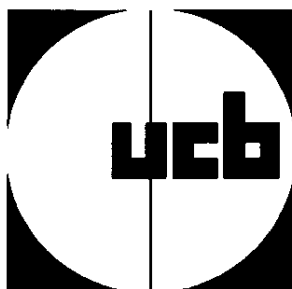


2086530



MEDEVA LIMITED

Directors report and financial statements for the
financial year ended 31 December 2009



DIRECTORS' REPORT

The Directors submit their annual report and audited financial statements for the 12 months ended 31 December 2009

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The Company undertakes investment and treasury activities. The performance of the Company was satisfactory.

RISKS AND UNCERTAINTIES

The Company is a wholly owned subsidiary of the Group, UCB S A and is managed as part of the overall operations of the Group in the UK. The directors therefore manage risk as a whole across the UK operations, rather than as individual entities. This includes application of the Group's risk framework which requires all businesses and functions within the Group to establish processes for identifying, evaluating and managing key risks. For this reason, and given the limited risks and transactions related to this Company, the directors do not consider separate disclosure of key risks and uncertainties to be necessary.

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business and the fact that the Company is not engaged in any trading activities, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development performance or position of the business.

RESULTS AND DIVIDENDS

The Company (registered number 2086530) made a profit after taxation of £15,705,000 (2008: £16,686,000 profit). The directors paid an interim dividend of £17,000,000 during the year (2008: £nil). The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2009 (2008: Nil).

DIRECTORS

The directors who held office during the period and up to the date of signing the financial statements are listed below:

M G Hardy
E Roelandt (Deceased 24 July 2010)
M de Cannart d'Hamale
S C Jones

No director had a material interest in any contract to which the Company was a party during the financial year. The directors who held office at the end of the year had no interest in the share capital of the company.

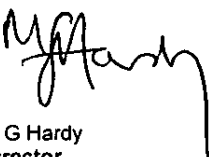
DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

KPMG Audit plc resigned as auditors of the Company on 25 November 2009 and confirmed in accordance with section 509 of the Companies Act 2006 that there were no circumstances which should be brought to the attention of the Company's shareholders or creditors. The Company accepted their resignation. PricewaterhouseCoopers LLP have been appointed auditors of the Company in accordance with section 485 of the Companies Act 2006. The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the annual general meeting.

On behalf of the Board


M G Hardy
Director
07/09/2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 these financial statements, the directors are required to

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

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MEDEVA LIMITED

We have audited the financial statements of Medeva Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors Responsibilities set out on page 2, 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 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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.

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 2009 and of its profit 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.

Other matters

The company has passed a resolution in accordance with Section 506 of the Companies Act 2006 that the senior statutory auditor's name should not be stated.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge

9 September 2010

Medeva Limited

PROFIT AND LOSS ACCOUNT FOR YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
Operating profit	2	-	-
Impairment in investment	8	(995)	-
Interest receivable and similar income	3	716	1,318
Interest payable and similar charges	4	(8,999)	(14,653)
Income from Group undertakings	5	22,430	25,750
Profit on ordinary activities before taxation		13,152	12,415
Taxation on profit on ordinary activities	7	2,553	4,271
Profit for the financial year	12	15,705	16,686

The Company has no recognised gains and losses other than above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

The notes on pages 6 to 9 form part of these financial statements

The results derive from continuing operations


Medeva Limited

BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £'000	2008 £'000
Fixed Assets			
Investment in subsidiary undertakings	8	771,443	772,278
Other long term investments	8	9,670	9,670
		781,113	781,948
Current Assets			
Debtors	9	477,314	517,494
Cash at bank and in hand		680	184
		477,994	517,678
Creditors amounts falling due within one year	10	(628,786)	(668,010)
Net Current Liabilities		(150,792)	(150,332)
Net Assets		630,321	631,616
Capital and reserves			
Called up share capital	11	35,902	35,902
Share premium account	12	218,781	218,781
Capital redemption reserve	12	1,700	1,700
Capital reserves	12	310,411	310,411
Profit and loss account	12	63,527	64,822
Total Shareholders' Funds	12	630,321	631,616

The notes on page 6 to 9 form part of these financial statements

The financial statements were approved by the Board of Directors on 07/09/2010 and signed on their behalf by


M S Hardy
Director


S C Jones
Director

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items in relation to the financial statements

ACCOUNTING CONVENTION

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom as prescribed by the Companies Act 2006 and under the historical cost accounting rules

The Company is exempt by virtue of part 15, section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group

CASH FLOW STATEMENT

The Company is not required to prepare a cash flow statement as it is ultimately owned by UCB S A , and the consolidated accounts of that Company include a consolidated cash flow statement that includes the Company

INTEREST RECEIVABLE AND PAYABLE

Interest receivable and payable are recognised on an accruals basis

DIVIDENDS

Dividends receivable are recognised at the date on which their payment becomes irrevocable. Dividend distributions to the company shareholders are recognised in the period when they are paid

RELATED PARTY TRANSACTIONS

The Company is exempt, under FRS 8, from the requirement to disclose related party transactions on the grounds that it is a wholly owned subsidiary undertaking. This exemption covers transactions with other Group undertakings

FOREIGN CURRENCIES

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged forward, at the rate of exchange under the related forward currency contract. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

DEFERRED TAXATION

Deferred taxation is provided on timing differences that have originated but not reversed by the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

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

INVESTMENTS

Investments are carried at the lower of cost and recoverable amount. Investments are tested for impairment by comparing the carrying value of the investment with its recoverable amount on an annual basis at the balance sheet date. As a result of these calculations, an impairment was identified against the investment in Celltech Insurance Limited. Further detail is given in note 8 of these financial statements

FINANCIAL SUPPORT

The accounts have been prepared under the going concern concept because the parent undertaking, Celltech Group, has agreed that the intercompany liabilities will not be recalled within twelve months from the date the directors have signed the accounts

GOING CONCERN

The directors consider that the company has adequate resources to continue in business in the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the accounts

2 OPERATING RESULT

- (a) In 2009 and 2008 auditors' remuneration has been borne by fellow subsidiary companies
- (b) No director received any remuneration for the year in respect of their duties (2008 nil)
- (c) The average number of staff employed by the Company, including directors during the year was nil (2008 nil)

Medeva Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 £'000	2008 £'000
Bank interest	-	7
Interest receivable from Group undertakings	716	597
Net foreign exchange gains	-	714
	716	1,318

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £'000	2008 £'000
Bank charges	5	16
Interest payable to Group undertakings	8,898	14,637
Net foreign exchange losses	96	-
	8,999	14,653

5 INCOME FROM GROUP UNDERTAKINGS

	2009 £'000	2008 £'000
Dividend received from Group undertakings	22,430	25,750

6 DIVIDENDS

	2009 £'000	2008 £'000
Equity dividends on ordinary shares		
Interim dividend paid £0.0369p per share (2008: £nil)	17,000	-

7 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2009 £'000	2008 £'000
UK Corporation tax on profit of the year	2,553	4,271
Total current tax credit and tax on profit on ordinary activities	2,553	4,271

Medeva Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 TAXATION ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The tax assessed for the period is lower (2008 lower) than the standard rate of corporation tax in the UK 28% (2008 28.5%). The differences are explained below

	2009 £'000	2008 £'000
Profit on ordinary activities before tax	13,152	(12,415)
Profit on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom 28% (2008 28.5%)	3,683	3,538
Effects of		
Income not taxable	(6,481)	(7,509)
Group relief surrendered	2,798	3,971
Payment received for group relief	(2,553)	(4,271)
Total tax credit	(2,553)	(4,271)

There are capital losses of approximately £12.5 million (2008 £12.5 million) which have not been recognised due to uncertainty with regards to generating future capital profits

8 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	Shares in subsidiary undertakings £'000
Cost	
At 1 January 2009	1,368,631
Additions	160
At 31 December 2009	1,368,791
Provisions	
At 1 January 2009	(596,353)
Impairment charge	(995)
At 31 December 2009	(597,348)
Net book value	
At 31 December 2009	771,443
At 1 January 2009	772,278

The Company owns an allocation of \$18,660,000 (£9,670,000) Preference A Shares in UCB Pharma Inc which carries an interest rate of 6% per annum

At 31 December 2009 the Company held 100% shareholdings in the following subsidiary undertakings

Subsidiary Undertaking	Principal business activity	Country of Incorporation	Description of shares held
Celltech Limited	Lending to group companies	England and Wales	Ordinary shares
Celltech Pharma Europe Limited	Holding of licenses and registrations	England and Wales	Ordinary shares
Evans Healthcare Limited	Holding company	England and Wales	Ordinary shares
Medeva International Limited	Dormant	England and Wales	Ordinary shares
Fipar	Lending to group companies	England and Wales	Ordinary shares
Celltech US LLC	Dormant	USA	Ordinary shares
Celltech Insurance (Ireland) Limited	Dormant	Ireland	Ordinary shares
Celltech Reinsurance (Ireland) Limited	Dormant	Ireland	Ordinary shares

9 DEBTORS

	2009 £'000	2008 £'000
Amounts owed by fellow Group undertakings	477,314	517,494

The amounts owed by Group undertakings are repayable on demand and bear no interest (2008 nil%)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £'000	2008 £'000
Amounts owed to fellow Group undertakings	628,786	668,010

The amounts payable to Group undertakings are repayable on demand and bear interest at a rate of 4.42% (2008 6.74%). No securities are secured to the inter group balances

11 CALLED UP SHARE CAPITAL

	Number '000s	Nominal Value £'000
<i>Ordinary shares of 10 pence each</i>		
<i>Authorised</i>		
At 1 January 2009	460,000	46,000
At 31 December 2009	460,000	46,000
<i>Allotted and fully paid</i>		
At 1 January 2009	359,020	35,902
At 31 December 2009	359,020	35,902

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £'000	Share premium reserve £'000	Capital reserves £'000	Profit and loss account £'000	Total £'000
At 1 January 2009	35,902	218,781	312,111	64,822	631,616
Dividends paid	-	-	-	(17,000)	(17,000)
Retained profit for the financial year	-	-	-	15,705	15,705
At 31 December 2009	35,902	218,781	312,111	63,527	630,321

13 RELATED PARTY TRANSACTIONS

There were no related party transactions in the year

14 PARENT UNDERTAKING

At 31 December 2009 the immediate parent undertaking was Celltech Group Limited, registered in England and Wales. The ultimate holding company and controlling party at 31 December 2009 and the smallest and largest group in which the company's results are consolidated was UCB S.A., a company incorporated in Belgium.

Copies of the respective financial statements of each of these companies can be obtained from Celltech Group Limited, 208 Bath Road, Slough, Berkshire, SL1 3WE