

Registered No 3834115

BNP Paribas Investment Partners UK Holdings Limited

(Formerly: Fortis Investment Management Holdings UK Limited)

Directors' Report and Financial Statements

31 December 2010



BNP Paribas Investment Partners UK Holdings Limited
(Formerly Fortis Investment Management Holdings UK Limited)

Registered No 3834115

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DIRECTORS

P Croockewit
G Hildrup
I Furtado

COMPANY SECRETARY

I Furtado

STATUTORY AUDITOR

Deloitte LLP
London
United Kingdom

BANKERS

ABN AMRO Bank N V
London Headquarters
250 Bishopsgate
London EC2M 4AA

REGISTERED OFFICE

5 Aldermanbury Square
London EC2V 7BP

COMPANY REGISTRATION NUMBER

3834115

DIRECTORS' REPORT

The directors present the directors' report and audited financial statements of BNP Paribas Investment partners UK Holdings Limited (formerly "the company") for the year ended 31 December 2010

PRINCIPAL ACTIVITIES

The principal activity of the Company is to act as a holding company for a group of investment management companies

RESULTS AND DIVIDENDS

The Company's profit and loss account is shown on page 6 and the balance sheet on page 7. The profit for the year of £18,529,588 (2009 loss of £4,942,000) has been transferred to retained reserves.

The Company declared and paid dividends in the amount of £ 23.7mn (2009 £nil)

REVIEW OF THE BUSINESS

During 2010 the business of Fortis Investment Management and BNP Paribas Asset Management were integrated in the UK. This integration was affected through a series of Asset Transfer and Assumption agreements resulting in the sale and purchase of various business lines between UK entities within the BNP Paribas Group. As part of this integration, the Company was purchased by BNP Paribas Investment Partners, S.A. on 17th December 2010.

Given that this is a holding company with no operations, there are no appropriate key performance indicators ("KPIs") which are monitored by the management.

FUTURE OUTLOOK

The Company's business has significantly changed since the disposal of its subsidiaries. The business now consists of holding cash deposits. The Directors are happy to continue with this strategy through 2011.

GOING CONCERN

The Company remains a going concern. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

POST BALANCE SHEET EVENTS

On the 14th April 2011, the company sold its investment in subsidiary, Fisher Francis Tree and Watts UK Limited (formerly known as Fortis Investment Management UK Limited) to BNP Paribas Investment Partners S.A.

On the 14th April the company reduced its ordinary share capital by way of a capital reduction to £0.000000001 and repurchased the excess shares. The transaction was funded out of distributable reserves.

DIRECTORS

The directors who served during the financial year and to the date of this report were:

P Croockewit
G Hildrup
I Furtado

DIRECTORS' INDEMNITIES

BNP Paribas Central Risk Management provides insurance cover and indemnities for the Company's directors.

AUDITORS

Each of persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware of, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

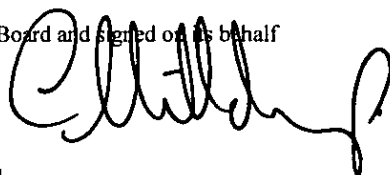
This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006. Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board and signed on its behalf

Gary Hildrup
Director

20 July 2011

20 July



STATEMENT OF DIRECTORS' RESPONSIBILITIES for the year ended 31 December 2010

The directors are responsible for preparing the Annual 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 elected to prepare 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed,
- 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 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.

INDEPENDENT AUDITOR'S REPORT

to the members of BNP Paribas Investment Partners UK Holdings Limited

We have audited the financial statements of BNP Paribas Investment Partners UK Holdings Limited (formerly Fortis Investment Management Holdings UK Limited ("the Company")) for the year ended 31 December 2010 which comprise Profit and Loss Account, the Balance Sheet and the related notes 1 to 18. 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).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the Statement of Directors' Responsibilities, 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 (APB's) Ethical Standards for Auditors.

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.

Opinion

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit 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.

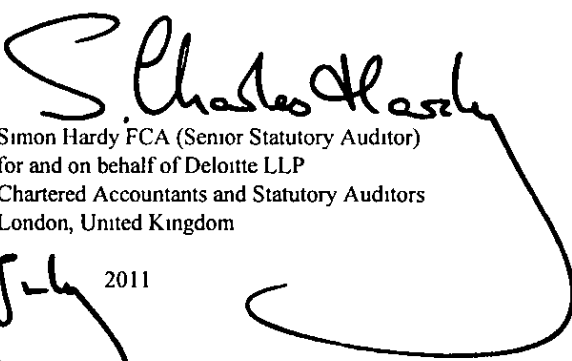
Opinion on other matter prescribed by the Companies Act 2006

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.

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
- 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.


Simon Hardy FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

20 July 2011

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2010

	<i>Notes</i>	<i>31 December 2010 £'000</i>	<i>31 December 2009 £'000</i>
TURNOVER	2	-	-
Dividend income		18,463	-
Impairment loss		-	(4,323)
Administrative expenses		(22)	(760)
OPERATING PROFIT/(LOSS)	3	18,441	(5,083)
Interest receivable and similar income		44	19
Interest payable and similar charges	4	(3)	(3)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		18,482	(5,067)
Tax credit on profit/(loss) on ordinary activities	6	48	125
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		18,530	(4,942)

All amounts relate to the continuing operations of the company

There are no recognised gains or losses in either year other than the profit for the year

The notes on pages 8 to 12 form an integral part of these financial statements

BALANCE SHEET

at 31 December 2010

	Notes	31 December 2010 £'000	31 December 2009 £'000
FIXED ASSET			
Fixed Asset Investments	8 18	9,920	13,342
CURRENT ASSETS			
Debtors	9	1,827	1,779
Cash at bank and in hand		4,097	6,125
		<u>5,924</u>	<u>7,904</u>
CREDITORS Amounts falling due within one year	10	(598)	(797)
NET CURRENT ASSETS		<u>5,326</u>	<u>7,107</u>
NET ASSETS		<u>15,246</u>	<u>20,449</u>
CAPITAL AND RESERVES			
Called up share capital	11	10,739	10,739
Profit and loss account	12	4,507	9,710
SHAREHOLDERS' FUNDS		<u>15,246</u>	<u>20,449</u>

The notes on pages 8 to 12 form an integral part of these financial statements

Approved by the Board of Directors and authorised for issue on 21st April 2011 and signed on its behalf by


Gary Hildrup
Director

20 JULY 2011

NOTES TO THE ACCOUNTS

for the year ended 31 December 2010

1 ACCOUNTING POLICIES

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

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and on a going concern basis.

Exemption from preparing group accounts

In accordance with s400 of the Companies Act 2006, group accounts are not prepared because the Company is a wholly owned subsidiary of a company incorporated in the EEA which prepares group accounts. These accounts present the net assets and results for the Company as a single entity and not for its group.

Fixed Asset Investments

Fixed asset investments comprising of investments subsidiary undertakings, are included in the balance sheet at cost less provision for impairment.

Taxation

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

Deferred taxation 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

Deferred tax is measured at a non-discounted basis at the 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 at the balance sheet date.

Foreign currency

Foreign currency transactions during the year are translated into sterling using foreign exchange rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currency and outstanding at the balance sheet date are translated into sterling using exchange rates prevailing at that date. All exchange differences are taken to the profit and loss account.

Cash flow Statement

The company has taken an exemption in accordance with FRS1 from producing a cash flow statement.

y IMPAIRMENT OF FIXED ASSET INVESTMENTS

At each balance sheet date, fixed asset investments are assessed for indications of impairment. If indications of impairment are evident, this investment will be subject to an impairment review. The impairment review for this investment comprises a comparison of the carrying amount of the asset with its recoverable amount, higher of fair value less cost to sell or value in use.

The carrying value of the fixed asset investment is written down by the amount of any impairment and this loss is recognised in the income statement in the year in which it occurs.

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due.

Dividends

Dividend income arises from fixed asset investments. It is recognised in the income statement when the Company's right to receive payment is established.

2 TURNOVER

The Company has no turnover.

NOTES TO THE ACCOUNTS

for the year ended 31 December 2010

3. OPERATING PROFIT/(LOSS)

This is stated after charging

	<i>Year ended 31 December 2010 £'000</i>	<i>Year ended 31 December 2009 £'000</i>
Auditor's remuneration - statutory audit services	4	3
Other Operating Expenses	18	757
	<u>22</u>	<u>760</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	<i>Year ended 31 December 2010 £'000</i>	<i>Year ended 31 December 2009 £'000</i>
Interest payable on loans from group undertakings	3	3
	<u>3</u>	<u>3</u>

5 DIRECTORS' EMOLUMENTS

The directors of the Company are also directors of other affiliated companies

No directors received any emoluments in 2010 (2009 - £nil) as a consequence of their employment by the Company

NOTES TO THE ACCOUNTS

for the year ended 31 December 2010

6 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<i>Year ended 31 December 2010 £'000</i>	<i>Year ended 31 December 2009 £'000</i>
(i) Analysis of the tax credit for the year		
Current tax		
Continuing operations	145	345
Prior year adjustment	64	(186)
	<u>209</u>	<u>159</u>
Deferred tax		
Continuing operations (Note 7)	(150)	(34)
Adjustments in respect of change in tax rate (Note 7)	(11)	-
	<u>48</u>	<u>125</u>

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (28%)
The differences are explained below

Profit/(Loss) on ordinary activities before tax	18,482	(5,067)
Profit/(Loss) on ordinary activities multiplied by the standard rate of corporation tax (28%) (2009 - 28%)	(5,175)	1,419
Tax Effects of		
UK dividend income not taxable	5,170	-
Expenses not deductible	-	(16)
Permanent Differences	-	(1 259)
Other timing differences	198	201
Adjustments to tax charge in respect of previous periods	64	(186)
Unutilised trade losses	(48)	-
	<u>209</u>	<u>159</u>

7 DEFERRED TAX ASSE I

	<i>Year ended 31 December 2010 £'000</i>	<i>Year ended 31 December 2009 £'000</i>
At 1 January	306	340
Charged to profit and loss account for current year	(150)	(34)
Adjustment in respect of tax rate change	(11)	-
Provision for deferred tax asset (note 9)	<u>145</u>	<u>306</u>
The deferred tax asset is made up as follows		
Expenditure relating to the employee bonus scheme	100	306
Unutilised trade losses	45	-
	<u>145</u>	<u>306</u>

NOTES TO THE ACCOUNTS
for the year ended 31 December 2010

8 FIXED ASSET INVESTMENTS

The Company owned share capital of the following subsidiaries

	Percentage Ownership	2010 £'000	2009 £'000
FFTW Investment Management UK Ltd (formerly known as Fortis Investment Management UK Limited)	100%	9 920	9,920
EISER Infrastructure Limited (formerly known as ABN AMRO Infrastructure Capital Management Ltd)	0%	-	3,422
		<u>9,920</u>	<u>13,342</u>
		2010 £'000	2009 £'000
FFTW Investment Management UK Ltd (formerly known as Fortis Investment Management UK Limited)			
Cost			
At 1 January 2010 and 31 December 2010		<u>9 920</u>	<u>9,920</u>

EISER Infrastructure Limited (formerly known as ABN AMRO Infrastructure Capital Management Ltd)

Cost at 1 January 2009	-	7,745
Impairment loss	-	(4,323)
Cost less impairment at 31 December 2009	-	<u>3,422</u>

In January 2010, the Company sold its subsidiary, EISER Infrastructure Limited, to EISER's management as a result of the Management buy out for a total consideration of £3,422,000 resulting with no gain or loss on a sale of the subsidiary

All of the above investments are unlisted

9 DEBTORS amounts falling due within one year

	2010 £'000	2009 £'000
Group relief debtor	740	531
Deferred tax (see note 7)	145	306
Other debtors	942	942
	<u>1,827</u>	<u>1,779</u>

Included in debtors is a deferred tax asset of £145,000 (2009 £306 000) due after more than one year

10 CREDITORS amounts falling due within one year

	2010 £'000	2009 £'000
Accruals and deferred income	4	203
Corporation tax payable	594	594
	<u>598</u>	<u>797</u>

NOTES TO THE ACCOUNTS

for the year ended 31 December 2010

11. CALLED UP SHARE CAPITAL

	2010 £'000	2009 £'000
Authorised 50,000,000 ordinary shares of £1 each	50,000	50,000
Allotted, called up and fully paid 10,739,279 ordinary shares of £1 each	10,739	10,739

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share Capital £000	Profit and loss account £000	Total Shareholders' Funds £000
At 1 January 2009	10,739	14,652	25,391
Loss for the year	-	(4,942)	(4,942)
At 31 December 2009	10,739	9,710	20,449
At 1 January 2010	10,739	9,710	20,449
Profit for year	-	18,530	18,530
Dividends paid	-	(23,733)	(23,733)
At 31 December 2010	10,739	4,507	15,246

13. CAPITAL COMMITMENTS

No capital expenditure has been authorised or contracted as at 31 December 2010 (2009 - £nil)

14. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption available in paragraph 3c of FRS 8 'Related Party Disclosures' from disclosing transactions with entities that are part of the group into which the Company is consolidated

15. CASH FLOW STATEMENT

Cash flows of the Company are included in the consolidated cash flow statement of BNP Paribas Investment Management S A and consequently, the Company is exempt under the terms of Financial Reporting Standard No 1 (Revised) from publishing a cash flow statement

16. DIVIDENDS PAID

The aggregate amount of dividends comprises of

	2010 £'000	2009 £'000
Interim dividend	23,733	-
Final dividend	-	-
	23,733	-

No dividend was declared by the directors in 2009

17. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking as at 31st December 2010 is BNPP Investment Partners S A, a company incorporated in France

The ultimate parent company and controlling party is BNP Paribas S A which presents group accounts in which the Company is included. Group accounts are available from BNP Paribas S A, Boulevard des Italiens, 75009 Paris, France, or from the company's website at www.bnpparibas.com

18. POST BALANCE SHEET EVENT

On the 14th April 2011, the company sold its investment in subsidiary Fisher Francis Tree and Watts UK Limited (formerly known as Fortis Investment Management UK Limited) to BNP Paribas Investment Partners S A

On the 14th April the company reduced its ordinary share capital by way of a capital reduction to £0 000000001 and repurchased the excess shares. The transaction was funded out of distributable reserves