

Bibby Group Limited

Annual report and financial statements
for the year ended 31 December 2006

Registered number 3198843

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Directors' report

For the year ended 31 December 2006

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 31 December 2006

Results and principal activities

The company has not traded during the financial year and accordingly no profit and loss account is attached

Directors

The directors who served during the period were as follows

P N Baldrey	(resigned 10 February 2006)
R L Burdett	(resigned 10 February 2006)
D A Wall	(appointed 10 February 2006)
C Chnstenson	(appointed 10 February 2006)

None of the directors has any interest in the shares of the company. At 31 December 2006 D A Wall and C Christenson were also directors of Altra Industrial Motion Inc, the ultimate parent company, and their interests in the share capital of that company are disclosed in that company's financial statements

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

Statement of directors' responsibilities

Directors' responsibilities

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

UK Company law requires the directors to prepare financial statements for each financial period which 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 year. In preparing those 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, 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 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.

Amphill Road
Bedford
MK42 9RD

On behalf of the Board,



D A Wall

Director

Date 10-29-07

Report to the Independent Auditors To the Shareholders of Bibby Group Limited

We have audited the company financial statements of Bibby Group Limited for the year ended 31 December 2006 which comprise the Profit and Loss account, Balance Sheet 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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).

We report to you our opinion as to whether the financial statements give a true and fair view and have been 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 those 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 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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 group's and company's circumstances, consistently applied and adequately disclosed.

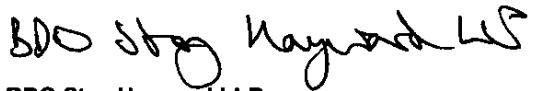
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Report of the Independent Auditors To the Shareholders of Bibby Group Limited
(continued)**

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,
- 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

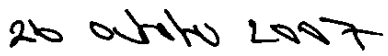


BDO Stoy Hayward LLP

Chartered Accountants and Registered Auditors

Birmingham

Date



Profit and loss account and Balance Sheet

Profit and loss account

For the year ended 31 December 2006

The company did not trade during the current or preceding year and accordingly no profit and loss account has been prepared. The company made neither a profit or a loss nor had any other recognised gains or losses.

Balance Sheet

31 December 2006

	Notes	2006 £'000	2005 £'000
Fixed assets			
Investments	2	1,761	1,761
Total assets		1,761	1,761
Creditors: Amounts falling due after more than one year	3	(1,752)	(1,752)
Net assets		9	9
Capital and reserves			
Called up share capital	4	9	9
Profit and loss account		-	-
Total shareholders' funds		9	9

The accounts on pages 6 and 7 were approved by the board of directors and authorised for issue and signed on its behalf by



D A Wall

Director

Date 10-24-07

The accompanying notes are an integral part of this balance sheet

Notes to financial statements

31 December 2006

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and preceding period.

a) Basis of accounting

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

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 228 of the Companies Act 1985 because it is a wholly owned subsidiary of Altra Industrial Motion Inc. which prepares consolidated financial statements which are publicly available. The company is also, on this basis, exempt from the requirement of FRS 1 to present a cashflow statement.

b) Investments

Fixed asset investments are shown at cost less provision for impairment.

2 Investments

	£'000
Cost and net book value	
At 31 December 2005 and 31 December 2006	<u>1,761</u>

The company owns 100% of the allotted share capital of the following subsidiary.

	Principal activity	Country of incorporation and registration
Bibby Transmissions Limited	Manufacture of power transmission equipment	England

3 Creditors: Amounts falling due after more than one year

	2006 £'000	2005 £'000
Amounts owed to group undertakings	<u>1,752</u>	<u>1,752</u>

The ultimate parent company has undertaken not to require repayment of the above balance and to continue to provide the company with sufficient financial support to meet its liabilities as they fall due for the foreseeable future.

Notes to financial statements (continued)

31 December 2006

4 Called up share capital

	2006 £'000	2005 £'000
<i>Authorised</i>		
10,000 ordinary shares of £1 each	<u>10</u>	<u>10</u>
<i>Called up, allotted and fully paid</i>		
9,002 ordinary shares of £1 each	<u>9</u>	<u>9</u>

5 Ultimate parent company

The company's ultimate parent company at 31 December 2006 was Altra Industrial Motion Inc , a company incorporated in the United States

At 31 December 2006 the largest group in which the results of the company are consolidated is that headed by Altra Industrial Motion Inc The consolidated financial statements of Altra Industrial Motion Inc are available to the public

6 Related party transactions

The company has taken advantage of the exemption included in Financial Reporting Standard No 8 "Related party disclosures" for wholly owned subsidiaries not to disclose transactions with entities that are part of the group or investees of the group qualifying as related parties