

Triumph Motorcycles Group Limited

Reports and Financial Statements

30 June 2017



Triumph Motorcycles Group Limited

Directors

J S Bloor
J L Eastham
D I K Mehta
A J Samples

Secretary

D I K Mehta

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Registered Office

Ashby Road
Measham
Swadlincote
Derbyshire
DE12 7JP

Strategic Report

The directors present their strategic report, directors' report and audited financial statements for the year ended 30 June 2017.

Results

The company has not traded during the year, has received no income and has incurred no expenditure and consequently has made neither a profit nor a loss (2016: £nil). Therefore no statement of comprehensive income has been presented in these financial statements.

Principal activity and review of the business

The company's principal activity is that of a parent undertaking.

Details of the cost and provisions relating to its investments are shown in note 6 to the financial statements.

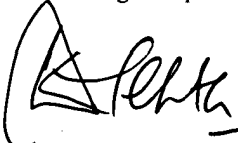
Principal risks and uncertainties

The principal risks for the company are the uncertainties associated with the results of its direct subsidiary undertakings.

These results vary and are principally affected by the prevailing economic climate which may impact the value of the company's investments.

Liquidity risk

The company does not hold cash, however, it would have access to longer term funding from its parent undertaking if required.



D I K Mehta

Secretary

16 October 2017

Directors' Report

Directors

The directors who served the company during the year were as follows:

J S Bloor
J L Eastham
D I K Mehta
A J Samples

Dividends

The directors do not recommend a final dividend (2016: £nil).

Going concern

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. As of 30 June 2017, the company had net assets of £30,000,000.

The company is part of the Bloor Investments Limited Group "the Group". The Group has funded its operations through a combination of shareholder's funds, group loans, bank loans, bank overdrafts and other borrowings. The bank loans and bank overdrafts are arranged on a sub-group basis by Bloor Holdings Limited, a wholly owned subsidiary of Bloor Investments Limited.

The Group has facilities with its bankers, with the majority of the facilities, which are on a secured basis, committed to 30 September 2019. The facilities are subject to covenants, which are reported on a quarterly basis. As part of these arrangements the company has entered into a cross-guarantee of the bank overdrafts and bank loans made to certain other group companies within the Bloor group.

The directors have reviewed the Group's trading and cash forecasts, which take into account possible changes in trading activities, show that the Group will have adequate resources to meet its liabilities in the foreseeable future, and that there is a remote possibility of the Company being called upon to meet its cross-guaranteed obligations.

The company also has a letter of support from its ultimate parent company. Accordingly the financial statements have been prepared on a going concern basis.

Statement of directors' responsibilities

The directors are responsible for preparing the Reports and the Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' Report (continued)

Statement of directors' responsibilities (continued)

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.

The directors 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.

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 they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board



D I K Mehta
Secretary

16 October 2017

Independent auditors' report

to the member of Triumph Motorcycles Group Limited

Report on the audit of the financial statements

Our Opinion

In our opinion, Triumph Motorcycles Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Reports and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 30 June 2017; the Statement of changes in equity for the year then ended; and the Notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent auditors' report

to the member of Triumph Motorcycles Group Limited (continued)

Reporting on other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 June 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on pages 3 & 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Independent auditors' report

to the member of Triumph Motorcycles Group Limited (continued)

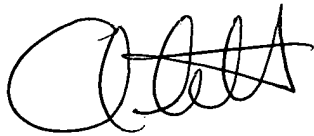
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Christopher Hibbs (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

31 October 2017

Triumph Motorcycles Group Limited

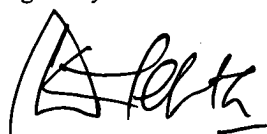
Balance sheet

as at 30 June 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Investments	6	43,020	43,020
Creditors: amounts falling due within one year	7	(13,020)	(13,020)
Net assets		<u>30,000</u>	<u>30,000</u>
Capital and reserves			
Called up share capital	8	20,000	20,000
Retained earnings		10,000	10,000
Total shareholders' funds		<u>30,000</u>	<u>30,000</u>

The notes on pages 10 to 14 are an integral part of these financial statements.

The financial statements on pages 8 to 14 were approved and authorised for issue by the board and were signed by:



D I K Mehta
Director

16 October 2017

Registered No. 02138263

Statement of changes in equity

for the year ended 30 June 2017

	Called up share capital £'000	Retained earnings £'000	Total Shareholders' surplus £'000
<i>Balance as at 1 July 2015</i>	20,000	10,000	30,000
Result for the financial year	-	-	-
Total comprehensive income	-	-	-
<i>Balance as at 30 June 2016</i>	<u>20,000</u>	<u>10,000</u>	<u>30,000</u>
<i>Balance as at 1 July 2016</i>	20,000	10,000	30,000
Result for the financial year	-	-	-
Total comprehensive income	-	-	-
<i>Balance as at 30 June 2017</i>	<u>20,000</u>	<u>10,000</u>	<u>30,000</u>

The notes on pages 10 to 14 are an integral part of these financial statements.

Notes to the financial statements

for the year ended 30 June 2017

1. General information

Triumph Motorcycles Group Limited is a private company limited by shares incorporated in England. The registered office is Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP.

2. Statement of compliance

The individual financial statements of Triumph Motorcycles Group Limited have been prepared in compliance with United Kingdom Accounting Standard, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102")" and the Companies Act 2006.

3. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

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

The company has not traded during the year, has received no income and has incurred no expenditure and consequently has made neither a profit nor a loss (2016: £nil). Therefore no statement of comprehensive income has been presented in these financial statements.

Going concern

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. As of 30 June 2017, the company had net assets of £30,000,000.

The company is part of the Bloor Investments Limited Group "the Group". The Group has funded its operations through a combination of shareholder's funds, group loans, bank loans, bank overdrafts and other borrowings. The bank loans and bank overdrafts are arranged on a sub-group basis by Bloor Holdings Limited, a wholly owned subsidiary of Bloor Investments Limited.

The Group has facilities with its bankers, with the majority of the facilities, which are on a secured basis, committed to 30 September 2019. The facilities are subject to covenants, which are reported on a quarterly basis. As part of these arrangements the company has entered into a cross-guarantee of the bank overdrafts and bank loans made to certain other group companies within the Bloor group.

The directors have reviewed the Group's trading and cash forecasts, which take into account possible changes in trading activities, show that the Group will have adequate resources to meet its liabilities in the foreseeable future, and that there is a remote possibility of the Company being called upon to meet its cross-guaranteed obligations.

The company also has a letter of support from its ultimate parent company. Accordingly the financial statements have been prepared on a going concern basis.

Group financial statements

The company is a wholly owned subsidiary of Bloor Holdings Limited and of its ultimate parent, Bloor Investments Limited. It is included in the consolidated financial statements of Bloor Investments Limited which are publically available. Therefore the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the company's separate financial statements.

Notes to the financial statements (continued)

for the year ended 30 June 2017

3. Accounting policies (continued)

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Bloor Investments Limited as at 30 June 2017 and these financial statements may be obtained from Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Investments

Investments in subsidiary undertakings are stated at cost unless there is evidence of impairment in value of the investments in which case the investment is reduced to the higher of its net realisable value or current value in use. An impairment provision is made in the profit and loss account when the directors consider it appropriate, in accordance with FRS 102, paragraph 14. The company includes impairment provisions for intercompany balances relating to Triumph Motorcycles Limited on the basis that the wider group cross guarantees all debts of Triumph Motorcycles Limited

Deferred taxation

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

4. Auditors' remuneration

Auditors' remuneration of £10,652 (2016: £10,342) is borne by another Triumph group company.

5. Directors' remuneration

The only employees of the company are the directors, who received no remuneration during the year (2016: £nil) for their services to the company as the time spent is considered inconsequential to the company.

Triumph Motorcycles Group Limited

Notes to the financial statements (continued)

for the year ended 30 June 2017

6. Investments

*Subsidiary
undertakings
£'000*

Cost and net book value

At 1 July 2016 and 30 June 2017

43,020

Details of the principal investments that the company holds directly or indirectly are as follows:

<u>Name</u>	<u>Registered address</u>	<u>Principal activity</u>	<u>Holding</u>
Triumph Motorcycles Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Manufacture and sale of Triumph motorcycles and related parts and accessories	100%
Triumph Designs Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Design engineering services	100%
Triumph Motorcycles (Overseas) Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Holding company	99%
Triumph Motorcycles (Indonesia) Pt (Indonesia)	AXA Tower, 45th Floor, JL. Prof. DR. Satrio Kav. 18, Karet, Kuningan, Setiabudi, Jakarta Selatan.	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorcycles (America) Limited (USA)	100 Hartsfield Centre Parkway, Suite 200, Atlanta 30354	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorcycles Benelux BV (Holland)	Opaalstraat 16, 1812 RH Alkmaar	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph SAS (France)	19, Boulevard Georges Bidault, 77183 Croissy Beaubourg	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorrad Deutschland GmbH (Germany)	Raiffeisenstr. 1; 61191 Rosbach v.d. Höhe	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Retail GmbH (Germany)	Amtsgericht Berlin- Charlottenburg	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Holdings Inc (USA)	100 Hartsfield Centre Parkway, Suite 200, Atlanta 30354	Holding company	100%
Triumph Japan KK (Japan)	Pier City Shibaura 3F, 3-18-1 Kaigan, Minato- ku, Tokyo Japan	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorcycles Srl (Italy)	Milano (Mi) - Via Vittor Pisani, 27	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorcycles AB (Sweden)	Staffans Väg 6B, 192 78 Sollentuna	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorcycles (Thailand) Limited (Thailand)	Amata Nakorn Industrial Estate 700/801 Moo 1 Panthong, Panthong, Chonburi 20160	Manufacture and sale of Triumph motorcycles and related parts and accessories	100%

Notes to the financial statements (continued)

for the year ended 30 June 2017

6. Investments (continued)

<u>Name</u>	<u>Registered address</u>	<u>Principal activity</u>	<u>Holding</u>
Triumph Motocicletas Espana SL (Spain)	Calle Cabo Rufino Lazaro 14 Nave E 28232 Las Rozas Madrid	Sale of Triumph motorcycles and related parts and accessories	100%
Triumph Fabricacao De Motocicletas De Manaus Ltda (Brazil)	Av. Presidente Kennedy, 885 - Morro Da Liberdade - Cond. Cemag.	Manufacture and sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorcycles (India) Pte Limited (India)	2nd Floor, Wing-A, Commercial Plaza, Radisson Hotel, NH-8 Mahipalpur, New Delhi, India.	Manufacture and sale of Triumph motorcycles and related parts and accessories	100%
Triumph Motorcycles (Singapore) Pte. Limited (Singapore)	8 Cross Street, #10-00 PwC Building, Singapore 048424	Holding company	100%
Memon Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Triumph Motorcycles (Coventry) Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Bonneville Coventry limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Bonneville Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Triumph Parts and Accessories Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	99%
Triumph Bicycles Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Triumph Bikes Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Triumph Cycles Co Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Triumph Cycles Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%
Triumph E-Bikes Limited	Ashby Road, Measham, Swadlincote, Derbyshire, DE12 7JP	Dormant company	100%

Where subsidiary entities are 99% owned the remaining 1% shareholding is also owned indirectly by the ultimate controlling party.

Notes to the financial statements (continued)

for the year ended 30 June 2017

7. Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Amounts owed to group undertakings	13,020	13,020

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

8. Called up share capital

	No.	2017 £'000	No.	2016 £'000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	20,000,100	20,000	20,000,100	20,000

9. Contingent liabilities

The company has guaranteed the bank overdrafts and bank loans made to certain other group companies within the Bloor Group, which at 30 June 2017 amounted to £12,194,571 (2016: £90,822,831). The directors do not believe these guarantees will be called due to the continuing profitability of the group

10. Related party transactions

As a wholly owned subsidiary of Bloor Investments Limited, the company has taken advantage of the exemption under FRS 102, para 33.1A not to provide information on related party transactions with other 100% owned undertakings within the Bloor Investments Limited group. Note 11 gives details of how to obtain a copy of the published financial statements of Bloor Investments Limited.

11. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Bloor Holdings Limited. The smallest group of which the company is a member and for which group financial statements are prepared is Bloor Holdings Limited. The largest group of which the company is a member and for which group financial statements are prepared is Bloor Investments Limited, this is also considered to be the ultimate parent undertaking. All these companies are registered in England and Wales. The ultimate controlling party is Mr J Bloor.

Copies of the financial statements of Bloor Investment Limited and Bloor Holdings Limited may be obtained from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.