

P&O PORTS LIMITED

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2006

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26/10/2007

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COMPANIES HOUSE

Registered No. 751061

Directors

P W Walters

J M Woollacott

Secretary

B Allinson

Registered Office

16 Palace Street

London SW1E 5JQ

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2006

Results and dividends

The company was dormant during the year. No dividend was paid or proposed for the year ended 31 December 2006 (2005 £nil)

Principal activity and review of business

The company acts as a holding company for its investments in Southampton Container Terminals Limited and Tilbury Container Services Limited and did not trade during the year.

Principal risks and uncertainties

The directors do not foresee any significant risks/uncertainties facing the company.

Events since the balance sheet date

On 1 January 2007 Thunder FZE, an intermediate parent undertaking, was purchased by Galaxy Investments Ltd and in the opinion of the directors, the ultimate parent undertaking from that date is Dubai World Corporation, a company incorporated in Dubai.

On 7 June 2007 Galaxy Investments Ltd was renamed DP World Limited.

Directors and their indemnity arrangements

The directors during the year were

P W Walters

J M Woollacott (appointed 10 August 2006)

R M Gradon (resigned 30 April 2006)

S J Edsall (resigned 6 April 2007)

I D C Simm (resigned 10 August 2006)

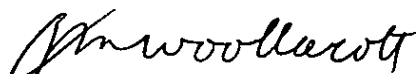
N A West (resigned 30 June 2006)

All directors are entitled to contractual indemnification from the company to the extent permitted by law against claims and legal expenses incurred in the course of their duties. Third party indemnity insurance is provided and remains in force as at the date of approving the directors' report.

Secretary

B Allinson was appointed as secretary on 5 October 2007.

On behalf of the board



J M Woollacott

Director

23 October 2007

STATEMENT OF 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, 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 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

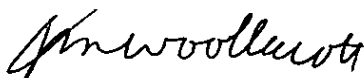
BALANCE SHEET
AT 31 DECEMBER 2006

	Notes	2006 £	2005 £
Fixed assets			
Investment in subsidiary undertakings	2	1,588,454	1,588,454
Investment in associates	2	1,346,211	1,346,211
		<u>2,934,665</u>	<u>2,934,665</u>
Current assets			
Amounts owed by fellow subsidiary		623,303	623,303
Net assets		<u>3,557,968</u>	<u>3,557,968</u>
Capital and reserves			
Called up share capital	2	2,934,667	2,934,667
Profit and loss account	3	623,301	623,301
		<u>3,557,968</u>	<u>3,557,968</u>

During the year and the preceding financial year the company received no income and incurred no expenditure. Consequently during those years the company made neither a profit nor loss.

The directors

- (a) confirm that the company was entitled to exemption under section 249AA(1) of the Companies Act 1985 from the requirement to have its financial statements for the year ended 31 December 2006 audited,
- (b) confirm that members have not required the company to obtain an audit of its financial statements for the year in accordance with section 249B(2) of the Companies Act 1985,
- (c) acknowledge their responsibilities for
 - (i) ensuring the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - (ii) preparing financial statements 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 requirement of section 226 of the Companies Act 1985, and which otherwise comply with the requirement of the Companies Act relating to financial statements, so far as applicable to the company



J M Woollacott
Director

23 October 2007

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2006**

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements of P&O Ports Limited were approved for issue by the Board of Directors on 23 October 2007

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985

The financial statements are prepared in accordance with applicable United Kingdom accounting standards

The company has not traded during the year nor the preceding year and thus no profit and loss account has been prepared

In preparing the financial statements for the current year, the company has adopted the following standards

Investments

Investments in subsidiary undertakings are stated at cost, less amounts written off for impairment in value. In the opinion of the directors, the investments in subsidiaries are worth at least their book value

Related party transactions

Under FRS 8, the company is exempt from the requirement to disclose transactions or balances with entities which form part of the group. There are no other related party transactions during the year

Cash flow statement

The company has taken advantage of the exemption available to it under FRS1 "Cash Flow Statements" not to prepare a statement of cash flows

Group financial statements

The company is exempt under s228 of the Companies Act 1985 from the requirement to prepare group financial statements because its results are included in the consolidated financial statements of its ultimate United Kingdom parent company, The Peninsular and Oriental Steam Navigation company. The consolidated financial statements of the Peninsular and Oriental Steam Navigation Company within which this company is included can be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff CF4 3UZ

**NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2006**

2 INVESTMENTS

	Subsidiary undertaking	Associates	Total
	£	£	£
Cost			
At 1 January 2006	1,588,454	1,346,211	2,934,665
Cost at 31 December 2006	<u>1,588,454</u>	<u>1,346,211</u>	<u>2,934,665</u>
Amounts provided			
At 1 January 2006	-	-	-
At 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
Net book value at 31 December 2006	<u>1,588,454</u>	<u>1,346,211</u>	<u>2,934,665</u>
Net book value at 1 January 2006	<u>1,588,454</u>	<u>1,346,211</u>	<u>2,934,665</u>

The subsidiary is Southampton Container Terminals Ltd, a container terminal operator registered in England. The Company owns 100% of the ordinary "P" shares which represents an interest of 51% in the business.

The associate is Tilbury Container Services Ltd, a container terminal operator registered in England. The company owns 100% of the ordinary "P" shares, which represents an interest of 34% in the ordinary shares of Tilbury Container Services Ltd, and 51% of the preference shares.

3 AUTHORISED AND ISSUED CAPITAL

Authorised	2006	2005
	£	£
2,934,667 ordinary shares of £1.00 each	2,934,667	2,934,667
	<u>2,934,667</u>	<u>2,934,667</u>
Allotted, called up and fully paid	2006	2005
	£	£
2,934,667 ordinary shares of £1.00 each	2,934,667	2,934,667
	<u>2,934,667</u>	<u>2,934,667</u>

NOTES TO THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2006

4 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	<i>Called up share capital</i>	<i>Profit and loss account</i>	<i>Total shareholders' funds</i>
	£	£	£
At 1 January 2005	2,934,667	623,301	3,557,968
Movement for the year	-	-	-
At 1 January 2006	2,934,667	623,301	3,557,968
Movement for the year	-	-	-
At 31 December 2006	<u>2,934,667</u>	<u>623,301</u>	<u>3,557,968</u>

5 PARENT UNDERTAKING

The smallest group of companies for which consolidated financials statements are prepared and in which the company is consolidated is The Peninsular and Oriental Steam Navigation Company, a company incorporated by Royal Charter and therefore not registered, copies of whose accounts can be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff CF14 3UZ

The largest group of companies for which consolidated financials statements are prepared and in which the company is consolidated is Dubai Ports Authority a company incorporated in Dubai, whose accounts are filed with the Dubai International Financial Exchange

The immediate parent undertaking as at 31 December 2006 was The Peninsular and Oriental Steam Navigation Company, a company incorporated in the United Kingdom

In the opinion of the directors, the ultimate parent undertaking as at 31 December 2006 was Ports Customs and Free Zones Corporation, a company incorporated in Dubai

On 1 January 2007 Thunder FZE, an intermediate parent undertaking, was purchased by Galaxy Investments Ltd and in the opinion of the directors, the ultimate parent undertaking from that date is Dubai World Corporation, a company incorporated in Dubai

On 7 June 2007 Galaxy Investments Ltd was renamed DP World Limited