

Abbott Asia Holdings Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2014



Registration number: 04166305

Abbott Asia Holdings Limited
Directors' Report for the Year Ended 31 December 2014

The directors present their report and the financial statements for the year ended 31 December 2014.

Directors of the company

The directors who held office during the year were as follows:

T Freyman

M Smith (resigned 2 October 2015)

S Hudson

G Hall (appointed 2 October 2015)

The following director was appointed after the year end:

G Hall (appointed 2 October 2015)

Disclosure of information to the auditors

Each director has taken 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 that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Impairment of Investments

After examination of the company's subsidiaries cashflows, the valuation of the subsidiaries have been impaired. As a result during the year a provision for impairment has been made of £894,230,000.

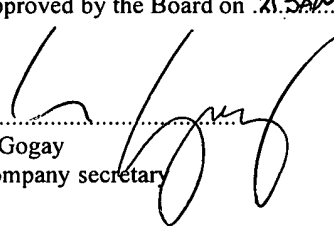
Appointment of auditors

Following the resignation of Deloitte LLP, Ernst and Young LLP have been appointed as the company's auditor.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on ~~21 JAN 2016~~ and signed on its behalf by:


.....
K Gogay
Company secretary

Abbott Asia Holdings Limited
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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK 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 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 Abbott Asia Holdings Limited

We have audited the financial statements of Abbott Asia Holdings Limited for the year ended 31 December 2014, set out on pages 5 to 12, which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and related notes 1 to 14. 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 auditor's 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

As explained more fully in the Statement of Directors' Responsibilities (set out on page 2), 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. In addition, we read all the financial and non-financial information in the Directors' Report 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 the 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 2014 and of its loss 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.

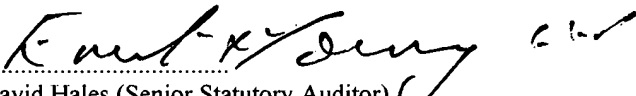
**Independent Auditor's Report to the Members of
Abbott Asia Holdings Limited**

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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.
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report or in preparing the directors report.


David Hales (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Reading
United Kingdom

Date: 21-01-2016

Abbott Asia Holdings Limited
Profit and Loss Account for the
Year Ended 31 December 2014

	Note	2014 £ 000	2013 £ 000
Turnover		-	-
Administrative expenses		<u>(131)</u>	<u>(14)</u>
Operating loss		(131)	(14)
Other exceptional items	3	(894,230)	-
Other interest receivable and similar income	5	25,196	-
Interest payable and similar charges	6	<u>-</u>	<u>(13)</u>
Loss on ordinary activities before taxation		(869,165)	(27)
Tax on loss on ordinary activities	7	<u>(9,146)</u>	<u>-</u>
Loss for the financial year	12	<u><u>(878,311)</u></u>	<u><u>(27)</u></u>

Turnover and operating profit derive wholly from continuing operations.

Abbott Asia Holdings Limited

Statement of Total Recognised Gains and Losses for the Year Ended 31 December 2014

	Note	2014 £ 000	2013 £ 000
Loss for the financial year		(878,311)	(27)
Foreign currency translation differences		<u>10,833</u>	<u>3,282</u>
Total recognised gains and losses relating to the year		<u>(867,478)</u>	<u>3,255</u>

Abbott Asia Holdings Limited
(Registration number: 04166305)
Balance Sheet at 31 December 2014

	Note	2014 £ 000	2013 £ 000
Fixed assets			
Investments	8	1,102,738	1,996,968
Current assets			
Debtors	9	12,740	-
Debtors - over 1yr	9	361,148	259,840
Cash at bank and in hand		3,640	41
		377,528	259,881
Creditors: Amounts falling due within one year	10	(2,595)	(2,175)
Net current assets		374,933	257,706
Net assets		1,477,671	2,254,674
Capital and reserves			
Called up share capital	11	-	-
Share premium account	12	2,333,445	2,242,970
Other reserves	12	6,161	6,161
Profit and loss account	12	(861,935)	5,543
Shareholders' funds	13	1,477,671	2,254,674

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 25 Nov 2014 and signed on its behalf by:


G. Hall
Director

Abbott Asia Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis and have been prepared in accordance with applicable United Kingdom law and accounting standards.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group.

Exemption from preparing group accounts

The company has taken exemption from preparing group accounts, in accordance with Section 401 of the Companies Act 2006, as it is included in consolidated accounts for a larger group which are drawn up as full consolidated audited accounts which are filed at Companies House. The results of the company and its subsidiaries are included in the financial statements of the parent undertaking which is publicly available.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

Fixed asset investments

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

Taxation

UK corporation tax is provided at amounts expected to be paid, or recovered, using 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. Timing differences are differences between the company's taxable profits and its results as stated in the accounts that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts. A net deferred tax asset is recognised as recoverable only when, on the basis of 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 not discounted.

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling at the transaction date. Amounts payable or receivable in foreign currency are translated into sterling at the rate ruling at the balance sheet date, or where appropriate, at the rate of exchange in a related forward exchange contract.

Income from shares in group undertakings

Dividend income from subsidiary companies is recognised on the date the directors of the subsidiary declare the dividend.

Abbott Asia Holdings Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... *continued*

2 Auditor's remuneration

	2014 £ 000	2013 £ 000
Audit of the financial statements	2	5
Other fees to auditors		
Other services	8	9
	<u>10</u>	<u>14</u>

3 Exceptional items

	2014 £ 000	2013 £ 000
Impairment of Investment	<u>894,230</u>	<u>-</u>

After examination of the company's subsidiaries cashflows, the valuation of the subsidiaries have been impaired. As a result during the year a provision for impairment has been made of £894,230,000.

4 Staff costs

During the current and prior year, all the directors were paid by other affiliates in the Abbott Laboratories group of companies. The directors' services to the company do not occupy a significant amount of their time. As such these directors do not consider that they receive any remuneration for their incidental services to the company for the year ended 31 December 2014. The company has no other employees.

5 Other interest receivable and similar income

	2014 £ 000	2013 £ 000
Interest from group companies	<u>25,196</u>	<u>-</u>

6 Interest payable and similar charges

	2014 £ 000	2013 £ 000
Interest on other loans	<u>-</u>	<u>13</u>
	<u>-</u>	<u>13</u>

Abbott Asia Holdings Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
..... continued

7 Taxation

Tax on loss on ordinary activities

	2014 £ 000	2013 £ 000
Current tax		
Corporation tax charge	9,146	-
Total current tax	<u>9,146</u>	<u>-</u>

Factors affecting current tax charge for the year

Tax on loss on ordinary activities for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%).

The differences are reconciled below:

	2014 £ 000	2013 £ 000
Loss on ordinary activities before taxation	(869,165)	(27)
Corporation tax at standard rate	(186,870)	(6)
Non taxable impairment provision	192,259	-
Group relief surrendered to other group companies	(21)	6
Foreign withholding tax	3,778	-
Total current tax	<u>9,146</u>	<u>-</u>

8 Investments held as fixed assets

Shares in group undertakings and participating interests

	Subsidiary undertakings £ 000	Total £ 000
Cost		
At 1 January 2014	1,996,968	1,996,968
At 31 December 2014	1,996,968	1,996,968
Provision for impairment		
Charge for the year	(894,230)	(894,230)
Net book value		
At 31 December 2014	<u>1,102,738</u>	<u>1,102,738</u>

The provision for impairment relates to the company's subsidiaries in India.

Abbott Asia Holdings Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
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Details of undertakings

The company has investments in the following subsidiaries:

	Country of Incorporation	Principal Activity	Share Class	Holding
Abbott Healthcare Pvt Limited	India	Healthcare	Ordinary	100%
Abbott Truecare Pharma Pvt Limited	India	Healthcare	Ordinary	100%

9 Debtors

	2014 £ 000	2013 £ 000
Amounts owed by group undertakings	<u>373,888</u>	<u>259,840</u>

Debtors includes £361,148,000 (2013 - £259,840,000) receivable after more than one year.

10 Creditors: Amounts falling due within one year

	2014 £ 000	2013 £ 000
Amounts owed to group undertakings	-	2,162
Corporation tax	2,581	-
Other creditors	<u>14</u>	<u>13</u>
	<u>2,595</u>	<u>2,175</u>

11 Share capital

Allotted, called up and fully paid

	2014 £000	2013 £000
6 (2013: 5) Ordinary shares of £1	<u>-</u>	<u>-</u>

As part of the purchase of Piramal Healthcare by Abbott Healthcare Pvt. Ltd., India, in September 2014 the company issued 1 ordinary share to Abbott Asia Investments Ltd. at a premium of £90,475,000. The company has loaned the funds raised to Abbott Healthcare Pvt. Ltd.

Abbott Asia Holdings Limited
Notes to the Financial Statements for the Year Ended 31 December 2014
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12 Reserves

	Share premium account £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2014	2,242,970	6,161	5,543	2,254,674
Loss for the year	-	-	(878,311)	(878,311)
Premium on issue of shares	90,475	-	-	90,475
Foreign currency translation gains	-	-	10,833	10,833
At 31 December 2014	<u>2,333,445</u>	<u>6,161</u>	<u>(861,935)</u>	<u>1,477,671</u>

13 Reconciliation of movement in shareholders' funds

	2014 £ 000	2013 £ 000
Loss attributable to the members of the company	(878,311)	(27)
Other recognised gains and losses relating to the year	10,833	3,282
New share capital subscribed	<u>90,475</u>	<u>256,558</u>
Net (reduction)/addition to shareholders' funds	(777,003)	259,813
Shareholders' funds at 1 January	<u>2,254,674</u>	<u>1,994,861</u>
Shareholders' funds at 31 December	<u>1,477,671</u>	<u>2,254,674</u>

14 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other wholly owned members of the group. There were no other related party transactions in the current year.

15 Control

The company is controlled by the immediate parent company Abbott Asia Investments Limited. The smallest and largest group into which the results of Abbott Asia Holdings Limited are consolidated is the ultimate parent company Abbott Laboratories, incorporated in the State of Illinois, USA. The consolidated financial statements are available to the public and may be obtained from Abbott Laboratories, 100 Abbott Park Road, Abbott Park, IL60064-6400, USA.