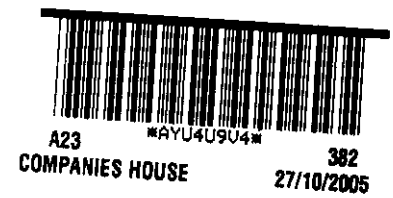


SAPA FINANCIAL SERVICES LIMITED

ANNUAL REPORT

YEAR ENDED 31st DECEMBER 2004

Co. No. 1100137



SAPA FINANCIAL SERVICES LIMITED

ANNUAL REPORT

YEAR ENDED 31st DECEMBER 2004

CONTENTS

PAGE

- | | |
|----|-----------------------------------|
| 1. | DIRECTORS' REPORT |
| 2. | ACCOUNTING POLICIES |
| 3. | BALANCE SHEET |
| 4. | NOTES TO THE FINANCIAL STATEMENTS |

SAPA FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31st DECEMBER 2004

The directors present their report and the financial statements for the year ended 31st December 2004.

DIRECTORS' RESPONSIBILITIES

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st December 2004. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS

The directors of the company at 31st December 2004 are listed below:

A.P. Daniels
N.K. Sissons

No director has had any beneficial interests in the shares of the company during the year ended 31st December 2004.

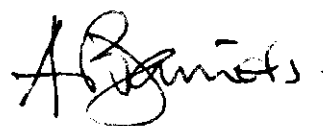
PRINCIPAL ACTIVITY

The company is dormant.

AUDITORS

In accordance with Section 379A and Section 386 of the Companies Act 1985 a resolution to dispense with the annual appointment of auditors was made on 9th April 1996.

BY ORDER OF THE BOARD



A.P. DANIELS
COMPANY SECRETARY

20th October 2005

ALEXANDRA WAY
ASHCHURCH
TEWKESBURY
GLOUCESTERSHIRE

SAPA FINANCIAL SERVICES LIMITED

ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom.

SAPA FINANCIAL SERVICES LIMITED

BALANCE SHEET

31st DECEMBER 2004

	Note	2004 £000	2003 £000
CAPITAL AND RESERVES			
Called up share capital - equity	1	-	-
Profit and loss account		-	-
		-----	-----
EQUITY SHAREHOLDERS' FUNDS		-	-
		-----	-----

For the year ended 31st December 2004 the company was entitled to the exemption under section 249AA(1) of the Companies Act 1985.

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

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 and loss for the financial year, in accordance with 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 20th Oct 2005 and signed on its behalf by:


A.P. DANIELS
DIRECTOR

SAPA FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2004

	2004 £	2003 £
1. CALLED UP SHARE CAPITAL		
Authorised Equity		
100 ordinary shares of £1 each	100	100
	-----	-----
Allotted and fully paid Equity		
2 ordinary shares of £1 each	2	2
	-----	-----

2. CASH FLOW STATEMENT

No cash flow statement has been prepared since the company is a wholly owned subsidiary undertaking and is exempt from doing so by the provisions of FRS1.

3. PARENT COMPANIES

The company is a subsidiary undertaking and is controlled by Sapa UK Limited which is registered in England. Throughout the year ended 31st December 2004, the ultimate parent company and controlling party was Elkem ASA which is incorporated in Norway.

The largest group into which the results of the company are consolidated is that of which Elkem ASA is the parent company. The consolidated accounts of Elkem ASA may be obtained from Corporate Headquarters, Hoffsvæien 65B, P.O.Box 5211, Majorstuen, N-0303 Oslo, Norway.

The smallest such group is that of which SAPA AB is the parent company, whose consolidated accounts may be obtained from Corporate Communications, Sapa AB, Box 5505, SE-114 85 Stockholm, Sweden or on the Internet at <http://www.sapagroup.com>

In March 2005, Orkla ASA, a company registered in Norway, acquired the group of which Elkem ASA was the parent company and therefore Orkla ASA became the ultimate parent company and controlling party with effect from that date. The consolidated accounts of Orkla ASA may be obtained from Corporate Headquarters, P.O. Box 423 Skoyen, Oslo, Norway.