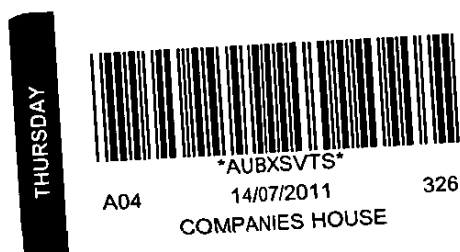


Company Registration No. 07145431 (United Kingdom)

BTC ACTIVEWEAR HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2010



BTC ACTIVEWEAR HOLDINGS LIMITED

COMPANY INFORMATION

Directors	S M Pope H Wenzel	(Appointed 24 February 2010) (Appointed 3 February 2010)
Secretary	Ovalsec Limited	
Company number	07145431	
Registered office	2 Temple Back East Temple Quay Bristol BS1 6EG	
Auditors	Ernst & Young LLP No 1 Colmore Square Birmingham B4 6HQ	
Business address	Point 1 Opus 9 Axletree Way Wednesbury West Midlands WS10 9QY	

BTC ACTIVEWEAR HOLDINGS LIMITED**CONTENTS**

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BTC ACTIVEWEAR HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2010

The directors present their report and financial statements for the period ended 31 December 2010

Principal activities and review of the business

The principal activity of the company is that of a holding company

The company was incorporated on 3rd February 2010

Results and dividends

The results for the period are set out on page 5

The directors do not recommend payment of an ordinary dividend

Directors

The following directors have held office since 3 February 2010

S M Pope	(Appointed 24 February 2010)
H Wenzel	(Appointed 3 February 2010)

Auditors

Ernst & Young LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

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 then apply them consistently,
- make judgements and accounting 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

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.

BTC ACTIVEWEAR HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

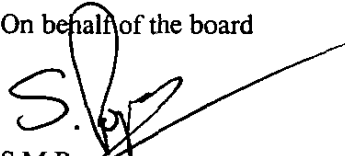
FOR THE PERIOD ENDED 31 DECEMBER 2010

Statement of disclosure to auditors

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

A handwritten signature in black ink, appearing to be 'S. M. Pope', written over a horizontal line.

S M Pope
Director

29 June 2011

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BTC ACTIVEWEAR HOLDINGS LIMITED

We have audited the financial statements of B.T.C. Activewear Holdings Limited for the period ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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 Directors' Responsibilities Statement set out on page 1, 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 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 annual 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 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 2010 and of its loss for the period 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 period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF BTC ACTIVEWEAR HOLDINGS LIMITED

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

Ernst & Young

Steven Bagworth (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

30 June 2011

BTC ACTIVEWEAR HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2010

	Notes	Period ended 31 December 2010 £
Administrative expenses		(90)
Operating loss	2	(90)
Interest payable and similar charges	3	(154,189)
Loss on ordinary activities before taxation		(154,279)
Tax on loss on ordinary activities	4	-
Loss for the period	8	(154,279)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

The financial statements cover the period from the date of incorporation of 3 February 2010 to the accounting period end date of 31 December 2010.

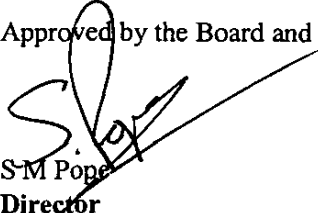
BTC ACTIVEWEAR HOLDINGS LIMITED


BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 £	£
Fixed assets			
Investments	5	6,345,796	
Current assets		-	
Creditors: amounts falling due within one year	6	<u>(5,184,286)</u>	
Net current liabilities			<u>(5,184,286)</u>
Total assets less current liabilities			<u>1,161,510</u>
Capital and reserves			
Called up share capital	7	1,315,789	
Profit and loss account	8	<u>(154,279)</u>	
Shareholders' funds	9		<u>1,161,510</u>

Approved by the Board and authorised for issue on 29 June 2011


S.M. Pope
Director


H. Wenzel
Director

Company Registration No. 07145431

BTC ACTIVEWEAR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.4 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 exception that 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.

1.5 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006

2 Operating loss

The audit fees for the current period were paid by BTC Activewear Limited, a subsidiary of the company

3 Interest payable

2010
£

On amounts payable to group companies

154,189

BTC ACTIVEWEAR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2010

4	Taxation	2010
	Total current tax	-
		<hr/>
	Factors affecting the tax charge for the period	
	Loss on ordinary activities before taxation	(154,279)
		<hr/>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00%	(43,198)
	Effects of	
	Tax losses carried forward	43,198
		<hr/>
	Current tax charge for the period	-
		<hr/>

BTC ACTIVEWEAR HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 DECEMBER 2010****5 Fixed asset investments**

	Shares in subsidiary undertakings £
Cost	
At 3 February 2010	-
Additions	6,345,796
At 31 December 2010	6,345,796
Net book value	
At 31 December 2010	6,345,796

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
BTC Activewear Limited	England	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2010 £	Profit/(loss) for the year 2010 £
	Principal activity		
BTC Activewear Limited	Wholesalers in clothing	2,341,400	1,294,447

6 Creditors: amounts falling due within one year

	2010 £
Amounts owed to parent and fellow subsidiary undertakings	3,184,286
Other creditors	2,000,000
	5,184,286

BTC ACTIVEWEAR HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 DECEMBER 2010**

7	Share capital	2010
		£
	Allotted, called up and fully paid	
	1,000,000 Ordinary 'A' Shares of £1 each	1,000,000
	315,789 Ordinary 'B' Shares of £1 each	315,789
		<hr/>
		1,315,789
		<hr/>

The shares were issued during the year on incorporation

8	Statement of movements on profit and loss account	Profit and loss account £
	Loss for the period	(154,279)
		<hr/>

9	Reconciliation of movements in shareholders' funds	2010 £
	Loss for the financial period	(154,279)
	Proceeds from issue of shares	1,315,789
		<hr/>
	Net addition to shareholders' funds	1,161,510
	Opening shareholders' funds	-
		<hr/>
	Closing shareholders' funds	1,161,510
		<hr/>

BTC ACTIVEWEAR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2010

10 Employees

Number of employees

There were no employees during the period apart from the directors

Employment costs

The directors have not received any remuneration in respect of their service to the company

The directors are also the directors of other group companies and their roles within the company are deemed to be incidental to their wider roles within group management and therefore the company bears no cost in relation to the directors

11 Control

The immediate parent company is Falk & Ross Group (UK) Limited, a company registered in England and Wales

The ultimate parent company is Falk & Ross Equity GmbH, a company registered in Germany

Falk & Ross Equity GmbH prepares group financial statements and copies can be obtained from - Ross Strasse 6, Sembach, 67681, Germany

Falk & Ross Equity GmbH is the smallest and largest group undertaking for which group accounts are drawn up

12 Related party relationships and transactions

Included within creditors due in less than one year is a loan amounting to £3,184,286 due to the parent company Falk & Ross Equity GmbH. During the year interest of £154,189 was paid to Falk & Ross Equity GmbH in respect of the loan