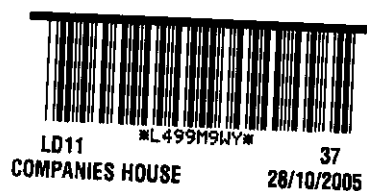


Registered number
254260

Cookson Plastics (Europe) Limited

Report and Accounts

31 December 2004



Cookson Plastics (Europe) Limited

Directors' Report

The directors present their report and accounts for the year ended 31 December 2004.

Principal activity

The Company ceased to trade in 2001.

Results and dividends

The profit for the year, after taxation, amounted to £122,000 (2003: £4,000 loss). The Directors do not recommend the payment of a dividend (2003: £nil).

Directors

During the year, no Director had any beneficial interest in the shares of the Company. The Directors who served during the year and their interest in the ordinary shares of Cookson Group plc, the ultimate holding company, are stated below.

	Options to purchase 1p ordinary shares				Interests in 1p ordinary shares		
	At 1	Granted	Exercised	Lapsed	At 31	At 31	At 31
	January 2004				December 2004	December 2004	December 2003
BR Elliston	1,288,772	185,766	-	30,792	1,443,746	63,810	65,078
RMH Malthouse	1,380,587	264,781	-	29,415	1,615,953	153,524	153,524
SA O'Hara	147,108	28,828	-	-	175,936	10,932	10,932

Directors' responsibilities

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the accounts 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.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

This report was approved by the board on 25 October 2005

Reed S.K.

Miss RS Fell
Company Secretary

Auditors' Report

Independent auditors' report to the members of Cookson Plastics (Europe) Limited

We have audited the financial statements on pages 3 to 7.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The Directors are responsible for preparing the Directors' report and, as described on page 1, the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the accounts, if 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 transactions with the Company is not disclosed.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimate and judgements made by the Directors in the preparation of the accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants
Registered Auditor

London
EC4Y 8BB

26 OCTOBER 2005

Cookson Plastics (Europe) Limited

Profit and Loss Account

For the year ended 31 December 2004

	Notes	<u>2004</u>	<u>2003</u>
		£000	£000
Administration income/ (costs)		33	(4)
Interest and similar income		89	-
		<u> </u>	<u> </u>
Operating profit/ (loss)	2	122	(4)
Interest receivable and similar income		-	-
		<u> </u>	<u> </u>
Profit/ (loss) on ordinary activities before taxation		122	(4)
Tax on profit/(loss) on ordinary activities	3	-	-
		<u> </u>	<u> </u>
Retained profit/(loss) for the financial year		<u>122</u>	<u>(4)</u>

All amounts for the current year arose from continuing operations.

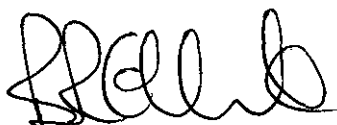
The Company has no recognised gains or losses other than those detailed above for the two financial years.

Cookson Plastics (Europe) Limited

Balance Sheet

As at 31 December 2004

	Notes	<u>2004</u>		<u>2003</u>	
		£000	£000	£000	£000
Creditors: amounts falling due within one year	4	(8,210)		(8,332)	
Net current liabilities			(8,210)		(8,332)
Net liabilities			(8,210)		(8,332)
Capital and Reserves					
Called up share capital	5		24		24
Profit and loss account	6		(8,234)		(8,356)
Equity shareholders' funds	7		(8,210)		(8,332)



BR Elliston
Director

Approved by the board on 25 October 2005

Cookson Plastics (Europe) Limited

Notes to the Accounts

For the year ended 31 December 2004

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. In the event of the Company being unable to meet its liabilities, the ultimate parent company has undertaken to provide financial support, as may be required, for at least 12 months from the date of approval of these accounts. Based on this undertaking the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

The Company is exempt from the requirement of FRS 1 (Revised) to prepare a cash flow statement as its cash flows are included within the consolidated cash flow statement of Cookson Group plc.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date which could give rise to an obligation in the future.

Related party transactions

As the Company is a wholly-owned subsidiary of Cookson Group plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Cookson Group plc group.

2 Operating loss

Other than the Directors the Company had no employees during the year. The Directors received no remuneration in respect of their services to the Company during the year. The auditor's remuneration is borne by the parent company.

3 Taxation

	2004 £000	2003 £000
Analysis of charge in period		
UK corporation tax at 30% (2003: 30%)	-	-
Tax on profits from ordinary activities	-	-
<i>Factors affecting the tax charge for the current period</i>		
<i>Current tax reconciliation</i>		
Profit/(loss) on ordinary activities before tax	122	(4)
Current tax (credit) at 30% (2003: 30%)	37	(1)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	-	1
Income not taxable	(10)	-
Loss relief from group companies for no payment	(27)	-
Total current tax (see above)	-	-

Cookson Plastics (Europe) Limited

Notes to the Accounts (continued) For the year ended 31 December 2004

4 Creditors: amounts falling due within one year

	£000	£000
Amounts owed to group undertakings	8,210	8,297
Other creditors	-	35
	<u>8,210</u>	<u>8,332</u>

5 Share capital

	£000	£000
Authorised:		
30,000 Ordinary shares of £1 each	<u>30</u>	<u>30</u>
	2004	2003
	£000	£000
Allotted, called up and fully paid:		
24,000 Ordinary shares of £1 each	<u>24</u>	<u>24</u>

6 Profit and loss account

	£000	£000
At 1 January	(8,356)	(8,352)
Retained profit/(loss)	<u>122</u>	<u>(4)</u>
At 31 December	<u>(8,234)</u>	<u>(8,356)</u>

7 Reconciliation of movement in equity shareholders' funds

	£000	£000
At 1 January	(8,332)	(8,328)
Profit/(loss) for the financial year	<u>122</u>	<u>(4)</u>
At 31 December	<u>(8,210)</u>	<u>(8,332)</u>

Cookson Plastics (Europe) Limited

Notes to the Accounts (continued)

For the year ended 31 December 2004

8 Contingent liabilities

The Company is contingently liable for any product liability claims arising under warranties given in the normal course of business on prior years' sales of its products.

Normal liability periods apply (six years).

9 Ultimate holding company

The Company's ultimate holding company is Cookson Group plc, which is registered in England and Wales.

The largest group in which the results of the Company are consolidated is that headed by Cookson Group plc. The accounts of Cookson Group plc are available to the public and may be obtained from 265 Strand, London, WC2R 1DB.

No other group accounts include the results of the Company.