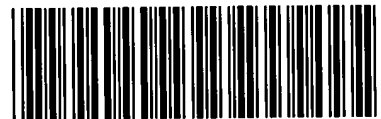


SENIOR FIVE LIMITED

Report and Financial Statements

For the year ended 31 December 2016

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SENIOR FIVE LIMITED

REPORT AND FINANCIAL STATEMENTS 2016

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SENIOR FIVE LIMITED

REPORT AND FINANCIAL STATEMENTS 2016

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D J Harding
A J Bodenham

SECRETARY

A J Bodenham

REGISTERED OFFICE

59/61 High Street
Rickmansworth
Hertfordshire
WD3 1RH

BANKERS

Lloyds Bank plc
25 Gresham Street
London EC2V 7HN

AUDITOR

Deloitte LLP
Cambridge, United Kingdom

SENIOR FIVE LIMITED

STRATEGIC REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

Principal activity

Senior Five Limited, the Company, acts as a non-trading company within the Senior plc Group of companies and is expected to do so for the foreseeable future.

Business review

During the year the Company delivered good results with profit before tax of \$32,223,000 (2015 - \$37,910,000) and its financial position at the year end was strong with net assets of \$397,156,000 (2015 - \$367,010,000).

On 16 June 2016, Senior Operations LLC paid a dividend to Senior Five Limited of \$13,720,000. On 17 June 2016, Senior Five Limited paid interest of \$13,726,616 against the existing loan with Senior US Holdings Inc.

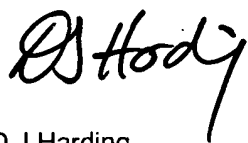
On 17 October 2016, Senior US Holdings Inc subscribed for one additional share in the Company with a nominal value of £1 (US \$1.30) and share premium of \$5,371,998.70 for consideration of \$5,372,000. On this date, Senior Operations LLC paid a dividend of \$25,256,000 to Senior Five Limited. On 18 October 2016, Senior Five Limited made a loan repayment of \$30,000,000 plus interest of \$628,500 to Senior US Holdings Inc.

On 19 December 2016, Senior Operations LLC paid a dividend of \$20,000,000 to Senior Five Limited. On 20 December 2016, Senior Five Limited paid interest of \$12,619,756 against the existing loan with Senior US Holdings Inc and also paid a dividend of \$7,449,000 to Senior US Holdings Inc.

Principal risks and uncertainties

The main risk facing the Company is the underlying performance of its subsidiary companies. The directors address this by ensuring the subsidiaries have sufficient resources from within the Senior Group to be able to continue trading.

The Strategic Report was approved by the Board of Directors and signed on behalf of the Board



D J Harding

Director

26 April 2017

SENIOR FIVE LIMITED

DIRECTORS' REPORT

Results and dividends

The results for the year were as follows:

	2016 USD\$'000	2015 USD\$'000
Profit and loss account, 1 January	30,010	-
Profit for the financial period	32,223	37,910
Dividends paid	(7,449)	(7,900)
	<hr/>	<hr/>
Profit and loss account, 31 December	<u>54,784</u>	<u>30,010</u>

Directors

The directors who served during the year and to the date of signing this report were as follows:

A J Bodenham

D J Harding

Directors' indemnities

Qualifying third party indemnity provisions for the benefit of the directors were renewed by the Group during the year and remain in force at the date of this report.

Going concern basis

Due to a large outstanding balance owed to Group undertakings as stated in note 11, the Company's main risk in respect of going concern is the net current liabilities held on the balance sheet. The Company achieved a good level of profit in the year and its financial position is strong. This, combined with the support of its ultimate parent Company (Senior plc), gives the directors the expectation that the Company will have adequate resources to continue in existence for the foreseeable future. Thus, the Board has continued to adopt the going concern basis in preparing the Company's financial statements.

SENIOR FIVE LIMITED

DIRECTORS' REPORT (CONTINUED)

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

- (1) so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (2) the director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

The board has proposed that KPMG LLP be appointed external Auditor for the financial year commencing 1 January 2017, in order to maintain auditor independence and comply with FRC and EU guidance on audit tendering. As a result, Deloitte LLP will not be reappointed for another term.

Approved by the Board of Directors
and signed on behalf of the Board



A J Bodenham

Secretary

26 April 2017

SENIOR FIVE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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), including FRS 101 "Reduced Disclosure Framework". 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 Financial Reporting Standard 101 "Reduced Disclosure Framework" has 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.

SENIOR FIVE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENIOR FIVE LIMITED

We have audited the financial statements of Senior Five Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 15. 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), including FRS 101 "Reduced Disclosure Framework".

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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

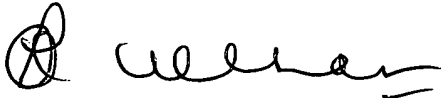
SENIOR FIVE LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENIOR FIVE 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.



Lee Welham FCA (Senior statutory auditor)
Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom
26 April 2017

SENIOR FIVE LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2016

	Notes	2016 US\$'000	2015 US\$'000
Income from shares in group undertakings	3	58,976	66,450
Operating profit		<u>58,976</u>	<u>66,450</u>
Interest receivable	4	16	13
Interest payable	5	(26,769)	(28,553)
Profit on ordinary activities before taxation	6	<u>32,223</u>	<u>37,910</u>
Tax on profit on ordinary activities	7	-	-
Profit on ordinary activities after taxation being the retained profit for the year		<u><u>32,223</u></u>	<u><u>37,910</u></u>

All activities derive from continuing operations.

There were no recognised gains or losses other than reported above. Accordingly, no statement of total recognised gains and losses is presented.

SENIOR FIVE LIMITED**BALANCE SHEET****31 December 2016**

	Notes	2016 US\$'000	2015 US\$'000
Fixed assets			
Investments in subsidiary undertakings	9	<u>792,000</u>	<u>792,000</u>
Current assets			
Debtors: amounts due within one year	10	913	973
Cash at bank and in hand		<u>1</u>	<u>1</u>
		914	974
Creditors: Amounts falling due within one year	11	<u>(395,758)</u>	<u>(425,964)</u>
Net current liabilities		<u>(394,844)</u>	<u>(424,990)</u>
Net assets		<u>397,156</u>	<u>367,010</u>
Capital and reserves			
Called up share capital	12	265,000	265,000
Share Premium	12	77,372	72,000
Profit and loss account		<u>54,784</u>	<u>30,010</u>
		<u>397,156</u>	<u>367,010</u>

These financial statements were approved by the Board of Directors and authorised for issue on 26 April 2017.

Signed on behalf of the Board of Directors:



D Harding
Director



A J Bodenham
Director

Company Registration No. 07772298

SENIOR FIVE LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	Notes	Share Capital US\$'000	Share Premium US\$'000	Profit and Loss Account US\$'000	Total US\$'000
Balance at 1 January 2015		265,000	-	-	265,000
Issue of new shares		-	72,000	-	72,000
Profit for the financial year		-	-	37,910	37,910
Dividends paid	8	-	-	(7,900)	(7,900)
Balance at 31 December 2015		265,000	72,000	30,010	367,010
Issue of new shares		-	5,372	-	5,372
Profit for the financial year		-	-	32,223	32,223
Dividends paid	8	-	-	(7,449)	(7,449)
Balance at 31 December 2016		265,000	77,372	54,784	397,156

SENIOR FIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

1 General information

Senior Five Limited, the Company, is a company incorporated in the United Kingdom under the Companies Act 2006. The Company, acts as a non-trading holding company within the Senior plc Group of companies and is expected to do so for the foreseeable future.

These financial statements are presented in US dollars because that is the currency of the primary economic environment in which the Company operates.

2 Significant accounting policies

Basis of accounting

The financial statements are prepared, using the historical cost convention, in accordance with applicable United Kingdom accounting standards. The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015.

Going concern

The Company achieved a good level of profit and its financial position remains strong. This, combined with the support of its ultimate parent company (Senior plc), give the directors the expectation that the Company will have adequate resources to continue in existence for the foreseeable future. Thus, the Board has continued to adopt the going concern basis in preparing the Company's financial statements.

Estimates and judgements

The preparation of the balance sheet in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the balance sheet. Actual amounts could differ from those estimates.

The financial statements have been prepared in accordance with the Company's accounting policies approved by the Board.

Taxation

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

SENIOR FIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2016

2 Significant accounting policies (continued)

Foreign currencies

Transactions denominated in foreign currencies are recorded in US dollars at actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as exchange gain or loss in the profit and loss account.

Cash flow statement

As permitted by FRS 101, the Company has not produced a cash flow statement, as it is a wholly owned subsidiary undertaking of Senior plc, which has produced a Group cash flow statement in its accounts.

3 Income from shares in group undertakings

	2016 US\$'000	2015 US\$'000
Dividends from subsidiary undertakings- Overseas	<u>58,976</u>	<u>66,450</u>

4 Interest receivable

	2016 US\$'000	2015 US\$'000
Intercompany interest receivable	<u>16</u>	<u>13</u>

5 Interest payable

	2016 US\$'000	2015 US\$'000
Intercompany interest payable	26,769	28,549
Bank interest payable	-	4
	<u>26,769</u>	<u>28,553</u>

SENIOR FIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

6 Profit on ordinary activities before taxation

The audit fee of \$1,000 (2015 - \$1,000) is borne by another Group company. There were no non audit services in financial year (2015 - \$nil).

Directors' remuneration for services provided to the Company for the financial year was \$nil (2015 - \$nil). These are borne by another Group company.

The Company has no other employees.

7 Taxation on profit on ordinary activities

a) Analysis of tax charge on ordinary activities

	2016 US\$'000	2015 US\$'000
UK Corporation tax	-	-

b) Factors affecting tax charge for the current year

The tax charge for the financial year differs from that resulting from applying the effective UK Corporation tax rate of 20.00% (2015 - 20.25%) to the assessable profit for the year.

	2016 US\$'000	2015 US\$'000
The charge for the year can be reconciled to the profit for the year as below:		
Profit on ordinary activities before tax	32,223	37,910
Tax at 20.00% (2015 - 20.25%) thereon	6,445	7,677
Effects of:		
Non-tax deductible dividend income	(11,795)	(13,456)
Group relief surrendered for nil consideration	5,350	5,779
Tax charge for the year	-	-

The Finance (No.2) Act 2015 and Finance Act 2016 provide for reductions in the main rate of corporation tax from 20% to 19% for the financial year beginning 1 April 2017 and to 17% for the financial year beginning 1 April 2020.

SENIOR FIVE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****For the year ended 31 December 2016****8 Dividends**

	2016 US\$'000	2015 US\$'000
Dividend for the year ended 31 December 2016 of \$0.04 (2015 - \$0.05) per ordinary share	<u>7,449</u>	<u>7,900</u>

9 Investments in subsidiary undertakings

	2016 US\$'000	2015 US\$'000
Cost and net book value		
At 1 January	792,000	720,000
Increased investment in Senior Operations LLC	-	72,000
At 31 December	<u>792,000</u>	<u>792,000</u>

The Company owns 73.1% of the value and 12% of the voting rights in Senior Americas One Limited. The overseas trading subsidiary undertakings, listed below, of the Company are indirectly and wholly-owned by Senior Americas One Limited.

Name	Nature of Trade	Country of Incorporation
Senior Holdings LLC	Holding company	USA
Senior Americas Two Limited	Holding company	UK
Senior Operations (Canada) Limited	Specialised industrial	Canada
Senior do Brasil Ltda	Automotive	Brazil

In addition, the Company owns 80% of Senior Operations LLC, an overseas trading subsidiary incorporated in the USA. The remaining 20% is owned by Senior US Holdings Inc, the Company's immediate parent company.

SENIOR FIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

10 Debtors

	2016 US\$'000	2015 US\$'000
Amounts due from group undertakings	<u>913</u>	<u>973</u>

11 Creditors: Amounts falling due within one year

	2016 US\$'000	2015 US\$'000
Interest payable - owing to group undertakings	758	964
Amounts owing to group undertakings	<u>395,000</u>	<u>425,000</u>
	<u>395,758</u>	<u>425,964</u>

Intercompany loan notes bear a fixed interest rate of 6.285% per annum (2015 – 6.285%)

12 Called-up share capital

	2016 US\$'000	2015 US\$'000
Allotted, called-up and fully paid		
168,789,803 (2015 – 168,789,802) ordinary shares of average \$1.57 each	<u>265,000</u>	<u>265,000</u>

On 17 October 2016, Senior US Holdings Inc subscribed for one additional share in the company of a nominal value of £1 for consideration of \$5,372,000, being a nominal value of \$1.30 and share premium of \$5,371,998.70.

SENIOR FIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2016**

13 Guarantees

a) Private placement loans

The Company is a guarantor, jointly and severally, with certain other Group companies, of US \$95 million (2015 - \$95 million) unsecured loan notes under an agreement dated 8 October 2008. Loan notes of US \$75 million and \$20 million are due for repayment in October 2018 and October 2020 respectively. Loan notes of US \$25 million were repaid in October 2015.

The Company is a guarantor, jointly and severally, with certain other Group companies, of US \$30 million (2015 - \$30 million) unsecured loan notes under an agreement dated 31 January 2007 and were repaid in January 2017. These loan notes were replaced by new €28m loan notes maturing on 1 February 2027.

The Company is a guarantor, jointly and severally, with certain other Group companies, of US \$20 million (2015 - \$20 million) unsecured loan notes under an agreement dated 30 October 2015 and are due for repayment in October 2022.

The Company is a guarantor, jointly and severally, with certain other Group companies, of US \$60 million (2015 - \$60 million) unsecured loan notes under an agreement dated 30 October 2015 and are due for repayment in October 2025.

b) Bank guarantees

The Company is a guarantor, jointly and severally, with certain other Group companies of all indebtedness of certain US Group companies to their US clearing banker, including a committed single bank US \$50 million overdraft and letter of credit facility (2015 – US \$40 million overdraft and letter of credit facility). This was entered into in December 2012, extended in October 2014 and further amended in April 2015 and July 2016 and matures in June 2018. There were \$23.1 million (£18.6 million) loans drawn under the facility on 31 December 2016 (2015 – £16.2 million) and there were letters of outstanding credit of \$4.0 million (£3.2 million) (2015 – £3.2 million).

c) Revolving credit facility

The Company is a guarantor, jointly and severally, with certain other Group companies of a committed £60 million syndicated multi-currency revolving credit facility, which was entered into in November 2014, and amended and extended in October 2016 for five years. As at 31 December 2016, £nil was drawn under the facility (2015 – £3.0 million).

The company is a guarantor, jointly and severally, with certain other Group companies of a committed two year £20 million syndicated sterling facility which was entered into in March 2015. As at 31 December 2016, £10 million was drawn under the facility (2015 - £20 million). This facility was amended and extended in October 2016 and matures 2019.

The company is a guarantor, jointly and severally, with certain other Group companies of two one-year term loans taken out in March 2015, a £20 million loan and a £5 million loan. The £20 million loan was extended in March 2016 for a further year and the £5 million loan was repaid in March 2016.

SENIOR FIVE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2016**

14 Ultimate parent company

The Company's immediate parent Company is Senior US Holdings Inc.

The Company's ultimate parent Company and controlling party, which prepares consolidated accounts incorporating the Company's results, is Senior plc, whose registered office is at 59/61 High Street, Rickmansworth, Hertfordshire WD3 1RH. The consolidated accounts of the Group are available to the public and can either be downloaded from the Senior plc website: www.seniorplc.com or obtained from the aforementioned address.

15 Related party transactions

The Company has taken advantage of the exemption available under FRS 101 and therefore transactions with Group entities are not disclosed as the Company is a wholly owned subsidiary of a Company which produces consolidated accounts that are publicly available.