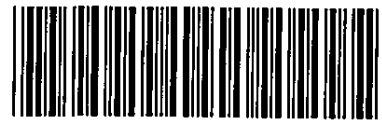


Registered Number 3443960

BHI 3 Limited

Annual report and financial statements
for the year ended 31 December 2012

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BHI 3 Limited

Annual report and financial statements for the year ended 31 December 2012

Contents

Directors and advisers for the year ended 31 December 2012	1
Directors' report for the year ended 31 December 2012	2
Independent auditors' report to the members of BHI 3 Limited	4
Profit and loss account for the year ended 31 December 2012	6
Balance sheet as at 31 December 2012	7
Statement of accounting policies	8
Notes to the financial statements for the year ended 31 December 2012	9

BHI 3 Limited

Directors and advisers for the year ended 31 December 2012

Directors

S J Parkinson

A J Lock

Secretary

S J Parkinson

Registered office

Clariant House

Unit 2, Rawdon Park

Yeadon

Leeds

LS19 7BA

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Benson House

33 Wellington Street

Leeds

LS1 4JP

BHI 3 Limited

Directors' report for the year ended 31 December 2012

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2012. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Business review and principal risks

The Company's principal activity is to hold investments. As a non-trading company the directors do not believe that the Company faces any significant risks and has no reason to believe that its material assets, all of which relate to fellow Clariant group companies, will not realise their full book value.

There were no transactions through either the profit and loss account or balance sheet in 2012.

In 2011 the Company received a dividend of £20,000,000 from its subsidiary Clariant Ribble Holdings Limited and in turn paid a dividend of £20,000,000 to Clariant Horsforth Limited.

Results and dividends

The audited financial statements for the year ended 31 December 2012 are set out on pages 6 to 11. The result for the financial year was £nil (2011: profit of £20,000,000). The directors do not recommend the payment of a dividend (2011: £20,000,000).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

N H Fordham – resigned 31 August 2012

A J Lock

U Ott – appointed 31 August 2012, resigned 1 May 2013

S J Parkinson – appointed 1 May 2013

Qualifying third party indemnity provisions

A qualifying third party indemnity provision as defined in section 236 of the Companies Act 2006, applicable to all of the company's directors was in place during the financial year and continues to be in force as at the date these financial statements were approved.

Charitable and political donations

During the year the Company made no political or charitable donations (2011: £nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

BHI 3 Limited

Directors' report for the year ended 31 December 2012 (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 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.

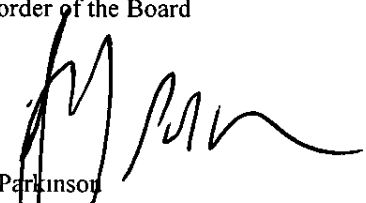
Disclosure of information to auditors

As far as each director is aware there is no relevant audit information of which the Company's auditors are unaware. Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of the information.

Independent auditors

PricewaterhouseCoopers LLP continue to hold office under the elective regime until such time as their appointment is revoked.

By order of the Board



S J Parkinson
Secretary
9 May 2013

BHI 3 Limited

Independent auditors' report to the members of BHI 3 Limited

We have audited the financial statements of BHI 3 Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibility set out on page 2 and 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BHI 3 Limited

Independent auditors' report to the members of BHI 3 Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' report

Mark Webster

Mark Webster (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
9 May 2013

BHI 3 Limited

Profit and loss account for the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Income from fixed asset investments		-	20,000
Profit on ordinary activities before taxation		-	20,000
Taxation on profit on ordinary activities	2	-	-
Profit for the financial year		-	20,000

The results derive from continued activities

The Company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented

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

BHI 3 Limited

Balance sheet as at 31 December 2012

	Note	2012 £'000	2011 £'000
Fixed assets			
Investments	3	352,496	352,496
		352,496	352,496
Current assets			
Debtors	4	1,289	1,289
Net assets		353,785	353,785
Capital and reserves			
Called up share capital	5	85,262	85,262
Share premium account	6	268,237	268,237
Profit and loss account	6	286	286
Total shareholders' funds	7	353,785	353,785

The financial statements on pages 6 to 11 were approved by the board of directors on 9 May 2013 and were signed on its behalf by

A J Lock



BHI 3 Limited

Registered no. 3443960

BHI 3 Limited

Statement of accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is as follows

Basis of accounting

These financial statements are prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom

The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Clariant AG which are publicly available

The Company has also taken advantage of the exemption from the requirement of Financial Reporting Standard 1 'Cash flow statements' (Revised 1996) to present a cash flow statement, on the basis that it is a wholly owned subsidiary of Clariant AG, which prepares consolidated financial statements which are publicly available

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Fixed asset investments

Fixed asset investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment

BHI 3 Limited

Notes to the financial statements for the year ended 31 December 2012

1 Directors and employees

The directors received no remuneration for their services to the Company during the year (2011 £nil) N H Fordham, S J Parkinson and A J Lock are remunerated for their services to the UK group of Clariant companies ('UK Group') and their costs are borne by Clariant Services UK Ltd U Ott received no remuneration for his services to the UK Group

The directors' emoluments paid by Clariant Services UK Ltd are solely in respect of duties under the directors' contracts of employment with Clariant Services UK Ltd and no separate directors' fees are payable

There were no staff employed other than the directors during the year (2011 none)

2 Taxation on profit on ordinary activities

The tax assessed for the year is the same as (2011 lower than) the standard effective rate of corporation tax in the UK for the year ended 31 December 2012 of 24.5% (2011 26.5%) The differences are explained below

	2012 £'000	2011 £'000
Profit on ordinary activities before taxation	-	20,000
Profit on ordinary activities multiplied by standard rate in the UK of corporation tax rate of 24.5% (2011 26.5%)	-	5,300
Effects of		
Income not subject to tax	-	(5,300)
Taxation on profit on ordinary activities	-	-

Factors affecting current and future tax charges

On 21 March 2012 the Chancellor announced the reduction in the main rate of UK corporation tax from 26 per cent to 24 per cent with effect from 1 April 2012 and a further reduction to 23 per cent with effect from 1 April 2013 These changes became substantively enacted on 26 March 2012 and 3 July 2012 respectively and therefore the effect of these rate reductions has been included in the figures above

The Chancellor has announced further changes to reduce the main rate of corporation tax to 21 per cent from 1 April 2014 and 20 per cent from 1 April 2015 As this legislation was not substantively enacted by 31 December 2012, the impact of the anticipated rate change is not reflected in the tax provisions reported in these financial statements It is expected that the impact of these changes will not be material to the company

BHI 3 Limited

Notes to the financial statements for the year ended 31 December 2012 (continued)

3 Fixed asset investments

The Company owns 100% of the ordinary share capital of Clariant Ribble Holdings Limited, a company incorporated in England and Wales, whose principal activity is that of a holding company

	£'000
Cost	
At 1 January 2012 and 31 December 2012	352,496

The directors consider the value of the investments to be supported by the underlying assets

4 Debtors

	2012 £'000	2011 £'000
Amounts owed by group undertakings	1,289	1,289

Amounts owed by group undertakings relate to an unsecured interest free intra group balance with no agreed repayment terms

5 Called up share capital

	2012 £'000	2011 £'000
Allotted and fully paid		
85,262,405 (2011 85,262,405) ordinary shares of £1 each	85,262	85,262

6 Reserves

	Share premium £'000	Profit and loss account £'000
At 1 January 2012 and 31 December 2012	268,237	286

BHI 3 Limited

Notes to the financial statements for the year ended 31 December 2012 (continued)

7 Reconciliation of movements in shareholders' funds

	2012 £'000	2011 £'000
Opening shareholders' funds	353,785	353,785
Profit for the financial year	-	20,000
Dividends paid	-	(20,000)
Closing shareholders' funds	353,785	353,785

8 Related party transactions

As a wholly owned subsidiary undertaking of Clariant AG, the Company has taken advantage of the exemption in Financial Reporting Standard Number 8 "Related Party Disclosures" not to disclose transactions with other members of the Group headed by Clariant AG since that company produces consolidated financial statements which are available to the public and which include BHI 3 Limited

9 Ultimate parent undertaking

The immediate parent undertaking is Clariant Horsforth Limited

The ultimate parent and controlling party of the Company is Clariant AG, a company incorporated in Switzerland, which is the parent undertaking of the largest and the smallest group to consolidate these financial statements. Copies of Clariant AG consolidated financial statements can be obtained from Investor Relations at Hardstrasse 61, CH-4133 Pratteln, Switzerland