

Steinhoff UK Holdings Limited

Directors' report and financial statements

Year ended 30 June 2007

Registered number 3738136

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Steinhoff UK Holdings Limited

Year ended 30 June 2007

Directors' report and financial statements

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Steinhoff UK Holdings Limited

Year ended 30 June 2007

Directors' report

Steinhoff UK Holdings Limited is a company incorporated in the United Kingdom under the Companies Act 1985. The address of the registered office is PO Box 1, Wellington, Somerset, TA21 8NN, England.

The directors present their annual report and the audited financial statements for the year ended 30 June 2007.

Principal activity and business review

The Company is controlled by Steinhoff Europe AG, its immediate parent company. The ultimate controlling party is Steinhoff International Holdings Limited, the ultimate holding company. Steinhoff International Holdings Limited is a company incorporated in The Republic of South Africa.

The Company's principal activity is that of a holding company in the United Kingdom. There have not been any significant changes in the Company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

As shown in the Company's income statement on page 9, the Company's performance has resulted in a loss before tax of £9,000 (2006 £288,000).

The balance sheet on page 10 of the financial statements shows that the Company's net liabilities have increased compared with the prior year.

The Company's income is primarily from group undertakings and the key performance indicators for the Company are revenue and administrative expenses, all of which are shown in the accounts.

Dividend

The directors have not declared a dividend (2006 £nil).

Directors

The directors who held office during the year and subsequently were as follows -

M J Jooste

D R Shaw (Resigned 3 December 2007)

P J Dieperink (Appointed 3 December 2007)

I M Topping

F E J Lewis (Resigned 28 November 2006)

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Directors' Report *(continued)*

Charitable and political contributions

No contribution was made to any charity or political party (2006 £nil)

Risks and uncertainties

The Directors acknowledge that, during the normal course of business, there are a number of potential risks and uncertainties, which could have a material impact on the Company's long-term performance and could cause actual results to differ materially from expected and historical results.

The Company's source of income is from group undertakings and is therefore seen as low risk

The companies within the Steinhoff UK Holdings Limited Group face exposure to fluctuating currency rates and, in order to mitigate this risk, use forward contracts which are controlled through Relyon Group Limited, an associated company

See note 7 for credit risk information.

Post balance sheet event

Subsequent to the year end, on 1 January 2008, Steinhoff UK Holdings Limited purchased the shares in Steinhoff UK Retail Limited and Steinhoff UK Beds Limited, as part of a UK group reorganisation, to create one UK sub-group. The immediate parent company of the UK group is Steinhoff Europe AG, registered in Austria and the ultimate parent remains Steinhoff International Holdings Limited.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Directors' Report (*continued*)

Auditors

In the case of each of the persons who are directors of the company at the date when this report was approved

- so far as each of the directors is aware, there is no relevant information (as defined in the Companies Act 1985) of which the company's auditors are unaware, and
- each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provision of s234ZA of the Companies Act 1985

A resolution to reappoint Deloitte & Touche LLP as the company's auditors will be proposed at the forthcoming Annual General Meeting.

By order of the board



P J Dieperink
Director

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements. The directors have elected to prepare financial statements for the company in accordance with International Financial Reporting Standards (IFRSs). Company law requires the directors to prepare such financial statements in accordance with IFRSs and the Companies Act 1985.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards. Directors are also required to

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- prepare the financial statements on a going concern basis unless it is not appropriate 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, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a directors' report which complies with the requirements of the Companies Act 1985.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STEINHOFF UK HOLDINGS LIMITED

We have audited the financial statements (the "financial statements") of Steinhoff UK Holdings Ltd for the year ended 30 June 2007, which comprise the income statement, balance sheet, cash flow statement and the related notes 1 to 14. 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 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 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 Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted for use in the European Union are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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, in accordance with the relevant financial reporting framework, and are 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. 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 the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements.

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 circumstances of the company, consistently applied and adequately disclosed.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STEINHOFF UK HOLDINGS LIMITED *(continued)*

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 for use in the European Union as applied in accordance with the requirements of the Companies Act 1985, of the state of the individual company's affairs as at 30 June 2007, and of its loss 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



DELOITTE & TOUCHE LLP

Chartered Accountants and Registered Auditors
Bristol, United Kingdom

Date 28 Apr 2008

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Income statement

| | | 2007 | 2006 |
|--|-------------|-------------|--------------|
| | <i>Note</i> | £000 | £000 |
| Revenue | | 100 | 308 |
| Administrative expenses - impairment of investment | | - | (334) |
| Administrative expenses - other | | (77) | (73) |
| Total administrative expenses | | (77) | (407) |
| Operating profit / (loss) | | 23 | (99) |
| Investment revenue | 3 | 198 | 113 |
| Finance costs | 3 | (230) | (302) |
| Loss before taxation | 2 | (9) | (288) |
| Tax on loss | 4 | (17) | (30) |
| Loss for the financial year | | (26) | (318) |

There were no recognised gains or losses other than those reported above and accordingly no statement of recognised income and expenses has been produced

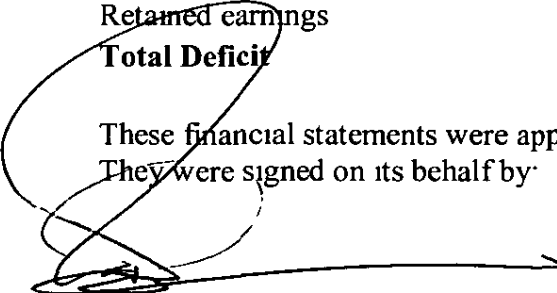
Steinhoff UK Holdings Limited

Year ended 30 June 2007

Balance sheet

| | <i>Note</i> | 2007 £000 | 2006 £000 |
|------------------------------------|-------------|----------------------------|----------------------------|
| Non-current assets | | | |
| Amounts owing from group companies | | 14,247 | 14,333 |
| Investments | 6 | 5,527 | 5,500 |
| | | 19,774 | 19,833 |
| Current assets | | | |
| Trade and other receivables | 7 | 94 | 301 |
| Cash and cash equivalents | | 50 | 130 |
| | | 144 | 431 |
| Total assets | | 19,918 | 20,264 |
| Current liabilities | | | |
| Trade and other payables | 8 | 260 | 8,067 |
| Current tax liabilities | | 17 | 30 |
| | | 277 | 8,097 |
| Non-current liabilities | | | |
| Amounts owed to group undertakings | 9 | 19,991 | 12,491 |
| Net liabilities | | (350) | (324) |
| EQUITY | | | |
| Share capital | 10 | - | - |
| Retained earnings | 11 | (350) | (324) |
| Total Deficit | | (350) | (324) |

These financial statements were approved by the board of directors and authorised for issue on 25 April 2008
They were signed on its behalf by:


P J Dieperink
Director

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Cash flow statement

| | | 2007 | 2006 |
|---|-------------|----------------|----------------|
| | <i>Note</i> | £000 | £000 |
| Net cash (used in) / from operating activities | 12 | (7,607) | 7,886 |
| Investing activities | | | |
| Interest received | | 198 | 113 |
| Acquisition of group undertakings | | (27) | (5,500) |
| Disposal of group undertakings | | - | 100 |
| Net cash from / (used in) investing activities | | 171 | (5,287) |
| Financing activities | | | |
| Interest paid | | (230) | (302) |
| Net increase / (decrease) in borrowings with group undertakings | | 7,586 | (2,258) |
| Net cash from / (used in) financing activities | | 7,356 | (2,560) |
| Net (decrease) / increase in cash and cash equivalents | | (80) | 39 |
| Cash and cash equivalents at beginning of year | | 130 | 91 |
| Cash and cash equivalents at end of year | | 50 | 130 |

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes

1 Significant accounting policies

Basis of accounting

The financial statements of the company are presented as required by the Companies Act 1985. As permitted by that Act, they have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted for use in the European Union.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Operating profit

Operating profit is stated before investment revenue and finance costs.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

1 Significant accounting policies (continued)

Impairment of tangible assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Trade receivables

Trade receivables are measured at initial recognition at fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Investments

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at cost, including transaction costs.

At subsequent reporting dates, investments are carried at cost subject to annual impairment review.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

1 Significant accounting policies (continued)

Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in profit or loss using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade payables

Trade payables are measured at fair value.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

Future developments

The following standards and interpretations have been issued but were not effective at 30 June 2007 and have not been applied in preparing these financial statements:

- Amendment to IAS 1 'Presentation of Financial Statements Capital Disclosures',
- Amendment to IAS 23 'Borrowing Costs',
- IFRS 7 'Financial Instruments Disclosures',
- IFRS 8 'Operating Segments',
- IFRIC 8 'Scope of IFRS 2',
- IFRIC 9 'Reassessment of Embedded Derivatives',
- IFRIC 10 'Interim Financial Reporting and Impairment',
- IFRIC 11 'IFRS 2 – Group and Treasury Share Transactions', and
- IFRIC 12 'Service Concession Arrangements'

The directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Company's financial statements in the period of initial application.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

2 Loss before taxation

| | 2007 £000 | 2006 £000 |
|---|--------------|--------------|
| Loss before taxation is stated after charging - | | |
| Amounts written off investments | - | 334 |
| Auditors' remuneration for audit services | <u>1</u> | <u>1</u> |

The company had no employees during either year

4

3 Investment revenue and finance costs

| | 2007 £000 | 2006 £000 |
|--------------------------------------|--------------|--------------|
| Interest receivable - | | |
| Interest receivable on bank deposits | - | 4 |
| Other interest receivable | <u>198</u> | <u>109</u> |
| Investment revenue | <u>198</u> | <u>113</u> |
| Interest payable - | | |
| Other interest payable | <u>230</u> | <u>302</u> |
| Finance costs | <u>230</u> | <u>302</u> |

4 Taxation

| | 2007 £000 | 2006 £000 |
|--|--------------|--------------|
| <i>Analysis of charge in period</i> | | |
| UK corporation tax - | | |
| Current tax on income for the period | 19 | 30 |
| Adjustment in respect of prior periods | <u>(2)</u> | <u>-</u> |
| Total current tax | <u>17</u> | <u>30</u> |

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

4 Taxation (continued)

Factors affecting the tax charge for the current period

The current tax charge for the period differs from the standard rate of corporation tax in the UK. The differences are explained below -

| | 2007 £000 | 2006 £000 |
|---|--------------|--------------|
| Current tax reconciliation - | | |
| Loss on ordinary activities before tax | (9) | (288) |
| Current tax at 30% (2006 30%) | (3) | (86) |
| Effects of - | | |
| Expenses not deductible for tax purposes | 22 | 116 |
| Adjustments to tax charge in respect of previous period | (2) | - |
| Total current tax | 17 | 30 |

Factors that may affect future tax charges

The UK Corporation Tax will decrease from 30% to 28% with effect from 1 April 2008. Apart from this, the company is not currently aware of any factors which may materially affect the effective rate of tax going forward other than the existing reconciling items.

5 Directors' remuneration

| | 2007 £000 | 2006 £000 |
|-------------------------|--------------|--------------|
| Directors' remuneration | 3 | 4 |

The emoluments of Messrs Topping and Shaw were paid by Relyon Group Limited. It is not practicable to split their remuneration between their services to group companies. Details of their remuneration are included in the financial statements of Relyon Group Limited.

The emoluments of Mr Jooste were paid by Steinhoff International Holdings Ltd. It is not practicable to split his remuneration between his services to group companies. Details of his remuneration are included in the financial statements of Steinhoff International Holdings Ltd.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

6 Investments

| | JW Carpenter Ltd £000 | Steinhoff UK Furniture Ltd £000 | Unitrans UK Limited £000 | Total £000 |
|---|--|--|---|-----------------------|
| <i>Ownership</i> | 100% | 100% | 25% | |
| <i>Country of incorporation</i> | England | England | England | |
| Cost and net book value at 1 July 2006 | 5,500 | - | - | 5,500 |
| Additions | 27 | - | - | 27 |
| Cost and net book value at 30 June 2007 | 5,527 | - | - | 5,527 |

Following on from the acquisition of J W Carpenter Limited in November 2005, Stamp Duty became payable of £27,245 during the year to 30 June 2007 which has been included in the investment cost of this acquisition

The investment in Steinhoff UK Furniture Limited has been provided against in full as a result of the net liabilities in the balance sheet of the subsidiary as at 30 June 2007

Principal activities of investments

| Company | Activity |
|--------------------------------|--|
| J W Carpenter Limited | Retailing homewares and furniture in the United Kingdom |
| Steinhoff UK Furniture Limited | Importers and distributors of upholstered furniture and case goods |
| Unitrans UK Limited | Transport, distribution and logistics |

7 Other financial assets

Trade and other receivables

| | 2007 £000 | 2006 £000 |
|------------------------------------|----------------------|----------------------|
| Other debtors | 1 | - |
| Prepayments and accrued income | 1 | 21 |
| Amounts owed by Group undertakings | 92 | 280 |
| Total debtors | 94 | 301 |

The directors consider that the carrying amount of trade and other receivables approximates their fair value

Bank balances and cash

Bank balances and cash comprise cash held by the Company and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value

Credit Risk

The Company's principal financial assets are bank balances and cash

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies

The Company has no significant concentration of credit risk

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

8 Trade and other payables

| | 2007 | 2006 |
|--|------------|--------------|
| | £000 | £000 |
| Trade creditors | 22 | 38 |
| Amounts owed to Group undertakings | 238 | 528 |
| Accruals and deferred income | - | 1 |
| Amounts owing to Poco International in respect of acquisition of J W Carpenter Limited | - | 7,500 |
| | <u>260</u> | <u>8,067</u> |

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases by the Company is 30 days (2006 30 days)

The directors consider that the carrying amount of trade and other payables approximates their fair value

9 Amounts owed to group undertakings

The amounts owed to group undertakings relates to a number of loans with Steinhoff Europe AG (Austria), and Steinhoff UK Beds Limited. There are no fixed repayment dates for these loans which are in sterling

The average effective interest rate approximates 1.7% (2006 1.8%) and is determined at the contract date

The directors consider that the carrying amount of the Company's borrowings approximates their fair value

10 Share capital

| | 2007 | 2006 |
|---|------|------|
| | £000 | £000 |
| Authorised: 100 (2006 100) ordinary shares of £1 each | - | - |
| Allotted, called up and fully paid: 100 (2006 100) ordinary shares of £1 each | - | - |

11 Reserves

| | 2007 | 2006 |
|--|--------------|--------------|
| | £000 | £000 |
| Profit and loss account | | |
| At 1 July | (324) | (6) |
| Retained loss for the financial period | (26) | (318) |
| At 30 June | <u>(350)</u> | <u>(324)</u> |

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

12 Notes to the cash flow statement

| | 2007 £000 | 2006 £000 |
|--|----------------|--------------|
| Operating profit / (loss) | 23 | (99) |
| Adjustments for | | |
| Impairment to investment | - | 334 |
| Operating cash flows before movements in working capital | 23 | 235 |
| Decrease / (increase) in receivables | 207 | (288) |
| (Decrease) / increase in payables | (7,807) | 7,933 |
| Cash generated by operations | (7,577) | 7,880 |
| Taxes (paid) / received | (30) | 6 |
| Net cash from operating activities | (7,607) | 7,886 |

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less

13 Related party transactions

| | Year to 30 June 2007 | | As at 30 June 2007 | | | |
|---------------------------|----------------------|---------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| | | | Current | | Non-current | |
| | Income £000 | Expenditure £000 | Amounts owing £000 | Amounts owed £000 | Amounts owing £000 | Amounts owed £000 |
| Own group | 100 | - | 1 | - | - | 950 |
| Other Steinhoff companies | - | - | 237 | 92 | 19,991 | 13,297 |
| Total | 100 | - | 238 | 92 | 19,991 | 14,247 |

| | Year to 30 June 2006 | | As at 30 June 2006 | | | |
|---------------------------|----------------------|---------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| | | | Current | | Non-current | |
| | Income £000 | Expenditure £000 | Amounts owing £000 | Amounts owed £000 | Amounts owing £000 | Amounts owed £000 |
| Own group | 308 | - | 102 | 27 | - | 10,620 |
| Other Steinhoff companies | - | - | 426 | 253 | 12,491 | 3,713 |
| Total | 308 | - | 528 | 280 | 12,491 | 14,333 |

'Other Steinhoff companies' include all subsidiaries and associated companies of Steinhoff International Holdings Limited, other than those companies included in the Steinhoff UK Holdings Limited group. These transactions are concluded at arm's length in the normal course of business.

The directors consider that the carrying amount of inter-company balances approximate their fair value.

Steinhoff UK Holdings Limited

Year ended 30 June 2007

Notes (continued)

13 Related party transactions (continued)

Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the Company, is set out in note 5

14 Ultimate holding company and controlling party

The Company is controlled by Steinhoff Europe AG, its immediate parent company. The ultimate controlling party is Steinhoff International Holdings Limited, the ultimate holding company. Steinhoff International Holdings Limited is a company incorporated in The Republic of South Africa.

Consolidated financial statements have not been prepared by the company as permitted by Section 228 of the Companies Act 1985.

The only group in which the results of the Company are consolidated is that headed by Steinhoff International Holdings Limited. The consolidated accounts of this company are available to the public and may be obtained from Steinhoff International Holdings Limited, 28, Sixth Street, Wynberg, Sandton 2090, Republic of South Africa, a company incorporated in The Republic of South Africa.