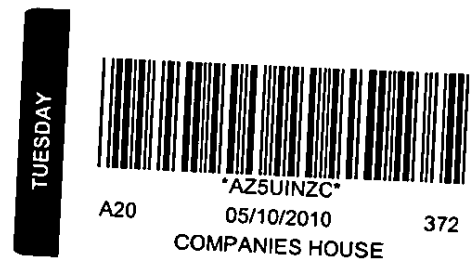


Tessengerlo UK Limited

**Directors' report and financial
statements**

Registered number 4244527

31 December 2009



Contents

Company Information	1
Directors Report	2
Statement of directors' responsibilities in respect of the Directors' report and the financial statements	3
Independent auditors' report to the members of Tessengerlo UK Limited	4
Profit and loss account	6
Balance sheet	7
Notes	8

Company Information

Directors

JM Groenen
BDG Stockhem
DL Van Deynse
AM Van Wallegghem

Secretary

AM Van Wallegghem

Auditors

KPMG LLP
8 Princes Parade
Liverpool
L3 1QH

Registered office

Bridge End Works
Macclesfield Road
Leek
Staffordshire
ST13 8LD

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2009

Principal activities

The principal activity of the company was previously the processing of chemicals. The company has not traded during the year.

Results and dividends

The profit and loss account and balance sheet, together with appropriate notes, are set out on pages 6 to 12. The directors have not proposed a dividend in this year (2008 £nil).

Business review

During 2006 a decision was taken to close the plant and cease production and provision was made for the expected cost of closure. These provisions were utilised and adjusted as costs were incurred in 2007 and 2008. No further costs are anticipated in respect of the company.

At the end of 2007 the site was completely clear of all plant, machinery and buildings. The company had entered into an agreement to sell the site to a third party, depending on the successful surrender of its environmental operating licence. The sale was completed on 30 April 2008 for total consideration of £5,750,000.

The Company did not trade in 2009.

Going Concern

As explained in note 1 of the financial statements, the directors of the company intend to wind up the company in the next 12 months. Accordingly, these financial statements have not been prepared on a going concern basis.

Directors

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

JM Groenen
BDG Stockholm
DL Van Deynse
AM Van Wallegghem

Donations

No political or charitable donations were paid in the year (2008 £nil).

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

AM Van Wallegghem
Director



Statement of directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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, 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

As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis

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 its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities



KPMG LLP

8 Princes Parade
Liverpool
L3 1QH
United Kingdom

Independent auditors' report to the members of Tessengerlo UK Limited

We have audited the financial statements of Tessengerlo UK Limited for the year ended 31 December 2009 set out on pages 6 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). The financial statements have not been prepared on a going concern basis for the reason set out in note 1 to the financial statements.

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 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 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

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 2009 and of its profit for the period then ended,
- have been properly prepared in accordance with UK 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

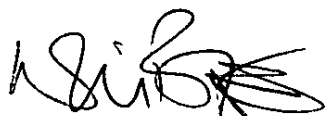
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Tessengerlo UK 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



E W Baker (Senior statutory auditor)
for and on behalf of KPMG LLP, Statutory auditor
Chartered Accountants
Liverpool

4th October 2010

Profit and loss account
for the year ended 31 December 2009

	<i>Note</i>	2009 £000	2008 £000
Turnover	2	-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross Profit		-	-
Administrative expenses		-	-
Selling and distribution expenses		-	-
		<hr/>	<hr/>
Operating Profit	2	-	-
Exceptional credit	2	-	543
Interest payable and similar expense	3	-	(168)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		-	375
Taxation on profit on ordinary activities	4	2	(6)
		<hr/>	<hr/>
Profit for the financial year	10	2	369
		<hr/>	<hr/>

All activities of the company are discontinued

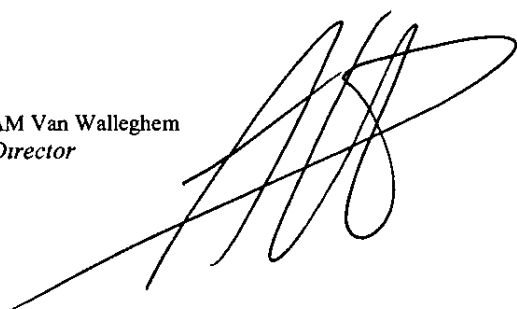
There were no recognised gains or losses during the current or preceding period apart from those shown above

Balance sheet
at 31 December 2009

	<i>Note</i>	2009 £000	2008 £000
Current assets			
Debtors	6	4,237	4,235
Cash at bank and in hand		-	35
		<u>4,237</u>	<u>4,270</u>
Creditors' amounts falling due within one year	7	(22,967)	(4,002)
		<u>(22,967)</u>	<u>(4,002)</u>
Net current (liabilities)/assets		(18,730)	268
		<u>(18,730)</u>	<u>268</u>
Total assets less current liabilities		(18,730)	268
		<u>(18,730)</u>	<u>268</u>
Creditors' amounts falling due after more than one year	8	-	(19,000)
		<u>-</u>	<u>(19,000)</u>
Net liabilities		(18,730)	(18,732)
		<u>(18,730)</u>	<u>(18,732)</u>
Capital and reserves			
Called up share capital	9	6,500	6,500
Profit and loss account	10	(25,230)	(25,232)
		<u>6,500</u>	<u>(25,232)</u>
Shareholders' funds		(18,730)	(18,732)
		<u>(18,730)</u>	<u>(18,732)</u>

These financial statements were approved by the board of directors on 27th September 2010 and were signed on its behalf by

AM Van Walleghem
Director



Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Going Concern

The financial statements have been prepared on a non-going concern basis. The directors believe this to be appropriate as the site and business ceased production at the end of 2006 and ceased trading in early 2007. The directors of the company intend to wind up the company in the next 12 months. On this basis, amounts owed to group companies have been classified as due within one year.

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposals of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Cash flow statement

The cash flows for the year are included within the consolidated cash flow statement disclosed in the accounts of Tessenderlo Chemie NV. Therefore, in accordance with Financial Reporting Standard 1 (Revised), no cash flow statement is presented in these financial statements

Related party transactions

As a wholly owned subsidiary, the company has taken advantage of the exemption afforded by Financial Reporting Standard 8 not to disclose related party transactions with other members of the Tessenderlo Chemie NV group. No director during the period has been materially interested in any contract with the company

Notes (continued)

2 Notes to the profit and loss account

Auditors remuneration has been borne by another group company and amounts to £4,000 for the year ended 31 December 2009 (2008 £9,000)

Following an organisational review in a prior year, the directors took the decision to close the business with no further production after 2006. As a result the following exceptional credits were incurred during 2008

	2009 £000	2008 £000
Future operating costs	-	(22)
Profit on disposal of fixed assets	-	(521)
	<u>-</u>	<u>(543)</u>

3 Interest payable

	2009 £000	2008 £000
Interest payable to group undertaking	-	168
	<u>-</u>	<u>168</u>

4 Taxation on profit on ordinary activities

	2009 £000	2008 £000
<i>UK Corporation tax.</i>		
UK Corporation tax group relief received	-	2
Adjustment in respect of prior years – group relief	(2)	4
	<u>(2)</u>	<u>6</u>
Total tax (credit)/charge	<u>(2)</u>	<u>6</u>

Notes (continued)

4 Taxation on profit on ordinary activities (continued)

The tax assessed for the period is lower (2008 lower) than the standard rate of corporation tax in the UK of 28% (2008 28%). The differences are explained below

	2009 £000	2008 £000
Profit/(Loss) on ordinary activities before tax	-	375
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 28%	-	105
<i>Effects of</i>		
Expenses not deductible for tax purposes		(146)
Permanent differences	-	50
Change in UK tax rate	-	(7)
Adjustment in respect of prior periods	(2)	4
Total tax (credit)/charge	(2)	6

In 2008 a chargeable gain of approximately £3.7m arose on the sale of the Widnes site. The directors have received confirmation that the gain will be offset by tax relief available from other group companies at nil charge. Therefore no tax charge will arise in relation to the sale in the company.

5 Directors and employee information

Directors' emoluments in the year amounted to £nil (2008 £nil). No director is a member of the company's defined benefit pension scheme (2008 none).

6 Debtors

	2009 £000	2008 £000
Amounts owed by group undertakings	132	132
Group relief receivable from group undertakings	4,105	4,103
	4,237	4,235

Notes (continued)

7 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Amount owed to group undertakings	22,967	4,002
	<u>22,967</u>	<u>4,002</u>

8 Creditors: amounts falling due after more than one year

	2009 £000	2008 £000
Amounts owed to group undertakings	-	19,000
	<u>-</u>	<u>19,000</u>

Analysis of debt:

	2009 £000	2008 £000
Debt can be analysed as falling due		
In one year or less, or on demand	22,967	4,002
Between one and two years	-	1,000
Between two and five years	-	3,000
In five years or more	-	15,000
	<u>22,967</u>	<u>23,002</u>

9 Share capital

	2009 £000	2008 £000
<i>Authorised, allotted, called up and fully paid</i>		
Ordinary shares of £1 each	6,500	6,500
	<u>6,500</u>	<u>6,500</u>

Notes (continued)

10 Reconciliation of movement in shareholders' funds and movements on reserves

	Share capital	Profit and loss account	Total shareholder's funds
	£000	£000	£000
At 1 January 2009	6,500	(25,232)	(18,732)
Profit for the year	-	2	2
At 31 December 2009	<u>6,500</u>	<u>(25,230)</u>	<u>(18,730)</u>

12 Ultimate parent company and parent undertaking of larger group of which the company is a member

The immediate parent undertaking is Tessenderlo Holding UK Limited, a company registered in England and Wales which in turn is a wholly owned subsidiary undertaking of the ultimate parent company and controlling party, Tessenderlo Chemie NV, which is incorporated in Belgium. Tessenderlo Chemie NV became the ultimate parent undertaking on 6 August 2001. Copies of the Tessenderlo Chemie NV accounts may be obtained from the registered office, Rue du Trône, 130, B-1050 Brussels.