total outstanding discounts applicable on sales to customers who are part way through a discount period are estimated based on forecasted future volumes.

### 3 Revenue

The total revenue of the company for the year has been derived from the sale of goods.

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 4 Net operating expenses

	2006 £'000	2005 £'000
Profit on ordinary activities before taxation is stated after charging/(crediting)		
Cost of inventories recognised as an expense in cost of sales	31,125	78,735
Write down on inventories	161	-
Depreciation of property plant and equipment	-	99
Loss on disposal of property plant and equipment	-	18
Operating lease rental expense	831	2,141
Foreign exchange (gain)/loss	(552)	272
Employee benefit costs	1,892	5,266
Auditor's remuneration		
Audit services	44	60
Non-audit services	-	17

### 5 Employee benefit expense

The average number of persons (including directors) employed by the company during the year was 79 (2005 92)

	2006 £'000	2005 £'000
Wages and salaries	1,550	4,231
Social security costs	174	541
Pension costs – defined contribution plans	168	494

### 6 Key management compensation

Key management personnel are represented by the Directors and senior management

	2006 £'000	2005 £'000
Short-term employee benefits (salary and benefits)	154	475
Compensation for loss of office	116	385
Post employment benefits (pension costs)	19	29

Retirement benefits are accruing to 0 (2005 2) directors under a defined contribution scheme

The highest paid director received total emoluments of £57,949 (2005 £328,506) and pension contributions of £7,755 (2005 £16,000)

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 7 Exceptional items

	2006 £'000	2005 £'000
Integration costs	4,993	-
Redundancy provision	-	546
Onerous lease provision	-	422

The redundancy provision is in relation to the costs associated with those redundancies that had been announced by the year end

The onerous lease provision is the expected exit cost of a lease on a building in Richmond that the company no longer occupies

Integration costs represent costs associated with the disposal of the business to Foster's EMEA Limited

### 8 Finance income and expense

	2006 £'000	2005 £'000
<b>Finance Income</b>		
Receivable from group companies	48	-
Bank interest	1	4

### 9 Income tax expense

	2006 £'000	2005 £'000
<b>Current tax</b>		
UK corporation tax on (loss)/profit for the period	-	2001
Adjustments in respect of previous period	(3)	55
<b>Total current tax</b>	<b>(3)</b>	<b>2,056</b>
<b>Deferred tax:</b>		
Accelerated capital allowances	-	3
Adjustments in respect of previous period	-	(29)
<b>Total deferred tax</b>	<b>-</b>	<b>(26)</b>
<b>Tax on loss on ordinary activities</b>	<b>(3)</b>	<b>2,030</b>

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

The tax assessed for the year is different from the standard rate of corporation tax in the UK (30%)

The differences are explained below

	2006 £'000	2005 £'000
Loss/(profit) on ordinary activities before tax	(3,775)	6,829
Profit on ordinary activities multiplied by standard rate in the UK 30% (2005 30%)	(1,133)	2,049
Effects of		
Expenses not deductible for tax purposes	787	83
Non taxable income	-	(129)
Unrecognised timing differences	(23)	-
Surrender of losses under group relief for nil consideration	369	-
Adjustments to tax charge in respect of previous period	(3)	27
Tax charge for the period	(3)	2,030

### 10 Property plant and equipment

	Fixtures, fittings and equipment £'000
<b>Cost</b>	
At 1 July 2005	653
Additions	106
Disposals	(759)
<b>At 30 June 2006</b>	-
<b>Depreciation</b>	
At 1 July 2005	181
Charge for the year	-
Disposals	(181)
<b>At 30 June 2006</b>	-
<b>Net book value</b>	
<b>At 30 June 2006</b>	-
At 30 June 2005	472

### 11 Inventories

	2006 £'000	2005 £'000
Finished goods	-	8,868



# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 12 Trade and other receivables

	2006 £'000	2005 £'000
Trade receivables	-	31,285
Receivables from related parties	24,196	-
Other receivables	-	370
Prepayments and accrued income	-	281
	<b>24,196</b>	<b>31,936</b>

### 13 Cash and cash equivalents

	2006 £'000	2005 £'000
Cash at bank and in hand	-	12,474

### 14 Share capital

	2006 £'000	2005 £'000
Authorised		
87,500 ordinary shares of £1 each	87	87
12,500 "Class B" ordinary shares of £1 each	13	13
	<b>100</b>	<b>100</b>
Allotted and fully paid		
10,000 ordinary shares of £1 each	10	10
12,500 "Class B" ordinary shares of £1 each	13	13
	<b>23</b>	<b>23</b>

Both classes of shares confer the same rights on their respective shareholders

### 15 Provisions for liabilities and charges

	Redundancy £'000	Onerous lease £'000	Total £'000
1 July 2005	546	727	1,273
Provided in year			
Utilised in year	(546)	(727)	(1,273)
<b>At 30 June 2006</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Redundancy

The provision represents the redundancy costs for those redundancies communicated before the year-end. These costs will be paid during the year ending 30 June 2006.

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### European Restructuring

The provision represents the costs of restructuring the European distribution network  
This was paid during the year ending

### 16 Trade and other payables

	2006 £'000	2005 £'000
Trade payables	-	(15,510)
Amounts due to related parties	-	(7,153)
Social security and other taxes	-	(1,279)
Accruals and deferred income	-	(604)

### 17 Deferred income tax

The deferred tax amounts are recognised as follows

	2006 £'000	2005 £'000	
Deferred tax assets			
Deferred tax asset to be recovered after more than 12 months	-	37	
Deferred tax assets			
	Provisions £	Other £	Total £
As at 1 July 2005	12	25	37
Transfer in	-	649	649
Disposals	(12)	(674)	(686)
As at 30 June 2006	-	-	-

### 18 Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows

	2006 £'000	2005 £'000
<b>Land and buildings</b>		
No later than 1 year	-	-
Later than 1 year and no later than 5 years	-	-
Later than 5 years	-	377
	2006 £'000	2005 £'000
<b>Other</b>		
No later than 1 year	-	18
Later than 1 year and no later than 5 years	-	68
Later than 5 years	-	-

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 19 Cash generated from operations

	2006 £'000	2005 £'000
(Loss)/profit for the period	(3,772)	4,799
Adjustments for		
Tax	(3)	2,030
Depreciation	-	99
Profit/(loss) of sale of property plant and equipment	-	(18)
Integration Costs	1,319	-
Net movements in provisions for liabilities and charges	(1,273)	1,006
Interest income	(49)	4
Foreign exchange (gain)/loss on loans and borrowings	(552)	272
Changes in working capital		
Inventories	8,868	577
Trade and other receivables	7,010	10,203
Trade and other payables	(24,546)	(4,198)
<b>Cash generated from operations</b>	<b>(12,998)</b>	<b>14,774</b>

### 20 Related-party transactions

Southcorp Wines Europe Limited is a related party of Foster's Group Limited and its subsidiaries as it is wholly owned by Foster's Group Limited

#### Trading balances arising in the normal course of business

These balances have arisen during the normal course of business, and as such are non-interest bearing

		Amounts due from/(to) other Foster's Group Limited companies	
	Related party's relationship	2006 £'000	2005 £'000
Southcorp Finance Europe Limited	Group Company	-	(1,912)
Neyog UK Limited	Group Company	-	(860)
Southcorp Wines Pty Limited	Group Company	-	(4,374)
Global Vineyards BV	Group Company	-	13
Rosemount Estate Wines Limited	Group Company	-	(20)
Foster's EMEA Limited	Group Company	24,196	-

#### Interest rate risk and credit risk

The company is exposed to both interest rate risk and credit risk on its loans and advances. All loans and advances are with group companies. Interest rate risk and credit risk are mitigated by linking interest rates to LIBOR or EURIBOR rates plus a credit risk margin. The risk margin is determined by an independent third party (Ernst & Young) with reference to relevant market factors. Credit ratings are reviewed regularly to ensure that they remain current and relevant. The company does not use financial derivatives to mitigate interest rate risk.

# Southcorp Wines Europe Limited

## Notes to the financial statements for the year ended 30 June 2006 (continued)

### 21 Ultimate parent undertaking

The company's ultimate parent company and controlling party, which is the parent undertaking of the largest group to consolidate the accounts of the company, is Foster's Group Limited, a company incorporated in Australia

Copies of the accounts may be obtained from The Secretary, Regal House, 70 London Road, Twickenham, Middlesex TW1 3QS

### 22 Transition to IFRS

The company reported under UK GAAP in its previous financial statements for the year ended 30 June 2005. Details of the IFRS adjustments made by the ultimate parent company are given in the Reports and Accounts of Foster's Group Limited for the year ended 30 June 2006

The company had no adjustments on transition from UK GAAP to IFRS at 1 July 2004. No adjustments were required for the year ended 30 June 2005 on restatement under IFRS, therefore the income statement and balance sheet has not changed