

**Plasti-Kote Limited**

**Annual Report and financial statements**

**for the year ended 30 September 2014**

TUESDAY



\*A4DKZ0K0\*

A16

11/08/2015

#251

COMPANIES HOUSE

**Company Information**

---

<b>Directors</b>	M J Watson R Engh T N Treat E Braggio
<b>Company secretary</b>	St John's Square Secretaries Limited
<b>Company number</b>	2013215
<b>Registered office</b>	Avenue One Station Lane Witney Oxfordshire OX28 4XR
<b>Auditor</b>	Ernst & Young LLP Apex Plaza Forbury Road Reading RG1 1YE United Kingdom
<b>Bankers</b>	Deutsche Bank AG Filiale London Global Transaction Banking 10 Bishops Square London E1 6AO
<b>Solicitors</b>	Irwin Mitchell LLP Riverside West 1 Millsands Sheffield S3 8NH

**Contents**

---

	Page
<b>Strategic report</b>	1-2
<b>Directors' report</b>	3
<b>Statement of directors' responsibilities</b>	4
<b>Independent auditor's report</b>	5 - 6
<b>Profit and loss account</b>	7
<b>Balance sheet</b>	8
<b>Notes to the financial statements</b>	9 - 17

**Strategic report  
for the year ended 30 September 2014**

---

As required by the amendments to the Companies Act 2006, effective 30<sup>th</sup> September 2014, the directors of Plasti-Kote Limited ("the company") present the Report and Financial Statements containing a strategic report, director's report and the financial statements for the year ended 30<sup>th</sup> September 2014.

**Principal activities**

The principal activity of the company during the year was the marketing and distribution of spray paints.

**General business review**

The company continues to be the market leader within the UK, has a valuable market share in Scandinavia and expanded its business within Europe, due to new business with the KingFisher group. The market conditions in all geographic regions of trade and all trade channels continued to be challenging through the year. Consumer demand for spray paints throughout the period has been at an increased level to the prior year, due to a revised product range, new customers and increased number of existing customer stores.

The loss for the year, after taxation, amounted to £1,732,707 (2013 - loss £868,431).

The company's key financial and other performance indicators during the year were as follows:

	2014	2013
	£'000	£'000
Turnover	8,456	9,138
Gross profit	1,138	1,279

During FY14 operations at the Cambridge office ceased due to restructuring within the company, with the transfer of operations to the Reading location. The warehouse operations were moved to a third party logistics company. The reorganisation charge for the year was £426,829 which represents the cost of severance and exit costs associated with the Cambridge site.

FY14 was a record year for unit growth but due to changes in the market, customer and product mix this resulted in a slight decrease year on year in revenue and cost of sales.

**Future developments**

Future developments in the twelve months to 30<sup>th</sup> September 2015 include further professional execution of the Plasti-Kote brand plans and an increase of Plasti-Kote distribution across Europe, through continued development of our customer facing teams.

**Principal risks and uncertainties**

The principal risks and uncertainties facing the company are competitive, financial and legislative. The company monitors and manages these risks regularly so that the company can respond appropriately.

In the UK the principal competitive risk relates to the percentage of our products sourced from non-UK manufacturing plants.

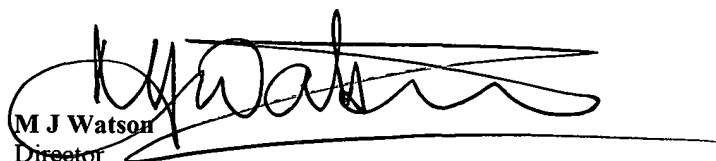
Within the UK and Europe, we invoice in local currency but the majority of our product is sourced in US\$. In addition to risks relating to foreign exchange, financial risks are principally credit and liquidity risks. There is a risk of customers being unable to pay their obligations to the company. The company is dependent for liquidity on support from its parent company.

Within all countries that we distribute, the spray cans are subject to standards which are continuously open to revision. Any new directive may have a material impact on the ability of the company to market and distribute at a profit. In addition, compliance imposes costs and failure to comply with these standards would have an adverse impact of the ability of the company to operate.

**Strategic report continued  
for the year ended 30 September 2014**

---

Signed by order of the board of directors

  
M J Watson  
Director  
6/8/15

**Directors' report  
for the year ended 30 September 2014**

---

**Directors**

The directors who served during the year and to the date of approval of this report were:

M J Watson  
R Engh  
T N Treat  
A Hecker (Terminated 1<sup>st</sup> August 2014)  
E Braggio (Appointed 1<sup>st</sup> August 2014)

**Dividends**

The directors proposed no dividend for 2014 (2013 - £nil).

**Subsequent events**

There were no significant events after the reporting period.

**Going concern**

On the basis of the directors' assessment of the financial position of the company, the support of its parent company and the fundamental accounting concept set out in note 1, the directors have a reasonable expectation that the company will be able to continue to meet its obligations as they fall due. Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**Qualifying third party indemnity provisions**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

**Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditor**

In accordance with section 485 of the Companies Act 2006, Ernst & Young LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

  
M J Watson  
Director

6/8/15

**Statement of director's responsibilities  
for the year ended 30 September 2014**

---

The directors are responsible for preparing the Strategic Report, the Director's 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). 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 those 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; 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 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 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.

---

## **Independent Auditor's report to the members of Plasti-Kote Limited**

---

We have audited the financial statements of Plasti-Kote Limited for the year ended 30 September 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 20. 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all of the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 30 September 2014 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



---


## Independent Auditor's report to the members of Plasti-Kote Limited (continued)

---

### 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.

  
David Brown (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Reading

6-08-2015

**Profit and loss account  
for the year ended 30 September 2014**

	<i>Note</i>	<i>2014 £</i>	<i>2013 £</i>
<b>Turnover</b>	2	8,455,620	9,137,589
Cost of sales		<u>(7,317,544)</u>	<u>(7,858,367)</u>
<b>Gross profit</b>		1,138,076	1,279,222
Distribution costs		(1,694,554)	(1,321,463)
Administrative expenses			
Restructuring		(426,829)	
Other		<u>(671,714)</u>	<u>(760,799)</u>
<b>Operating loss</b>	3	(1,655,021)	(803,040)
Interest receivable		-	8
Interest payable	7	<u>(77,686)</u>	<u>(65,399)</u>
<b>Loss on ordinary activities before taxation</b>		(1,732,707)	(868,431)
Tax on loss on ordinary activities	8	<u>-</u>	<u>-</u>
<b>Loss for the financial year</b>	15	<u>(1,732,707)</u>	<u>(868,431)</u>

All amounts relate to continuing operations.

**Statement of total recognised gains and losses**

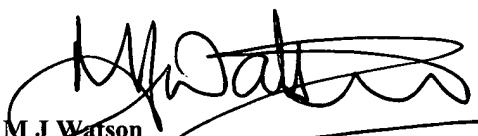
There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account, and therefore no separate Statement of total recognised gains and losses, has been presented.

The notes on pages 9 to 17 form part of these financial statements.

**Balance sheet**  
as at 30 September 2014

	Note	£	2014 £	£	2013 £
<b>Fixed assets</b>					
Tangible fixed assets	9		-		76,874
<b>Current assets</b>					
Stocks	10	2,464,180		3,352,727	
Debtors	11	2,467,798		2,417,278	
Cash at bank		-		149,883	
		4,931,979		5,919,888	
<b>Creditors: amounts falling due within one year</b>	12	<u>(9,114,427)</u>		<u>(8,446,503)</u>	
<b>Net current liabilities</b>			<u>(4,182,448)</u>		<u>(2,526,615)</u>
<b>Total assets less current liabilities</b>			<u>(4,182,448)</u>		<u>(2,449,741)</u>
<b>Capital and reserves</b>					
Called up share capital	14		500		500
Profit and loss account	15		<u>(4,182,948)</u>		<u>(2,450,241)</u>
<b>Shareholders' deficit</b>	16		<u>(4,182,448)</u>		<u>(2,449,741)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 6<sup>th</sup> August 2015.

  
 M J Watson  
 Director

6/8/15

The notes on pages 9 to 17 form part of these financial statements.

**Notes to the financial statements  
as at 30 September 2014**

---

**1. Accounting policies****1.1 Fundamental accounting concept**

The directors have received confirmation from the directors of The Valspar Corporation they will take all reasonable steps so that the company will have sufficient funds available to meet its legal obligations and requirements for twelve months from the date of approval of the financial statements. On this basis the directors consider it appropriate to prepare these financial statements on a going concern basis.

**1.2 Basis of preparation of financial statements**

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

**1.3 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.

**1.4 Turnover and revenue recognition**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

Turnover is recognised principally on the despatch of goods.

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	over the lease term
Plant & machinery	-	3 to 5 years
Office equipment	-	3 years
Computer equipment	-	over 3 to 4 years

The carrying value of tangible fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**1.6 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**1.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

## Notes to the financial statements as at 30 September 2014

### 1.8 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

### 1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

### 1.11 Related parties transactions

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with wholly owned members of The Valspar Corporation.

## 2. Turnover

Turnover, which excludes value added tax, represents the invoiced value of goods sold and services supplied. Turnover is attributable to one continuing activity, the selling and distribution of spray paints.

A geographical analysis of turnover is as follows:

	2014 £	2013 £
United Kingdom	5,262,659	6,323,781
Rest of European Union	2,924,395	2,196,275
Rest of world	268,566	617,533
	<u>8,455,620</u>	<u>9,137,589</u>

**Notes to the financial statements  
as at 30 September 2014**

**3. Operating loss**

The operating loss is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	34,574	32,323
Impairment of tangible fixed assets	42,300	-
Operating lease rentals:		
- plant and machinery	17,162	58,674
- other operating leases	168,787	125,921
Other restructuring costs	384,529	
Difference on foreign exchange	<u>176,627</u>	<u>(49,483)</u>

The impairment of tangible fixed assets and other restructuring costs relate to the costs involved in the Cambridge site closure, total cost being £426,829.

**4. Auditor's remuneration**

	2014 £	2013 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>31,790</u>	<u>18,607</u>

**5. Staff costs**

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	603,010	761,038
Social security costs	94,616	86,621
Other pension costs	-	17,849
	<u>697,627</u>	<u>865,508</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014 No.	2013 No.
Production staff	6	10
Administrative staff	13	12
	<u>19</u>	<u>22</u>

**Notes to the financial statements  
as at 30 September 2014**

**6. Directors' remuneration**

	2014 £	2013 £
Emoluments	-	-
Company pension contributions to defined contribution pension schemes	-	17,849

During the year no retirement benefits accrued (2013 – one director) in respect of defined contribution pension schemes.

Directors' remuneration for the years ended 30 September 2014 and 30 September 2013 have been borne by The Valspar Corporation. The directors of the company are also directors or officers of other companies within The Valspar Corporation. The directors' services to the company do not occupy a significant amount of their time. As such, the directors do not consider that they have received any remuneration for their incidental services to the company for the years ended 30 September 2014 and 30 September 2013.

**7. Interest payable**

	2014 £	2013 £
On bank loans and overdrafts	77,686	65,399

**8. Taxation**

	2014 £	2013 £
<i>Analysis of tax credit in the year</i>		
<i>Current tax (see note below)</i>		
UK corporation tax credit on loss for the year	(376,994)	(197,020)
Group relief	-	197,020
Loss carried forward	376,994	-
<i>Total current tax</i>	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Adjustments in respect of prior periods	-	-
<i>Total deferred tax (see note 13)</i>	-	-
<i>Tax on loss on ordinary activities</i>	-	-

**Notes to the financial statements  
as at 30 September 2014**

**8. Taxation (continued)**

*Factors affecting tax charge for the year*

The tax credit assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 22% (2013 – 23.5%). The differences are explained below:

	2014 £	2013 £
Loss on ordinary activities before tax	<u>(1,732,707)</u>	<u>(868,431)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2013 – 23.5%)	(381,195)	(204,081)
<i>Effects of:</i>		
Non-tax deductible expenses	1,320	1,840
Capital allowances for year in deficit of depreciation	2,881	5,750
Other timing differences	-	(529)
Group Relief	-	197,020
Loss carried forward	<u>376,994</u>	<u>-</u>
<i>Current tax credit for the year</i>	<u>-</u>	<u>-</u>

*Factors that may affect future tax charges*

The standard rate of UK Corporation Tax reduced from 21% to 20% on 1 April 2015. The Finance Act 2015, which received Royal Assent on 26 March 2015, states that this rate will not change for financial year 2016. Deferred tax has been calculated accordingly in these financial statements.

In his budget of 8 July 2015, the Chancellor of the Exchequer announced tax rate changes, which, if enacted in the proposed manner, will have an effect on the company's future tax position. These additional changes will reduce the standard rate of UK corporation tax from 20% to 19% from 1 April 2017, and 18% from 1 April 2020. These proposed changes had not been substantively enacted at the balance sheet date and consequently their effects are not included in these financial statements. The effect of these announced reductions is not likely to be material.

The above changes to the rate of corporation tax will impact the amount of future cash tax payments to be made by the company.



Notes to the financial statements  
as at 30 September 2014

9. Tangible fixed assets

	<i>Leasehold Improvements</i> £	<i>Plant &amp; machinery</i> £	<i>Office equipment</i> £	<i>Computer equipment</i> £	<i>Total</i> £
<b>Cost</b>					
At 1 October 2013	206,115	257,082	99,579	432,018	994,794
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 30 September 2014	<u>206,115</u>	<u>257,082</u>	<u>99,579</u>	<u>432,018</u>	<u>994,794</u>
<b>Depreciation</b>					
At 1 October 2013	189,476	200,899	98,681	428,864	917,920
Charge for the year	6,910	23,456	1,054	3,154	34,574
Impairment	<u>9,729</u>	<u>32,727</u>	<u>(156)</u>	<u>-</u>	<u>42,300</u>
At 30 September 2014	<u>206,115</u>	<u>257,082</u>	<u>99,579</u>	<u>432,018</u>	<u>994,794</u>
<b>Net book value</b>					
At 30 September 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2013	<u>16,639</u>	<u>56,183</u>	<u>898</u>	<u>3,154</u>	<u>76,874</u>

**Notes to the financial statements  
as at 30 September 2014**

**10. Stocks**

	2014 £	2013 £
Finished goods and goods for resale	<u>2,464,180</u>	<u>3,352,727</u>

The difference between purchase price of stocks and their replacement cost is not material.

**11. Debtors**

	2014 £	2013 £
Trade debtors	2,078,586	2,187,685
Amounts owed by group undertakings	15,122	26,045
Prepayments and accrued income	53,103	168,411
Other debtors	320,987	35,137
	<u>2,467,799</u>	<u>2,417,278</u>

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

	2014 £	2013 £
Trade creditors	409,923	345,564
Amounts owed to group undertakings	7,551,346	7,350,390
Social security and other taxes	35,418	22,586
Accruals and deferred income	967,741	717,963
Dilapidation accrual	150,000	10,000
	<u>9,114,427</u>	<u>8,446,503</u>

**13. Deferred tax asset**

	2014 £	2013 £
At beginning of year	-	-
(Charge)/credit during the year	-	-
At end of year	<u>-</u>	<u>-</u>

# Notes to the financial statements as at 30 September 2014

## 13. Deferred tax asset (continued)

The deferred tax asset not recognised in the financial statements is as follows:

	2014 £	2013 £
Decelerated capital allowances	-	-
Tax losses carried forward	342,722	-
	<u>342,722</u>	<u>-</u>

Deferred tax assets have not been recognised on the basis that the company is forecast to make a loss in the next financial year. It is therefore uncertain as to when the decelerated capital allowance will be utilised.

## 14. Share capital

	2014 £	2013 £
<i>Authorised</i>		
1,000- Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
500- Ordinary shares of £1 each	<u>500</u>	<u>500</u>

## 15. Reserves

	<i>Profit and loss account</i> £
At 1 October 2013	(2,450,241)
Loss for the year	(1,732,707)
	<u>(4,182,948)</u>
At 30 September 2014	

**Notes to the financial statements  
as at 30 September 2014**

**16. Reconciliation of movement in shareholders' deficit**

	2014 £	2013 £
Opening shareholder's deficit	(2,449,741)	(1,581,310)
Loss for the year	<u>(1,732,707)</u>	<u>(868,431)</u>
Closing shareholders' deficit	<u><u>(4,182,448)</u></u>	<u><u>(2,449,741)</u></u>

**17. Contingent liabilities**

The company has issued a bond in favour of HMRC for £600,000 (2013 - £600,000).

**18. Pension commitments**

The company operates a defined contribution scheme for its directors and a stakeholder scheme for other employees. The assets of the schemes are held separately from those of the company in independently administered funds. There were no unpaid contributions outstanding at the period end (2013: £nil).

**19. Operating lease commitments**

At 30 September 2014 the company had annual commitments under non-cancellable operating leases as follows:

	<i>Land and buildings</i>		<i>Other</i>	
	2014 £	2013 £	2014 £	2013 £
<i>Expiry date:</i>				
Within 1 year	40,187	-	1,465	-
Between 2 and 5 years	<u>-</u>	<u>160,750</u>	<u>22,632</u>	<u>29,832</u>
Total	<u><u>40,187</u></u>	<u><u>160,750</u></u>	<u><u>24,097</u></u>	<u><u>29,832</u></u>

The land and building lease was re-negotiated in 2014. The lease ended in December 2014.

**20. Ultimate parent undertaking and controlling party**

The immediate parent undertaking is Plasti-Kote Co., Inc. and the ultimate parent undertaking and controlling party is The Valspar Corporation, both of which are incorporated in the United States of America.

The only company in which the results of Plasti-Kote Limited are consolidated is The Valspar Corporation.

Copies of the consolidated financial statements of The Valspar Corporation can be obtained from the Company Secretary at P.O. Box 1461, Minneapolis, Minnesota 55440 USA.