

INEOS Investment Holdings Limited
Annual report
for the year ended 31 December 2008

Registered Number 4215941



INEOS Investment Holdings Limited

Annual report

for the year ended 31 December 2008

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INEOS Investment Holdings Limited

Directors' report for the year ended 31 December 2008

The directors present their report and the audited financial statements of the company for the year ended 31 December 2008.

Principal activities, review of business and future developments

The principal activity of the company is to act as a holding company. During the year the company did not trade. The directors do not expect any change in the company's activities during the next financial year.

Results and dividends

During the year ended 31 December 2008 the company made a profit before tax of € Nil (2007: €25,000,000). An interim dividend of € Nil per share (2007: €2.17 per share) amounting to € Nil (2007: €25,000,000) was paid. The directors do not recommend the payment of a final dividend (2007: €nil).

Directors

The directors who held office during the year and to the date of signing the financial statements are given below:

A Currie

J Reece

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company where appropriate. The company manages its credit exposures with a set of policies for ongoing credit checks on potential and current customers or counterparties. The company is funded internally by the INEOS group and therefore has no direct exposure to liquidity or debt market risk. Interest rate exposures are managed on a group basis and are fully disclosed in the consolidated financial statements of INEOS Limited.

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

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). The financial statements are required by law to 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

INEOS Investment Holdings Limited

Directors' report for the year ended 31 December 2008 (continued)

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to 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.

Disclosure of information to auditors

The directors confirm that as far as they are aware, there is no relevant audit information of which the company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. In accordance with Section 386 of the Companies Act 1985 the company has elected to dispense with the obligation to appoint auditors annually.

By order of the board



M Stokes
Company Secretary
21 September 2009

INEOS Investment Holdings Limited

Independent auditors' report to the members of INEOS Investment Holdings Limited

We have audited the financial statements of INEOS Investment Holdings Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet, the statement of accounting policies 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we 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 consider the implications for our report if we become aware of any apparent misstatements within it.

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 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.

INEOS Investment Holdings Limited

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 2008 and of its result 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.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

21 September 2009

INEOS Investment Holdings Limited

Profit and loss account for the year ended 31 December 2008

	Note	2008 €'000	2007 €'000
Income from group undertakings	-	-	25,000
Profit on ordinary activities before taxation		-	25,000
Tax on profit on ordinary activities	4	-	-
Profit for the financial year	11	-	25,000

All results derive from continuing operations.

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 material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

INEOS Investment Holdings Limited

Balance sheet as at 31 December 2008

	Note	2008 €'000	2007 €'000
Fixed assets			
Investments	6	17,642	17,642
Current assets			
Debtors	7	986	986
Creditors: amounts falling due within one year	8	(986)	(986)
Net current assets		-	-
Total assets less current liabilities		17,642	17,642
Capital and reserves			
Called up share capital	9	17,642	17,642
Profit and loss account	10	-	-
Total shareholders' funds	11	17,642	17,642

The financial statements on pages 5 to 13 were approved by the board of directors on 21 September 2009 and were signed on its behalf by:



J. Reece
Director

INEOS Investment Holdings Limited

Statement of accounting policies

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting policies in the United Kingdom. The principal accounting policies which have been applied consistently throughout the year, are set out below.

Basis of preparation

The company is included in the consolidated financial statements of INEOS Limited, the ultimate parent undertaking. The company has taken advantage of the exemption not to prepare consolidated financial statements under S228 Companies Act 1985, as it is included in the consolidated financial statements of the INEOS Limited. These financial statements therefore present information about the company as an individual undertaking and not about the group.

Investments

Fixed asset investments are stated at cost less provision for any impairment. All investments are reviewed for impairment when there are indications that the carrying value may not be fully recoverable.

Cash flow statement

The company is a wholly owned subsidiary of INEOS Intermediate Holdings (Fluor & Silicas) Limited and is included in the consolidated financial statements of INEOS Limited. Consequently, the company has taken advantage of the exemptions from preparing a cash flow statement under the terms of Financial Reporting Standard Number 1 (Revised 1996).

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Exchange differences are taken to the profit and loss account in the period in which they occur.

INEOS Investment Holdings Limited

Notes to the financial statements for the year ended 31 December 2008

1 Reporting currency

The financial statements are expressed in Euros as the company primarily generates income, incurs expenditure and has the majority of its assets and liabilities denominated in Euros.

The exchange rate as at 31 December 2008 was € 1.02010/£1 (2007: €1.36482/£1).

2 Employees and directors

Neither the directors nor the secretary received any emoluments during the year (2007: £nil) in respect of their services to the company.

No other persons were employed during the year or in the prior year.

3 Auditor's remuneration

The audit fee has been included in the overall audit fee for INEOS Limited in the current and prior year and is not separately recharged to the company.

4 Tax on profit on ordinary activities

The tax for the year is lower (2007: lower) than the standard rate of corporation tax in the UK of 28% (2007: 30%). The differences are explained below:

	2008 €'000	2007 €'000
Current tax		
UK corporation tax	-	-
Deferred tax		
- Origination and reversal of timing differences	-	-
Total current tax	-	-
Total tax	-	-

	2008 €'000	2007 €'000
Profit on ordinary activities before tax	-	25,000
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 28% (2007: 30%)	-	7,500
Effects of:		
Non taxable income	-	(7,500)
Tax credit for the year	-	-

There are no factors which are expected to affect future tax charges materially.

INEOS Investment Holdings Limited

5 Dividends

	2008	2007
	€'000	€'000
Interim dividends paid of € Nil (2007: €2.17) per share	-	25,000

6 Investments

	2008	2007
	€'000	€'000
Investment in subsidiary undertaking		
At cost and net book value at 31 December	17,642	17,642

The directors believe that the book value of the investments is not less than the value of the underlying net assets.

Interest in subsidiary undertakings

The following information relates to the principal subsidiary undertakings of the company:

Company	Country of incorporation and	Percentage holding	Principal activity
INEOS Intermediate Holdings Limited *	England	100%	Holding company
INEOS Group Holdings plc	England	100%	Finance
INEOS Holdings Limited	England	100%	Holding company
INEOS US Finance LLC	US	100%	Finance
INEOS Industrial Investment Limited	England	100%	Finance
INEOS Oxide Limited	England	100%	Chemicals
INEOS NV	Belgium	100%	Chemicals
INEOS Belgium NV	Belgium	100%	Chemicals
INEOS Italia Srl	Italy	100%	Chemicals
INEOS Partners DGP	US	100%	Holding company
INEOS Phenol Limited	England	100%	Holding company
INEOS Phenol GmbH	Germany	100%	Chemicals
INEOS Investment Holdings (Fluor & Silicas) Limited	England	100%	Holding company

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6 Investments (continued)

INEOS Intermediate Holdings (Fluor & Silicas)	England	100%	Holding company
INEOS Investments International Limited	England	100%	Holding company
INEOS Fluor Holdings Limited	England	100%	Holding company
INEOS Fluor Limited	England	100%	Chemicals
INEOS Fluor Japan Limited	Japan	100%	Chemicals
IFJ Korea Limited	Korea	100%	Chemicals
INEOS Fluor Canada Inc	Canada	100%	Chemicals
INEOS Fluor Americas LLC	US	100%	Chemicals
INEOS Silicas Holding Limited	England	100%	Holding company
INEOS Silicas Limited	England	100%	Chemicals
INEOS Silicas Netherlands BV	Holland	100%	Chemicals
INEOS Healthcare Limited	England	100%	Healthcare
INEOS US Holding Company II LLC	US	100%	Holding company
INEOS US Intermediate Holding Company LLC	US	100%	Holding company
INEOS Americas LLC	US	100%	Chemicals
INEOS US Investment Holding Company LLC	US	100%	Holding company
INEOS European Holdings Limited	England	100%	Holding company
INEOS Belgium Holdco NV	Belgium	100%	Holding company
INEOS Manufacturing Deutschland GmbH	Germany	100%	Chemicals
INEOS Koln GmbH	Germany	100%	Chemicals
INEOS France SAS	France	100%	Chemicals
INEOS Europe Limited	England	100%	Chemicals
INEOS Manufacturing Belgium NV	Belgium	100%	Chemicals
INEOS Feluy SPRL	Belgium	100%	Chemicals
INEOS Manufacturing Scotland Limited	Scotland	100%	Chemicals
INEOS Sales Belgium NV	Belgium	100%	Chemicals
INEOS Sales Italia s.r.l.	Italy	100%	Chemicals
INEOS Manufacturing France SAS	France	100%	Chemicals
INEOS Manufacturing Italia s.p.a.	Italy	100%	Chemicals
INEOS Melamines GmbH	Germany	100%	Chemicals
INEOS Deutschland GmbH	Germany	100%	Holding company

INEOS Investment Holdings Limited

6 Investments (continued)

INEOS LLC	US	100%	Holding company
INEOS Holdings Company LLC	US	100%	Holding company
INEOS USA LLC	US	100%	Chemicals
INEOS Polymers Inc	US	100%	Chemicals
INEOS Canada Company	Canada	100%	Chemicals
INEOS Canada Partnership	Canada	100%	Chemicals
INEOS Canada Investment Company	Canada	100%	Holding company
INEOS Chlor Limited	England	100%	Chemicals
INEOS Chlor Atlantik GmbH	Germany	100%	Chemicals
INEOS Vinyls Group Limited	England	100%	Holding company
INEOS Vinyls Limited	England	100%	Holding company
INEOS Vinyls Finance plc	England	100%	Finance
INEOS Vinyls UK Limited	England	100%	Chemicals
INEOS Vinyls Belgium NV	Belgium	100%	Chemicals
INEOS Vinyls Deutschland GmbH	Germany	100%	Chemicals
INEOS Vinyls Sales GmbH	Germany	100%	Chemicals
INEOS Compounds UK Limited	England	100%	Chemicals
INEOS Compounds Switzerland AG	Switzerland	100%	Chemicals
INEOS Compounds Italia s.r.l.	Italy	100%	Chemicals
INEOS Films s.p.a.	Italy	100%	Chemicals
INEOS Films Italia s.r.l.	Italy	100%	Chemicals
INEOS Films Inc	US	100%	Chemicals
INEOS Films GmbH	Germany	100%	Chemicals
INEOS Films Staufen GmbH	Germany	100%	Chemicals
Caprihans India Limited	India	59%	Chemicals
INEOS ABS (Jersey) Limited	UK	51%	Holding company
INEOS ABS (Deutschland) Limited	Germany	51%	Chemicals
INEOS ABS (UK) Limited	UK	51%	Chemicals
INEOS ABS Thailand Co. Limited	Thailand	51%	Chemicals
INEOS ABS (Spain) SL	Spain	51%	Chemicals
INEOS ABS (India) Limited	India	42%	Chemicals

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6 Investments (continued)

INEOS ABS (USA) Corporation	US	51%	Chemicals
INEOS Holdings (Malta) Limited	Malta	100%	Holding company
INEOS Financing (Malta) Limited	Malta	100%	Holding company
INEOS Holdings Norge AS	Norway	100%	Holding company
INEOS Bamble AS	Norway	100%	Chemicals
INEOS Sales Norge AS	Norway	100%	Chemicals
INEOS Nitriles (UK) Limited	UK	100%	Chemicals
INEOS Manufacturing (Hull) Limited	UK	100%	Chemicals
INEOS Bio Limited	UK	100%	Chemicals
INEOS Bio USA LLC	US	100%	Chemicals
* Held directly by the company			

7 Debtors

	2008	2007
	€'000	€'000
Amounts due from group undertakings	986	986

8 Creditors: amounts falling due within one year

	2008	2007
	€'000	€'000
Amounts owed to group undertakings	986	986

INEOS Investment Holdings Limited

9 Called up share capital

	2008	2007
	€'000	€'000
Authorised, allotted and fully paid		
11,500,131 ordinary shares of £1 each	17,642	17,642

As the reporting currency of the company is the Euro, share capital has been converted to Euros at the effective rate of exchange ruling at the date of issuance.

10 Profit and loss account

	€'000
At 1 January 2008 and at 31 December 2008	-

11 Reconciliation of movements in shareholders' funds

	2008	2007
	€'000	€'000
Profit for the financial year	-	25,000
Dividends (note 5)	-	(25,000)
Net addition to shareholders' funds	-	-
Opening shareholders' funds	17,642	17,642
Closing shareholders' funds	17,642	17,642

12 Ultimate parent undertaking and controlling party

The directors regard INEOS Group Limited, a company incorporated in the United Kingdom to be the immediate parent undertaking of the company.

INEOS Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. Copies of the accounts of INEOS Limited can be obtained from the Company Secretary, INEOS Limited, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

The ultimate controlling party is Mr J A Ratcliffe, director and majority shareholder in the ultimate parent undertakings INEOS Group Limited and INEOS Limited.