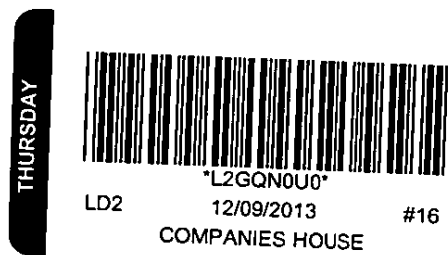


Partkestrel Limited

Directors' report and financial statements

for the year ended 31 December 2012



Partkestrel Limited

Company Information

Directors	F Dalgaard S M Qureshi P A Walker
Company secretary	B Allinson
Registered number	01824258
Registered office	16 Palace Street London SW1E 5JQ
Independent auditor	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL

Partkestrel Limited

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Partkestrel Limited

Directors' report for the year ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Principal activities

The Company acts as a holding company for property development and investment groups

Business review

The Company is exempt, by virtue of its size, from the requirement to include an enhanced business review

Results and dividends

The loss for the year, after taxation, amounted to £3,760 thousand (2011 - *profit after taxation* £63,877 thousand)

No dividends were declared or paid during the current financial year (2011 - *£NIL*)

Directors

The directors who served during the year were

F Dalgaard
S M Qureshi
P A Walker

Political and charitable contributions

During the year, the Company made no charitable or political donations (2011 - *£NIL*)

Principal risks and uncertainties

Funding and liquidity

The Company has net current liabilities of £250,494 thousand (2011 - £246,734 thousand), and shareholders' funds of £140,600 thousand (2011 - £144,360 thousand). The parent undertaking, The Peninsular and Oriental Steam Navigation Company, has given a written undertaking that it will continue to support the Company and its present activities. The directors acknowledge that there can be no certainty that this support will continue, although they have no reason to believe that it will not do so. Based on this undertaking, the directors consider it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Qualifying third party indemnity provisions

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.

Such qualifying third party indemnity insurance is provided and remains in force as at the date of approving the directors' report.

Provision of information to the auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information.

Partkestrel Limited

**Directors' report
for the year ended 31 December 2012**

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

This report was approved by the board and signed on its behalf



P A Walker
Director

Date 5 June 2013

Partkestrel Limited

**Directors' responsibilities statement
for the year ended 31 December 2012**

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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,
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Partkestrel Limited

Independent auditor's report to the members of Partkestrel Limited

We have audited the financial statements of Partkestrel Limited for the year ended 31 December 2012, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the Statement of directors' responsibilities, set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Sameena Arshad (Senior Statutory Auditor)

for and on behalf of

KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
Canary Wharf
London
E14 5GL

6 June 2013

Partkestrel Limited

**Profit and loss account
for the year ended 31 December 2012**

	Note	2012 £000	2011 £000
Exceptional items			
Profit on liquidation of investments	5	-	67,933
Profit on exceptional items before interest		-	67,933
Interest receivable and similar income	3	7,278	6,380
Interest payable and similar charges		(11,527)	(11,339)
(Loss)/profit on ordinary activities before taxation		(4,249)	62,974
Tax on (loss)/profit on ordinary activities	4	489	903
(Loss)/profit for the financial year		(3,760)	63,877

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

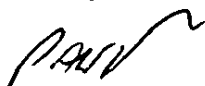
The notes on pages 7 to 11 form part of these financial statements

Partkestrel Limited
Registered number: 01824258

Balance sheet
as at 31 December 2012

	Note	£000	2012 £000	£000	2011 £000
Fixed assets					
Investments	5		391,094		391,094
Current assets					
Debtors	6	646,894		639,125	
Creditors: amounts falling due within one year	7	(897,388)		(885,859)	
Net current liabilities			(250,494)		(246,734)
Net assets			140,600		144,360
Capital and reserves					
Called up share capital	8		23,000		23,000
Profit and loss account			117,600		121,360
Shareholders' funds	9		140,600		144,360

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



P A Walker
Director



F Dalgaard
Director

Date 5 June 2013

The notes on pages 7 to 11 form part of these financial statements

Partkestrel Limited

Notes to the financial statements for the year ended 31 December 2012

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

1.1 Basis of preparation of financial statements

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

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.2 Going concern

The Company has net current liabilities of £250,494 thousand (2011 - £246,734 thousand), and shareholders' funds of £140,600 thousand (2011 - £144,360 thousand). The parent undertaking, The Peninsular and Oriental Steam Navigation Company, has given a written undertaking that it will continue to support the Company and its present activities for the foreseeable future. The directors acknowledge that there can be no certainty that this support will continue, although they have no reason to believe that it will not do so. Based on this undertaking, the directors consider it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

1.3 Investments

Investments in subsidiaries held as fixed assets are shown at cost less provision for impairment.

1.4 Related party transactions

The Company has taken advantage of the exemption contained in Financial Reporting Standard No 8 "Related Party Disclosure" as it is a wholly-owned subsidiary of The Peninsular and Oriental Steam Navigation Company. Therefore the Company has not disclosed transactions or balances with entities that form part of the group headed by The Peninsular and Oriental Steam Navigation Company. There were no other related party transactions in the year.

1.5 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.6 Taxation

UK Corporation tax is provided on taxable profits at the current rate. The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing difference between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet dates except as otherwise required by Financial Reporting Standard 19 Deferred Tax.

Partkestrel Limited

**Notes to the financial statements
for the year ended 31 December 2012**

2. Operating profit

During the year, no director received any emoluments (2011 - £NIL) The directors do not believe that it is practicable to apportion these emoluments between their services as directors of the Company and their services as directors/employees of other group undertakings

Fees for audit and non-audit services provided by KPMG LLP to the Company have been borne by other group undertakings The fees for the year were £4,100 (2011 - £4,000) and £NIL (2011 - £NIL) in respect of audit and non-audit services respectively

3. Interest receivable

	2012	2011
	£000	£000
Interest receivable from group companies	7,278	6,380

The basis of charging intra-group interest is agreed between the parties from time to time

4. Taxation

	2012	2011
	£000	£000
Analysis of tax credit in the year		
UK corporation tax credit on (loss)/profit for the year	(489)	(1,104)
Adjustments in respect of prior periods	-	201
Tax on (loss)/profit on ordinary activities	(489)	(903)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%) The differences are explained below

	2012	2011
	£000	£000
(Loss)/profit on ordinary activities before tax	(4,249)	62,974
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%)	(1,041)	16,688
Effects of:		
Adjustments to tax charge in respect of prior periods	-	201
Book profit on chargeable assets	-	(18,002)
Transfer pricing adjustment	552	210
Current tax credit for the year	(489)	(903)

Partkestrrel Limited

Notes to the financial statements
for the year ended 31 December 2012

4. Taxation (continued)

Factors that may affect future tax charges

The rate of UK corporation tax has been reduced to 23% from 1 April 2013 and this rate change was enacted on 17 July 2012 when the UK Finance Act 2012 received Royal Assent. In his Autumn Statement on 5 December 2012 and Budget on 20 March 2013 the Chancellor of the Exchequer announced further reductions in the corporation tax rate to 21% from 1 April 2014 and then to 20% from 1 April 2015. The rate change will impact the amount of the future tax charges recognised by the Company. However, it is not considered to have any material effect on the current year results. The Company will only recognise the impact of these rate changes in its financial statements once they are substantively enacted.

5. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 31 December 2011 and 31 December 2012	792,592
Impairment	
At 31 December 2011 and 31 December 2012	401,498
Net book value	
At 31 December 2012	391,094
At 31 December 2011	391,094

Subsidiary undertakings

The following were subsidiary undertakings of the Company

Name	Class of shares	Holding
European Ferries Limited	Ordinary	100 %
P&O Overseas Holdings Limited	Ordinary	100 %
Grltsen One Limited	Ordinary	100 %

Name	Business	Registered office
European Ferries Limited	Investment holding company	United Kingdom
P&O Overseas Holdings Limited	Holding company	United Kingdom
Grltsen One Limited	Investment holding company	United Kingdom

Grltsen One Limited is in members' voluntary liquidation. Upon entering voluntary liquidation during 2011, the carrying value of Grltsen One Limited was £156,113 thousand. To date, Parkestrrel Limited has received a distribution in specie amounting to £224,046 thousand resulting in a gain of £67,933 thousand which is recognised in the profit and loss account. At 31 December 2012, Grltsen One Limited

Partkestrel Limited

**Notes to the financial statements
for the year ended 31 December 2012**

5. Fixed asset investments (continued)

was still under liquidation

6. Debtors

	2012	2011
	£000	£000
Amounts owed by group companies	646,380	637,979
Group relief receivable	487	1,104
Prepayments and accrued income	27	42
	646,894	639,125

Amounts owed by group companies have no fixed repayment terms, are unsecured and bear interest on a basis which is agreed between the parties for certain loans

**7. Creditors:
Amounts falling due within one year**

	2012	2011
	£000	£000
Amounts owed to group companies	890,560	879,151
Accruals and deferred income	6,828	6,708
	897,388	885,859

Amounts owed by to group companies have no fixed repayment terms, are unsecured and bear interest on a basis which is agreed between the parties for certain loans

8. Share capital

	2012	2011
	£000	£000
Authorised		
30,000,000 (2011 - 30,000,000) Ordinary shares of £1 each	30,000	30,000
Allotted, called up and fully paid		
23,000,200 (2011 23,000,200) Ordinary shares of £1 each	23,000	23,000

Partkestrel Limited

**Notes to the financial statements
for the year ended 31 December 2012**

9. Reconciliation of movement in shareholders' funds

	2012	2011
	£000	£000
Opening shareholders' funds	144,360	80,483
(Loss)/profit for the year	(3,760)	63,877
Closing shareholders' funds	140,600	144,360

10. Ultimate parent undertaking and controlling party

The smallest group of companies for which consolidated financial 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 financial statements are prepared and which are publicly available, 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 Centre DP World Limited has 19 55% of its shares jointly trading on NASDAQ Dubai and London Stock Exchange

The immediate parent undertaking at 31 December 2012 was The Peninsular and Oriental 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 2012 was Port & Free Zone World FZE, which owns 80 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 Both Port & Free Zone World FZE and Dubai World Corporation are incorporated in Dubai