

Company Registration No. 2969065

Nampak Holdings (UK) PLC

Report and Financial Statements

30 September 2005



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Nampak Holdings (UK) PLC

Report and financial statements 2005

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Nampak Holdings (UK) PLC

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 September 2005.

Principal activities

Nampak Holdings (UK) PLC is an investment holding company. The company will continue to hold its investment in its subsidiaries and to support its subsidiaries' activities in the manufacture and sale of plastic containers, cartons and packaging materials, except where strategically it becomes necessary to divest them.

Review of developments, future prospects and results

On 1 October 2004 the group disposed of a segment of its plastic business involved in the manufacture of bespoke plastic products ("Short Run"). The details are disclosed in Note 19.

During the year, the company sold two vacant properties which resulted in an exceptional profit. (See note 5). Following a strategic review of our UK Cartons operations it was decided to close the Crownpoint factory in Leeds and the Leicester factory. Further, after a period of consultation, the company changed the terms of its pension scheme. The exceptional costs relating to these actions are disclosed in the notes.

In February 2005, the Group purchased the trade and assets of two Dairy in-plants for a consideration of £7.1m, See Note 19.

The group has continued to invest for greater efficiencies and will continue to look for expansion opportunities.

To this end on 28 February 2006 an agreement was made to dispose of the Contract Packaging business owned by Nampak Cartons and Healthcare Limited.

The results of the group are shown on page 5.

Directors and their interests

The directors who held office throughout the year - unless otherwise stated - and to the date of the report were as follows:

G E Bortolan	
H M T Reid	(appointed 5 May 2005)
R P Becker	(resigned 31 May 2005)
L Taviansky	

No directors of the company had any interests in the shares of the company or any other group company throughout the year.

Dividends

The directors do not propose the payment of a dividend (2004 – £nil).

Creditor payment policy

It is group policy to agree terms and conditions of trade as part of the contractual relationship with suppliers. Invariably these will be standard conditions which include the terms of payment. It is group policy to settle invoices in accordance with agreed terms. Nampak Holdings (UK) PLC holds the investments in group companies, does not trade itself and does not have suppliers within the meaning of the Companies Act 1985. However, the directors believe it would be helpful to give the disclosures on a group basis. The average creditor days outstanding at 30 September 2005 was 32 days (2004 – 43 days).

Nampak Holdings (UK) PLC

Directors' report (continued)

Employment of disabled people

The company is an equal opportunity employer and its policy is that disabled persons should be considered for all job vacancies and subsequent career and promotional opportunities, on the basis of aptitude and ability. The company continues to help with the retraining and rehabilitation of staff who become disabled during the course of their employment.

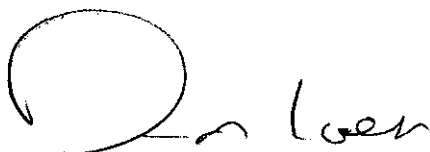
Employee participation

Staff consultation on issues affecting them and the business has continued to take place through quarterly briefing meetings as well as by formal and informal meetings with management.

Auditors

A resolution to re-appoint Deloitte & Touche LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



D T Lovell
Secretary
Windlebrook House
Guildford Road
Bagshot, Surrey
GU19 5NG

30/3/2006

Nampak Holdings (UK) PLC

Statement of directors' responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and company as at the end of the financial year and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Nampak Holdings (UK) PLC

We have audited the financial statements of Nampak Holdings (UK) PLC for the year ended 30 September 2005 which comprise the consolidated profit and loss account, the consolidated statement of recognised gains and losses, the balance sheets, and the related notes 1 to 30. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company and other members of the group is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company and the group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company and the group as at 30 September 2005 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

London

30.3.

2006

Nampak Holdings (UK) PLC

Consolidated profit and loss account Year ended 30 September 2005

	Notes	2005 £m	2004 £m
Turnover	2		
Continuing operations		302.6	313.9
Acquisitions		14.1	-
Discontinued operations		0.6	80.0
		<hr/> 317.3	<hr/> 393.9
 Cost of sales	 3	 (270.3)	 (327.7)
		<hr/>	<hr/>
Gross profit		47.0	66.2
Distribution costs	3	(13.8)	(18.3)
Administrative costs	3,5	(37.4)	(46.6)
		<hr/>	<hr/>
Operating (loss)/profit	4		
Continuing operations		(5.1)	4.9
Acquisition		0.9	-
Discontinued operations		-	(3.6)
		<hr/> (4.2)	<hr/> 1.3
Profit on disposal of fixed assets	5	34.5	0.9
Cost of a fundamental restructuring of a continued operation	5	(0.8)	-
Loss on sale of operations	5,19	(28.1)	-
		<hr/> 1.4	<hr/> 2.2
Profit on ordinary activities before interest			
Net interest payable	7	(4.6)	(5.2)
		<hr/> (3.2)	<hr/> (3.0)
Loss on ordinary activities before taxation			
Tax charge on loss on ordinary activities	8	(10.9)	(3.3)
		<hr/> (14.1)	<hr/> (6.3)
Loss on ordinary activities after taxation			
Retained loss for the financial year	21	(14.1)	(6.3)
		<hr/> <hr/> (14.1)	<hr/> <hr/> (6.3)

Nampak Holdings (UK) PLC

Consolidated statement of total recognised gains and losses Year ended 30 September 2005

	Notes	2005 £m	2004 £m
Loss for the financial year	21	(14.1)	(6.3)
Unrealised loss on retranslation of foreign subsidiary undertakings		<u>-- (0.4)</u>	<u>-- (1.2)</u>
Total recognised losses for the financial year	22	<u><u>(14.5)</u></u>	<u><u>(7.5)</u></u>

Nampak Holdings (UK) PLC

Consolidated balance sheet As at 30 September 2005

	Notes	£m	2005 £m	£m	2004 £m
Fixed assets					
Intangible assets	9		56.1		85.9
Tangible assets	10		111.1		135.9
			<u>167.2</u>		<u>221.8</u>
Current assets					
Stocks	12	21.6		29.3	
Debtors falling due within one year	13	69.4		70.3	
Debtors falling due after more than one year	13	11.0		0.6	
Cash at bank and in hand		5.2		17.6	
		<u>107.2</u>		<u>117.8</u>	
Creditors: amounts falling due within one year	14	(66.4)		(82.3)	
Net current assets			<u>40.8</u>		<u>35.5</u>
Total assets less current liabilities			<u>208.0</u>		<u>257.3</u>
Creditors: amounts falling due after more than one year	15		(48.6)		(90.6)
Provisions for liabilities and charges	17		(26.1)		(18.9)
Net assets			<u><u>133.3</u></u>		<u><u>147.8</u></u>
Capital and reserves					
Called up equity share capital	20		2.0		2.0
Share premium account	21		171.2		171.2
Other reserves	21		(0.7)		(0.3)
Profit and loss account	21		(39.2)		(25.1)
Equity shareholders' funds	22		<u><u>133.3</u></u>		<u><u>147.8</u></u>

These financial statements were approved by the Board of Directors on
Signed on behalf of the Board of Directors

30 March 2006.


L. Taviansky
Director

Nampak Holdings (UK) PLC

Company balance sheet As at 30 September 2005

	Notes	£m	2005 £m	£m	2004 £m
Fixed assets					
Investments	11		224.3		224.4
Current assets					
Debtors	13	57.9		56.9	
Cash at hand and at bank		0.6		4.5	
		<u>58.5</u>		<u>61.4</u>	
Creditors: amounts falling due within one year	14	<u>(56.5)</u>		<u>(48.0)</u>	
Net current assets			<u>2.0</u>		<u>13.4</u>
Total assets less current liabilities			226.3		237.8
Creditors: amounts falling due after more than one year	15		<u>(48.3)</u>		<u>(88.2)</u>
Net assets			<u>178.0</u>		<u>149.6</u>
Capital and reserves					
Called up equity share capital	20		2.0		2.0
Share premium account	21		171.2		171.2
Profit and loss account	21		4.8		(23.6)
Equity shareholders' funds			<u>178.0</u>		<u>149.6</u>

These financial statements were approved by the Board of Directors on **30 March 2006**
Signed on behalf of the Board of Directors



L Taviansky
Director

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below and have been applied consistently in the current and preceding year.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Basis of consolidation

The group financial statements incorporate the financial statements of the company and all subsidiaries for the year ended 30 September 2005. Results of the subsidiaries are included in the group results from the effective date of acquisition and those of undertakings sold to the effective date of disposal. Profits or losses on intra-group transactions are eliminated in full.

Turnover

Turnover comprises the value of sales (excluding sales taxes and net of discounts) of goods and services in the normal course of business. Turnover is derived from the group's principal activity of the manufacture of plastic containers and other products for industrial and domestic use.

Goodwill

Prior to 1 October 1998, all goodwill arising on acquisitions was written off to reserves. Following the introduction of FRS10, which relates to goodwill and intangible assets, the accounting policy has been changed and goodwill arising on acquisitions is capitalised and amortised over its useful economic life, being twenty years.

Goodwill previously written off is to remain eliminated against reserves. On disposal of the business concerned, this goodwill is included in determining the gain or loss on disposal in the profit and loss account.

Investments

Investments are stated at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Tangible fixed assets are depreciated over their estimated useful lives on a straight line basis as follows:

Short leasehold properties	Period of lease
Long leasehold properties	0% to 5%
Freehold buildings	40-50 years
Plant and machinery	5% to 33%

No depreciation is provided on freehold land or certain long leasehold properties, as it is the company's policy to maintain such long leasehold properties in a continual state of sound repair. The useful economic lives of these assets are thus so long and residual values so high that any depreciation would not be material. Residual values are based on prices prevailing at the date of acquisition or subsequent valuation. Any permanent impairment in value is taken to the profit and loss account.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future, have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains or losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Foreign currencies

Transactions in foreign currency are recorded at the rates ruling at the dates of the transactions.

Monetary assets and liabilities in foreign currencies are translated at the exchange rates ruling at the balance sheet date or at rates specified in forward contracts where these are in place. These translation differences are dealt with through the profit and loss account with the exception of differences on foreign currency borrowing, to the extent that they are used to finance foreign equity investments, which are taken directly to reserves together with the exchange difference on the carrying amount of the related investments.

Group

For consolidation purposes, attributable profits of overseas subsidiaries are translated into sterling at the average rate for the year and their assets and liabilities are translated at the rate ruling at the balance sheet date. The exchange differences arising are taken directly to reserves.

Pension costs

The group operates both defined benefit and defined contribution schemes, the assets of which are held independently from the group. Contributions paid to the defined benefit schemes are charged to the profit and loss account so as to spread the cost of pensions over employees' average working lives with the group.

Contributions paid to defined contribution schemes are charged against profits as incurred.

Research and development

Total costs of the company's research and development programme are written off to the profit and loss account as expenditure is incurred.

Leased assets

All the Groups current leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Cash flow

The group is not required under Financial Reporting Standard 1 to prepare a cash flow statement as Nampak Holdings (UK) PLC is a wholly owned subsidiary of Nampak Limited which publishes a consolidated cash flow statement, see Note 30.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

2. Turnover

Geographical segments	Turnover by origin	Turnover by destination	Turnover by origin	Turnover by destination
	2005 £m	2005 £m	2004 £m	2004 £m
United Kingdom	228.9	229.3	273.3	265.9
Rest of Europe	88.4	87.5	120.6	127.2
Rest of the World	-	0.5	-	0.8
Group	<u>317.3</u>	<u>317.3</u>	<u>393.9</u>	<u>393.9</u>

The directors believe that disclosure of additional segmental information would be prejudicial to the interests of the group.

3. Cost of sales and operating expenses

	Continuing £m	2005 Acquisi- tions £m	Dis- continuing £m	Continuing £m	2004 Acquisi- tions £m	Dis- continuing £m
Cost of sales	258.0	11.9	0.5	295.2	-	32.5
Distribution costs	13.4	0.3	0.1	12.1	-	6.2
Administrative expenses	<u>36.4</u>	<u>1.0</u>	<u>-</u>	<u>24.7</u>	<u>-</u>	<u>21.9</u>

4. Operating (loss)/profit

	2005 £m	2004 £m
Operating (loss)/profit on ordinary activities is stated after charging:		
Depreciation on tangible fixed assets – owned	16.7	25.5
Auditors' remuneration:		
Audit fees – company £nil (2004: £nil)	0.5	0.5
Non-audit fees to the auditors and their associates – company £nil (2004: £nil)	0.3	0.5
Rentals under operating leases		
Hire of plant and machinery	0.6	0.6
Other	1.6	1.5
Amortisation of goodwill	4.2	5.1
Impairment of assets (See Note 9 & 10)	11.4	-
Gain in foreign exchange translation	-	0.7
Research and development	<u>-</u>	<u>0.2</u>

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

5. Exceptional items

	Profit/ (loss) 2005 £m	Tax on profit/(loss) 2005 £m	Profit/(loss) after tax 2005 £m
Recorded above operating profit			
- Impairment of assets (i)	(11.4)	-	(11.4)
	<u>(11.4)</u>	<u>-</u>	<u>(11.4)</u>
Recorded below operating profit			
- Profit on disposal of tangible fixed assets (ii)	34.5	(9.0)	25.5
- Cost of a fundamental restructuring of continued operation (iii)	(0.8)	0.2	(0.6)
- Loss on sale of operation (iv)	(28.1)	1.8	(26.3)
	<u>5.6</u>	<u>(7.0)</u>	<u>(1.4)</u>
Total exceptional items	<u>(5.8)</u>	<u>(7.0)</u>	<u>(12.8)</u>

- (i) The impairment of assets largely relates to the impairment of goodwill, which is reflected in Note 9.
- (ii) The profit on disposal of tangible fixed assets relates to a sale of a property in the Nampak Plastics business.
- (iii) The costs of a fundamental restructuring of continuing operations arose in respect of UK Cartons operation, which has had a material effect on the nature and focus of the group's operations. The cost of a fundamental restructuring of £6m is offset by a related pension gain of £5.2m as a result of a change in terms of the pension scheme resulting from the cession of future benefit accrual. Refer to Note 27.
- (iv) The loss on sale of operation is dealt with in Note 19.

6. Staff costs including directors' emoluments

Information regarding the group's employees is as follows:

	2005 £m	2004 £m
Wages and salaries	71.0	91.8
Social security costs	6.1	8.8
Pension costs (see note 27)	4.5	10.0
Redundancy	4.3	2.7
	<u>85.9</u>	<u>113.3</u>

The average number of employees of the group during the year (including directors) was 2,852 (2004 – 3,789), of which 82% (2004: approximately 80%) are involved in production. One director was a member of the group's contribution pension scheme (2004: two).

The Redundancy payment of £4.3m is included in the cost of a fundamental reorganisation as shown in Note 5.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

6. Staff costs including directors' emoluments (continued)

The emoluments of directors of Nampak Holdings (UK) PLC for their services to the group are shown below.

	2005 £'000	2004 £'000
The remuneration of the directors was as follows:		
Salary	365	400
Bonus	151	87
Benefits	148	85
Pension contributions	27	22
Compensation for loss of office	-	487
	<u>691</u>	<u>1,081</u>
Highest paid director's emoluments	318	755
Highest paid director's pension contribution	18	-
	<u>336</u>	<u>755</u>

7. Net interest payable

	2005 £m	2004 £m
Interest payable and similar charges:		
On bank loans and overdrafts	<u>5.7</u>	<u>6.3</u>
	5.7	6.3
Interest receivable	<u>(1.1)</u>	<u>(1.1)</u>
Net interest payable	<u>4.6</u>	<u>5.2</u>

8.(i) Tax charge on loss on ordinary activities

	2005 £m	2004 £m
UK corporation tax at 30% (2004: 30%)	(0.9)	3.3
Adjustment in respect of prior years	(0.4)	-
Overseas tax	<u>2.5</u>	<u>2.2</u>
Current taxation charge for the year	1.2	5.5
Deferred tax: timing differences, origination and reversal, See Note 17:		
Current year	9.4	(0.7)
Prior year	<u>0.3</u>	<u>(1.5)</u>
Total taxation charge for the year	<u>10.9</u>	<u>3.3</u>

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

8.(ii) Reconciliation of current tax charge

	2005 £m	2004 £m
Loss on ordinary activities before taxation	(3.2)	(3.0)
Tax credit at 30% thereon:	(1.0)	(0.9)
Effects of:		
Overseas tax rates	0.4	0.4
Disposal of business	5.6	-
Non deductible expenses	0.4	0.6
Amortisation of consolidated goodwill	4.5	1.5
Net capital allowances	0.2	(0.2)
Movement in short-term timing differences	(0.1)	0.9
Impairment of fixed assets	0.2	2.6
Overseas tax losses	0.4	0.7
Held over chargeable gains	(9.0)	-
Prior period adjustments	(0.4)	-
Other	-	(0.1)
Current taxation charge for the year	1.2	5.5

9. Intangible fixed assets

	Goodwill £m
Group	
Cost	
At 1 October 2004	104.1
Disposal of business	(19.6)
At 30 September 2005	84.5
Amortisation	
At 1 October 2004	18.2
Disposal of business	(4.8)
Charged during the year	4.2
Impairment	10.8
At 30 September 2005	28.4
Net book value	
At 30 September 2005	56.1
At 30 September 2004	85.9

Goodwill arising on acquisitions is being amortised evenly over the directors' estimate of its useful economic life of twenty years.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

10. Tangible fixed assets

Group	Freehold land and buildings £m	Leasehold land and buildings Long £m	Short £m	Plant and machinery £m	Total £m
Cost					
At 1 October 2004	61.5	6.7	1.2	247.0	316.4
Exchange rate adjustments	(0.1)	-	-	(0.4)	(0.5)
Acquisitions	-	-	-	6.6	6.6
Additions	0.4	0.2	-	14.7	15.3
Disposals	(27.5)	-	-	(95.3)	(122.8)
At 30 September 2005	34.3	6.9	1.2	172.6	215.0
Depreciation					
At 1 October 2004	11.6	1.5	-	167.4	180.5
Exchange rate adjustments	-	-	-	(0.3)	(0.3)
Charge for year	0.7	0.2	-	15.8	16.7
Impairment	-	-	-	0.6	0.6
Disposals	(7.8)	-	-	(85.8)	(93.6)
At 30 September 2005	4.5	1.7	-	97.7	103.9
Net book value					
At 30 September 2005	29.8	5.2	1.2	74.9	111.1
At 30 September 2004	49.9	5.2	1.2	79.6	135.9

10. Investments held as fixed assets

Company	Investments in subsidiary undertakings £m
Cost	
At 1 October 2004 and 30 September 2005	406.3
Impairments	
At 1 October 2004	181.9
During the year	0.1
At 30 September 2005	182.0
Net book value	
At 30 September 2005	224.3
At 30 September 2004	224.4

Nampak Holdings (UK) PLC

Notes to the accounts

Year ended 30 September 2005

11. Investments held as fixed assets (continued)

Subsidiaries

The principal subsidiaries of the Group at 30 September 2005 are set out below. All these companies are wholly owned and are consolidated within the financial statement of the group. All subsidiaries are involved in the manufacture and marketing of packaging products and operate principally in their country of incorporation. The Group has restricted the information to its principal subsidiaries.

Operating companies	Country of incorporation
Nampak Plastics Europe Ltd	Great Britain
Nampak Cartons & Healthcare Ltd (formerly M.Y. Operations Ltd)	Great Britain
Nampak Paper Holdings Ltd (formerly M.Y. Holdings plc)	Great Britain
M.Y. Cartons Ltd	Great Britain
M.Y. Healthcare Packaging Ltd	Great Britain
M.Y. Property Ltd	Great Britain
Gallagher Printers Ltd	Ireland
Imperama N.V.	Belgium
Printech Systems BV	Netherlands
M.Y. Healthcare Italy S.r.l.	Italy
Nampak Cartons BV (formerly M.Y. Cartons BV)	Netherlands
Nampak Cartons Europe BV (formerly M.Y. Cartons Europe)	Netherlands
M.Y. Healthcare Luxembourg SA (formerly Diehl Europe SA)	Luxembourg
M.Y. Healthcare Darmstadt GmbH (formerly Diehl Druck GmbH)	Germany
M.Y. Healthcare Wolfen GmbH (formerly Diehl Deutschland GmbH)	Germany
M.Y. Healthcare France SARL (formerly Diehl France SARL)	France
M.Y. Healthcare SCI (formerly Diehl SCI)	France
AMK Plastics Ltd	Great Britain

A complete list of all subsidiary undertakings (including non-trading subsidiary undertakings) will be filed with the company's annual return.

12. Stocks

	2005 £m	2004 £m
Raw materials and consumables	6.0	8.6
Work in progress	4.7	5.5
Finished goods	10.9	15.2
	<u>21.6</u>	<u>29.3</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

13. Debtors

	Group		Company	
	2005 £m	2004 £m	2005 £m	2004 £m
Debtors falling due within one year				
Trade debtors	61.1	62.8	-	-
Amounts owed by group undertakings	0.6	0.1	57.1	56.7
Corporation tax receivable	1.4	0.2	0.6	-
Other debtors	3.3	3.2	0.2	0.2
Prepayments and accrued income	3.0	4.0	-	-
	<u>69.4</u>	<u>70.3</u>	<u>57.9</u>	<u>56.9</u>
 Debtors falling due after more than one year				
Trade debtors	11.0	0.6	-	-
	<u>80.4</u>	<u>70.9</u>	<u>57.9</u>	<u>56.9</u>

14. Creditors: amounts falling due within one year

	Group		Company	
	2005 £m	2004 £m	2005 £m	2004 £m
Bank loans and overdrafts (see note 16)	1.3	3.1	-	-
Trade creditors	23.7	34.7	0.1	-
Amounts due to group undertakings	0.5	-	42.2	43.0
Amounts due to parent undertaking	13.9	4.5	13.9	4.5
Corporation tax	-	6.5	-	-
Other taxes and social security	2.7	5.6	-	-
Other creditors and accruals	24.0	27.5	-	0.1
Loan notes	0.3	0.4	0.3	0.4
	<u>66.4</u>	<u>82.3</u>	<u>56.5</u>	<u>48.0</u>

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

15. Creditors: amounts falling due after more than one year

	Group		Company	
	2005 £m	2004 £m	2005 £m	2004 £m
Bank loans (see note 16)	48.6	89.6	48.3	88.2
Amounts due to group undertakings	-	1.0	-	-
	<u>48.6</u>	<u>90.6</u>	<u>48.3</u>	<u>88.2</u>

16. Analysis of loans

	Group	
	2005 £m	2004 £m
Bank loans:		
Due within one year	1.3	3.1
Due in more than one year but not more than two years	0.2	90.1
Due in more than two years but not more than five years	48.5	0.4
Due in more than five years	-	-
	<u>50.0</u>	<u>93.6</u>
Less: issue costs	(0.1)	(0.9)
	<u>49.9</u>	<u>92.7</u>
Less: included in creditors amounts falling due within one year (note 14)	(1.3)	(3.1)
	<u>48.6</u>	<u>89.6</u>

Included within bank loans is a £48.3m (2004 – £89.1m) syndicated loan. This loan facility has a contracted repayment date of 14 August 2008. The loan is secured on the net assets of the group with a number of subsidiaries acting as additional guarantors.

The loan is included in company creditors due in more than one year after deducting the issue costs which are being expenses over the period of the loan. The company has no other loans.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

17. Provisions for liabilities and charges

Group	Deferred taxation provisions £m	Pensions £m	Other £m	Total £m
At 1 October 2004	5.4	11.5	2.0	18.9
Reclassification of deferred tax asset netted off against pension provisions	(3.4)	3.4	-	-
Charged/(released) to profit and loss account	9.7	9.8	(1.6)	17.9
Amounts applied	-	(5.5)	-	(5.5)
Unused amounts reversed (see Note 5)	-	(5.2)	-	(5.2)
At 30 September 2005	11.7	14.0	0.4	26.1

The company has no provisions in either year.

18. Deferred taxation

Group	2005 Provided £m	2004 Provided £m
Capital allowances in excess of depreciation	7.9	8.5
Short-term timing differences	(0.8)	(0.1)
Other timing differences	(4.4)	(3.0)
Held over chargeable gains	9.0	-
	11.7	5.4

The group and company do not have any unprovided deferred tax assets or liabilities (2004 - £nil). The company does not have any provided deferred tax assets or liabilities (2004 - £nil).

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

19. Acquisitions and Disposals

On 25 January 2005 Nampak Plastics Europe Limited acquired the assets of two dairy-based bottle production businesses. No shares were purchased.

The acquisition was funded through cash. The net assets acquired are summarised below:

	£m
Fair value and book value of net assets acquired:	
Tangible fixed assets	6.6
Stock	0.5
	<hr/>
Net assets acquired	7.1
	<hr/>
Consideration satisfied by:	
Cash	7.1
	<hr/>
	7.1
	<hr/>

No fair value adjustments were made. No goodwill arose on the purchase. There were no other acquisitions during the year.

On the 1 October 2004 Nampak Plastics Europe Limited disposed of the net assets of its Short Run businesses in the UK as well as its entire shareholding in Nampak Continental Holdings B.V. and its subsidiaries. On 17 May 2005 AMK Plastics Limited disposed of its 50% shareholding in Menshen Packaging UK Limited; completing the disposal of the Short Run business unit.

The loss on disposal of the Short Run business unit (including Menshen Packaging UK Limited) is summarised below:

	Short Run £m
Net assets disposed of:	
Tangible Fixed assets	18.8
Goodwill	14.8
Investments	0.1
Stock	7.8
Debtors	13.9
Creditors	(11.6)
	<hr/>
Net assets disposed	43.8
Net Proceeds	(21.6)
Curtailment loss on pension scheme (See Note 27)	5.9
	<hr/>
Loss on disposal	28.1
	<hr/>

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

20. Called up equity share capital

	2005 £m	2004 £m
Authorised:		
2,000,000 (2004: 2,000,000) ordinary shares of £1 each	2.0	2.0
Allotted, called up and fully paid:		
1,964,605 (2004 – 1,964,605) ordinary shares of £1 each	2.0	2.0

21. Reserves

	Share premium account £m	Other reserve £m	Profit and loss account £m	Total £m
Group				
At 1 October 2004	171.2	(0.3)	(25.1)	145.8
Retained loss for the year	-	-	(14.1)	(14.1)
Unrealised loss on retranslation of foreign subsidiary undertakings	-	(0.4)	-	(0.4)
At 30 September 2005	171.2	(0.7)	(39.2)	131.3
Company				
At 1 October 2004	171.2	-	(23.6)	147.6
Retained profit for the year	-	-	28.4	28.4
At 30 September 2005	171.2	-	4.8	176.0

The cumulative amount of positive and negative goodwill arising from acquisitions of subsidiaries written off against group reserves prior to 30 September 1999 was £4.2m for the group and £5.1m for the company.

22. Reconciliation of movements in consolidated equity shareholders' funds

	2005 £m	2004 £m
Loss on ordinary activities after taxation	(14.1)	(6.3)
Unrealised loss on retranslation of net assets of foreign subsidiary undertakings	(0.4)	(1.2)
New share capital issued including share premium	-	7.0
Net reduction to equity shareholders' funds	(14.5)	(0.5)
Opening equity shareholders' funds	147.8	148.3
Closing equity shareholders' funds	133.3	147.8

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

23. Profit of parent company

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's result for the financial year amounted to a profit of £28.4m (2004 – £6.5m loss).

24. Capital commitments

	2005 £m	2004 £m
Contracted for but not provided for in the financial statements	0.9	4.1

The company had no capital commitments in 2005 (2004 - £nil).

25. Operating lease commitments

	2005 £m	2004 £m
Plant and machinery which expire:		
Within one year	0.2	0.2
Between two and five years	1.6	0.3
	1.8	0.5
Land and buildings which expire:		
Within one year	0.2	0.1
Between two and five years	0.2	0.2
After five years	1.3	1.7
	1.7	2.0

The company had no operating lease commitments in 2005 (2004 - £nil).

26. Contingent Liabilities

One of the Group's subsidiaries is involved in litigation with a competitor regarding patent infringement. The directors believe that the required disclosures can be expected to prejudice seriously the position of the entity, and are therefore adopting the disclosure exemptions allowed under FRS 12.

27. Pensions costs

The total cost to the group of its pensions arrangements was £10.4m (2004 – £10.0m). Amounts included in the balance sheet in respect of pensions are £14.0m (2004 - £11.5m) in provisions for liabilities and charges. These arose as follows:

Defined benefit schemes

The group participates in a range of defined benefit schemes as set out below. Costs have been assessed in accordance with SSAP24. The contributions and pension cost are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit credit method of valuation.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

27. Pensions costs (continued)

Nampak UK schemes

The most recent valuations were as at 30 September 2004 and updated to 30 September 2005 which showed that the aggregate market value of the schemes' assets was £54.0m and that the actuarial value of those assets represented 78% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The pension cost for the year for the two plans amounted to £6.9 m (2004 – £2.1m). Included in this cost is a curtailment loss of £5.9m associated with the disposal of an operation, which is shown as an exceptional item (see Note 5). Contributions of £2.1m (2004 - £3.1m) were made by the group for these two plans. Amounts included in respect of these schemes are £7.0m (2004 - £2.1m) in provisions for liabilities and charges.

MY Group scheme

The most recent valuations were as at 05 April 2004 which showed that the aggregate market value of the schemes' assets was £24.6m and that the actuarial value of those assets represented 71% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The pension cost for the year for the scheme amounted to £2.9m (2004 - £2.3m). Contributions of £4.1m (2004 - £1.4m) were made by the group. Amounts included in respect of the scheme is £0.9 million (2004 - £1.5 m) in provisions for liabilities and charges.

Following the closure of the scheme to future defined benefit accrual during the year, there was a one-off reduction in the defined benefit liabilities. All accumulated losses, after allowing for the reduction in liabilities due to closure, have been recognised immediately. Previously these have been recognised over the expected future service lifetime of active members. Associated with this change in terms is a related pension fair value adjustment of £5.2m. (See Note 5)

Until 1 July 2005, the company contribution rate payable for members of the defined benefit section was 9.6% of Pensionable Salary for the majority of members. In addition the company paid a lump sum of £3.0 million during the year.

The actuarial assumptions that have the most significant effect on the pension cost disclosure are:

- | | |
|------------------------------------|----------|
| ▪ rate of return on investments | |
| - pre retirement | 6.75% pa |
| - post retirement | 5.50% pa |
| ▪ rate of future pension increases | |
| - before 1991 | 3.00% pa |
| - after 1991 | 2.50% pa |

Assets were taken at market value.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

27. Pensions costs (continued)

Defined contribution schemes

Contributions for members of the defined contribution section are payable in addition in accordance with the rules of that section. No prepayments, accruals or provisions were included in the group's balance sheet in relation to these schemes. The pension cost charge for the year amount to £0.6m (2004:£0.6m).

Transitional FRS 17 disclosures

The additional disclosures required by FRS 17 during the transitional period for the defined benefit schemes are set out below. They are based on the most recent actuarial valuations described above, which have been updated by independent professionally qualified actuaries to take account of the requirements of FRS 17.

The financial assumptions (per annum) used in the update were as follows:

	Nampak plc Staff Pension			Nampak plc Pension Plan		
	2005	2004	2003	2005	2004	2003
Rate of increase in salaries	4.0%	4.0%	4.0%	3.25%	3.25%	3.25%
Rate of increase in pensions in payment	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Rate of revaluation of deferred pensions	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Discount rate	5.1%	5.75%	5.5%	5.1%	5.75%	5.5%
Inflation assumption	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
	MY Pension Scheme					
	2005	2004	2003			
Rate of increases in salaries	n/a	4.0%	4.0%			
Rate of increase in pensions in payment	3.0%	3.0%	2.5%			
Discount rate	5.1%	5.75%	5.5%			
Inflation assumption	2.5%	2.5%	2.5%			

During the year the defined benefit section was closed to future benefit accrual and accrued liabilities for in service members are no longer based on Final Pensionable Salary.

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

27. Pensions costs (continued)

The fair value of the assets in the scheme, the present value of the liabilities in the scheme and the expected rate of return at each balance sheet date were:

Nampak UK schemes	Expected rate of return	2005 £m	Expected rate of return	2004 £m	Expected rate of return	2003 £m
Equities	7.0%	30.0	7.0%	26.1	8.25%	24.0
Bonds	4.5%	22.5	4.5%	17.0	4.5%	15.6
Other	4.5%	1.5	4.5%	0.5	4.0%	0.4
Total market value of assets		54.0		43.6		40.0
Present value of scheme liabilities		(69.4)		(60.7)		(57.8)
Net pension deficit		(15.4)		(17.1)		(17.8)
Related deferred tax asset		4.6		5.1		5.4
Net pension liability		(10.8)		(12.0)		(12.4)
MY Group scheme	Expected rate of return	2005 £m	Expected rate of return	2004 £m	Expected rate of return	2003 £m
Equities	6.5%	16.5	7.0%	12.4	7.0%	11.5
Bonds	4.0%	13.1	4.5%	10.1	4.5%	9.0
Other	6.5%	3.3	7.0%	2.6	7.0%	2.2
Total market value of assets		32.9		25.1		22.7
Present value of scheme liabilities		(39.0)		(36.5)		(33.2)
Net pension deficit		(6.1)		(11.4)		(10.5)
Related deferred tax asset		1.8		3.4		3.2
Net pension liability		(4.3)		(8.0)		(7.3)

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

27. Pension costs (continued)

Analysis of the amount that would be charged to operating profit:

	MY and Nampak 2005 £m	MY and Nampak 2004 £m
Current service costs	2.1	3.7
Gain on curtailment	(6.1)	-
	<u>(4.0)</u>	<u>3.7</u>

Analysis of the amount that would be credited to other finance income:

	MY and Nampak 2005 £m	MY and Nampak 2004 £m
Expected return on pension scheme assets	4.1	4.1
Interest on pension scheme liabilities	(5.5)	(5.1)
	<u>(1.4)</u>	<u>(1.0)</u>

Analysis of the amount that would be recognised in the consolidated statement of total recognised gains and losses (STRGL):

	MY and Nampak Schemes 2005 £m	MY and Nampak Schemes 2004 £m
Actual returns less expected return on pension scheme assets	10.8	(1.0)
Experience gains and losses arising on scheme liabilities	1.0	0.6
Changes in assumptions underlying the present value of scheme liabilities	(13.6)	0.4
	<u>(1.8)</u>	<u>-</u>

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

27. Pension costs (continued)

Movement in deficit during the year:

	MY and Nampak Schemes 2005 £m	MY and Nampak Schemes 2004 £m
Deficit at beginning of the year	(28.5)	(28.3)
Movement in year:		
Current service cost	(2.1)	(3.7)
Contributions	6.2	4.5
Other finance income	(1.4)	(1.0)
Curtailment gain	6.1	-
Actuarial loss	(1.8)	-
Deficit at the end of the year	<u>(21.5)</u>	<u>(28.5)</u>

History of experience gains and losses:

	MY and Nampak Schemes 2005	MY and Nampak Schemes 2004	MY Scheme 18 months to 30 September 2003	Nampak Schemes 12 months to 30 September 2003
Difference between the expected and actual return on scheme assets				
Amount (£m)	10.8	(1.0)	(2.8)	1.3
Percentage of scheme assets (%)	12.4%	(1.4%)	12%	3%
Experience gains and losses on scheme liabilities				
Amount (£m)	1.0	0.6	-	(4.4)
Percentage of present value of the scheme liabilities (%)	1.2%	0.6%	-	8%
Total actuarial gain recognised in statement of total recognised gains and losses				
Amount (£m)	(1.8)	-	(8.8)	(6.3)
Percentage of present value of the scheme liabilities (%)	<u>(1.7)%</u>	<u>0.0%</u>	<u>27%</u>	<u>11%</u>

Nampak Holdings (UK) PLC

Notes to the accounts Year ended 30 September 2005

27. Pension costs (continued)

Schemes total

If FRS17 had been adopted in these financial statements, the Group's net assets and profit and loss reserve would have been as follows:

	2005 £m	2004 £m	2003 £m
Net assets	133.3	147.8	148.3
FRS 17 Pension liability (net of deferred tax)	(15.1)	(20.0)	(21.7)
	<u>118.2</u>	<u>127.8</u>	<u>126.6</u>
<i>Less: SSAP24 items included in net assets that will be reversed on implementation of FRS 17 (See note 17)</i>	14.0	11.5	11.4
Net assets on FRS 17 basis	<u>132.2</u>	<u>139.3</u>	<u>138.0</u>
Profit and loss reserve excluding pension liability	(39.2)	(25.1)	(18.8)
FRS 17 Pension liability (net of deferred tax)	(15.1)	(20.0)	(21.7)
	<u>(54.3)</u>	<u>(45.1)</u>	<u>(40.5)</u>
<i>Less: SSAP24 items included in net assets that will be reversed on implementation of FRS 17 (See note 17)</i>	14.0	11.5	11.4
Profit and loss reserve on FRS 17 basis	<u>(40.3)</u>	<u>(33.6)</u>	<u>(29.1)</u>

28. Subsequent events

On 28 February 2006 the group disposed of the Contract Packaging business which formed part of the operations of the subsidiary Nampak Cartons and Healthcare Limited.

29. Related party disclosure

The company has taken advantage of the exemption granted by paragraph 3 (c) of Financial Reporting Standard 8 not to disclose related party transactions with Nampak group companies.

30. Ultimate parent company

The immediate parent company and controlling entity is Nampak International Limited, a company incorporated in the Isle of Man.

The ultimate parent company and controlling entity, and the parent of the smallest group which prepares consolidated financial statements and includes the company, is Nampak Limited, a company incorporated in South Africa. Copies of the group financial statements are available from Nampak Limited, PO Box 784324, Sandton 2146, South Africa.