

AJAX MAGNETHERMIC EUROPE LIMITED**BALANCE SHEET AS AT 31 DECEMBER 2005**

	2005 £	2004 £
Asset(s)		
Amounts owed by group undertakings	-	-
Liabilities		
Amounts owed to group undertakings	(2,512,371)	(2,512,371)
Net assets (liabilities)	<u>(2,512,371)</u>	<u>(2,512,371)</u>
Capital and reserves		
Share capital		
Authorised		
51,000 Ordinary shares of £1 each	<u>51,000</u>	<u>51,000</u>
Called up, issued and fully paid		
51,000 Ordinary shares of £1 each	51,000	51,000
Share premium account	207,000	207,000
Profit and loss account	<u>(2,770,371)</u>	<u>(2,770,371)</u>
Shareholders funds	<u>(2,512,371)</u>	<u>(2,512,371)</u>

Accounting convention

The accounts have been prepared under the historical cost convention.

Contingent liabilities

The director considers that no provision should be made in the accounts for the company to contribute to the defined benefit pension scheme's funding deficit, because, in his opinion, the company is not liable to make any future contributions following the termination of the scheme on 3 December 2002.

The company may have certain commitments under non-cancellable operating leases but these are currently being met by other group undertakings and the director does not consider that any provision should be made in the accounts in this respect.

Parent company

The company is a subsidiary of Ajax Tocco Magnethermic Corporation, a company registered in the USA. The director considers that the ultimate parent undertaking and controlling party is Park-Ohio Inc, a company registered in the USA.

For the financial year ended 31 December 2005 the company was entitled to exemption under Section 249AA(1) of the Companies Act 1985.

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AJAX MAGNETHERMIC EUROPE LIMITED

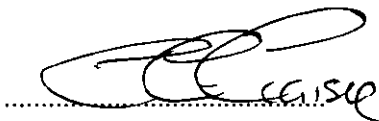
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Members have not required the company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

1. ensuring the company keeps accounting records which comply with Section 221; and
2. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the board of directors on 9 August 2006 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'C G Claisse', is written over a horizontal dotted line.

C G CLAISSE
Director