

P&O PENSION FUNDS INVESTMENTS LIMITED

DIRECTORS' REPORT

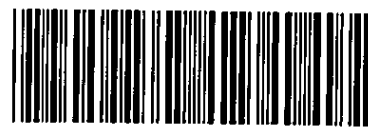
AND

BALANCE SHEET

31 DECEMBER 2008

REGISTERED NUMBER: 382817

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REPORT OF THE DIRECTORS TO THE MEMBERS OF

P&O PENSION FUNDS INVESTMENTS LIMITED

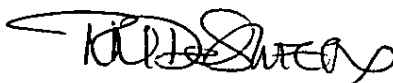
The directors have pleasure in submitting their annual report and the accounts of the Company for the year ended 31 December 2008.

The Company has as its object to act as Trustee of the P&O Pension Scheme and to hold investments for the benefit of the Scheme. The Company has not traded on its own account during the year. All transactions entered into by the Company are for the benefit of the Scheme and accordingly subsumed into the accounts of the Scheme. No change in the Company's activities is intended in the foreseeable future.

The following directors served throughout the year ended 31 December 2008:

D Barford (appointed 28 November 2008)	C A Mowatt (resigned 31 March 2008)
J H Bell (resigned 31 March 2008)	Y Narayan (resigned 30 June 2008)
S M Bishop (appointed 1 July 2008)	D M Newton (resigned 31 March 2008)
J M Crossman (resigned 28 November 2008)	C Rogers (appointed 1 July 2008)
P Donnelly	P A Walker
T J R Harding	P W Walters (resigned 30 June 2008)
P Hayward-Smith	C J Winkley
Sir Bruce MacPhail	

None of the directors had any interest in the deferred stock of the Peninsular and Oriental Steam Navigation Company.



Ms R DeSouza
Secretary
28 July 2009


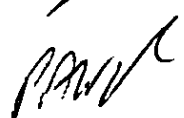
16 Palace Street
London
SW1E 5JQ

BALANCE SHEET AT 31 DECEMBER 2008

	<u>Note</u>	<u>2008</u>	<u>2007</u>
CURRENT ASSETS			
Debtors – Amount owed by ultimate holding company	2	£100	£100
CAPITAL AND RESERVE			
Called-up Share Capital Authorised, allotted, called-up and fully paid 100 Ordinary shares of £1 each		£100	£100

- a) For the year ended 31 December 2008 the Company was entitled to exemption under section 249AA (1) of the Companies Act 1985.
- b) Members have not required the Company to obtain an audit in accordance with Section 249B(2) of the Companies Act 1985.
- c) The Directors acknowledge their responsibility for:
- i) ensuring the Company keeps accounting records which comply with Section 221; and
 - ii) 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 the Companies Act relating to accounts, so far as applicable to the Company.

The financial statements were approved by the Board on 28 July 2009 and were signed on its behalf by:

)
)
) Director
)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. Accounting Policy.

The accounts have been prepared on the historical cost basis of accounting.

2. Ultimate Holding Company

The ultimate holding company is The Peninsular and Oriental Steam Navigation Company, a company incorporated by Royal Charter in Great Britain and therefore not registered. Its accounts are available to the public from the Registrar of Companies, Companies House, Crown Way, Cardiff CF4 3UZ.

3. Activities and Profit and Loss Account

The Company has not traded during either the current or previous year. Accordingly, no profit and loss account has been prepared.

Certain securities are registered in the name of the Company on behalf of the P&O Pension Scheme. These have not been included in the balance sheet.

4. Parent Undertaking

The smallest group of which the company is a member is P&O Steam Navigation Company, a company registered in England, for which group accounts are prepared.

The largest group of companies for which consolidated financial statements are prepared and in which the company is consolidated is DP World Limited, a company limited by shares incorporated in Dubai, whose accounts are filed with the Dubai International Financial Exchange and where 19.55% of its shares are traded.

The immediate parent undertaking as at 31 December 2008 was P&O Steam Navigation Company, a company incorporated in the United Kingdom.

In the opinion of the Directors the ultimate controlling parent undertaking as at 31 December 2008 was Port & Free Zone World FZE, which owns 81.45% of DP World Limited. Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation, which is the ultimate parent company of the company, but which does not exert control over the company.