

**Aggreko European Finance**  
**(Registered Number: SC 275894)**

**Directors' Report and Accounts**  
**for the year ended 31 December 2008**



## **Aggreko European Finance**

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## **Aggreko European Finance**

### **Directors' Report**

The Directors submit their report and Accounts for the year ended 31 December 2008.

#### **Principal activity, review of the business and future developments**

The Company is an unlimited company. The principal activity of the Company is to act as a finance company for the Aggreko group and this is not expected to change in the foreseeable future.

The profit after taxation for the financial period was €32,503 (2007: €1,383,056) which was transferred to reserves.

The directors do not recommend the payment of a dividend (2007: €2,890,841).

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and as a result, an enhanced business review including principal risks and KPIs has not been presented.

#### **Directors**

The Directors who held office during the period and to the date of this report were as follows:

R C Soames  
A G Cockburn

#### **Directors' Interests**

The Companies Act 2006, which came in to effect on 6 April 2007, has repealed the requirement to maintain a register of Directors' interests and to disclose these interests in the Company's statutory report and accounts. Consequently the Company no longer maintains a register of Directors' interests nor makes a disclosure in this regard.

## **Aggreko European Finance** **Directors' Report (continued)**

### **Indemnity of Officers**

Under Article 145 of the Company's Articles of Association, the Company may indemnify any Director or other officer against any liability, subject to the provisions of the Companies Acts.

Under the authority conferred by Article 145, the Company has entered into a deed of indemnity with A G Cockburn and R C Soames. The indemnity does not apply to any claim which arises out of fraud, default, negligence or breach of fiduciary duty or trust by the indemnified person.

### **Directors' Responsibilities**

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.

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 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.

The Directors confirm that these Accounts comply with the foregoing requirements.

## **Aggreko European Finance**

### **Directors' Report (continued)**

#### **Company Secretary**

H Campbell resigned as Company Secretary and P Kennerley was appointed as Company Secretary on 15<sup>th</sup> October 2008.

By order of the Board

A handwritten signature in black ink, appearing to be 'P Kennerley', written in a cursive style.

P Kennerley  
**Secretary**  
5<sup>th</sup> June 2009

## **Aggreko European Finance**

### **Independent Auditors' Report to the member of**

#### **Aggreko European Finance (continued)**

We have audited the financial statements of Aggreko European Finance for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet 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 judgments 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.

## **Aggreko European Finance**

### **Independent Auditors' Report to the member of**

## **Aggreko European Finance**

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.

#### **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 profit 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**  
Chartered Accountants and Registered Auditors  
Glasgow

9 June 2009

## **Aggreko European Finance**

### **Profit and Loss Account**

#### **for the year ended 31 December 2008**

	Notes	2008 €	2007 €
Interest receivable	2	<u>45,459</u>	<u>1,975,794</u>
<b>Profit on ordinary activities before taxation</b>		<b>45,459</b>	<b>1,975,794</b>
Tax on profit on ordinary activities	3	<u>(12,956)</u>	<u>(592,738)</u>
<b>Profit for the financial period</b>	9	<b><u>32,503</u></b>	<b><u>1,383,056</u></b>

A statement of total recognised gains and losses and a reconciliation to historical profits and losses are not shown as all gains and losses for the period are recognised in the profit and loss account under the historical cost convention.

All items dealt with in arriving at the retained profit for the financial period relate to continuing operations.



## Aggreko European Finance

### Balance Sheet as at 31 December 2008

	Notes	2008 €	2007 €
<b>Current assets</b>			
Debtors	7	<u>51,560</u>	<u>19,057</u>
<b>Net assets</b>		<u>51,560</u>	<u>19,057</u>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account	9	<u>51,558</u>	<u>19,055</u>
<b>Equity shareholders' funds</b>	10	<u>51,560</u>	<u>19,057</u>

The financial statements on pages 7-12 were approved by the Board of Directors on 5<sup>th</sup> June 2009 and were signed on its behalf by:



A G Cockburn

**Director**

## **Aggreko European Finance**

### **Notes to the Accounts for the year ended 31 December 2008**

#### **1. ACCOUNTING POLICIES**

A summary of the more significant policies is set out below.

##### **i. 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 standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

##### **ii. Foreign currencies**

Transactions denominated in foreign currencies are translated at the rate of exchange on the day the transaction occurs or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate ruling at the balance sheet date or, if appropriate, at a forward contract rate. Exchange differences on long term intercompany balances are dealt with in reserves.

These accounts are presented in Euro as the Company's share capital is denominated in Euro, and all transactions and cash flows are undertaken in Euro. The closing rate of exchange to the Euro at the balance sheet date was £1:€1.05 (2007: £1:€1.36) and the average rate of exchange to the Euro throughout the year was £1:€1.26 (2007: £1:€1.46).

##### **iii. Cash flow statement and related party disclosures**

The Company is a wholly owned subsidiary of Aggreko plc and is included in the consolidated Accounts of Aggreko plc, which are publicly available. Consequently the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard (FRS) 1 "Cash Flow Statements" (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard (FRS) 8 "Related Party Disclosures" from disclosing related party transactions with entities that are part of the Aggreko plc group or investees of the Aggreko plc group.

## Aggreko European Finance

### Notes to the Accounts for the year ended 31 December 2008

**2. INTEREST RECEIVABLE**

	2008	2007
	€	€
Interest receivable from ultimate parent company and fellow subsidiary undertakings	<u>45,459</u>	<u>1,975,794</u>

**3. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	2008	2007
	€	€
Taxation charge comprises:		
UK Corporation tax @ 28.5% (2007: 30%)	<u>12,956</u>	<u>592,738</u>

There is no difference between the current tax rate on profit on ordinary activities for the year and the UK corporation tax rate.

The standard rate of Corporation Tax in the UK changed to 28% with effect from 1 April 2008.

**4. DIVIDENDS**

	2008	2007
	€	€
Dividend of €nil (2007: €1,445,420) per share	<u>-</u>	<u>2,890,841</u>

## **Aggreko European Finance**

### **Notes to the Accounts for the year ended 31 December 2008**

#### **5. DIRECTORS' REMUNERATION**

None of the Directors received any emoluments during the year in respect of their services to the company (2007: €nil).

#### **6. EMPLOYEES AND AUDIT FEES**

The Company had no employees during the year (2007: nil). All audit fees were paid by Aggreko plc in both the current and preceding year.

#### **7. DEBTORS**

	2008 €	2007 €
Amounts due from ultimate and immediate parent companies and fellow subsidiary undertakings	<u><b>51,560</b></u>	<u><b>19,057</b></u>

#### **8. CALLED UP SHARE CAPITAL**

	2008 €	2007 €
Authorised:		
141,667,180 ordinary shares of €1	<b>141,667,180</b>	141,667,180
58,332,819 ordinary share of €0.93376436	<b>54,469,107</b>	54,469,107
1 ordinary share of €0.5994692	<u><b>1</b></u>	<u><b>1</b></u>
Total ordinary shares authorised	<u><b>196,136,288</b></u>	<u><b>196,136,288</b></u>
Allotted and issued:		
2 ordinary shares of €1	<u><b>2</b></u>	<u><b>2</b></u>
Total ordinary shares allotted and issued	<u><b>2</b></u>	<u><b>2</b></u>

## Aggreko European Finance

### Notes to the Accounts for the year ended 31 December 2008

#### 9. RESERVES

	2008	2007
	€	€
At 1 January	19,055	1,526,840
Profit for the financial year	32,503	1,383,056
Dividends	-	(2,890,841)
<b>At 31 December</b>	<b><u>51,558</u></b>	<b><u>19,055</u></b>

#### 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2008	2007
	€	€
Profit for the financial year	32,503	1,383,056
Dividends	-	(2,890,841)
Share capital reduced in the period	-	(54,469,108)
<b>Net movement in Shareholders' funds</b>	<b>32,503</b>	<b>(55,976,893)</b>
Opening Shareholders' funds	<u>19,057</u>	<u>55,995,950</u>
<b>Closing Shareholders' funds</b>	<b><u>51,560</u></b>	<b><u>19,057</u></b>

#### 11. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments and contingent liabilities at 31 December 2008 or 31 December 2007.

#### 12. ULTIMATE PARENT UNDERTAKING

Aggreko Luxembourg Holdings Limited, a company registered in Scotland, is the Company's immediate parent undertaking. Aggreko plc, a company registered in Scotland, is the ultimate parent undertaking (and controlling party).

Aggreko plc is the largest and smallest group of undertakings to consolidate these financial statements.

Copies of the group Accounts of Aggreko plc are available to the public and may be obtained from 8<sup>th</sup> Floor, Aurora Building, 120 Bothwell Street, Glasgow G2 7JS.