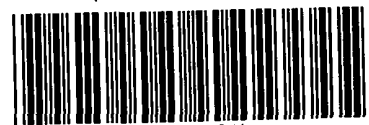


PGI Origin Holding Company Limited

Report and Financial Statements

31 December 2013

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COMPANIES HOUSE

PGI Origin Holding Company Limited

Company Information

Directors

Ellen Shumway
James McCaughan
Nora Everett

Company Secretary

Patricia Barry

Registered Office

Park House
10 Gresham Street
London
EC2V 7JD

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Company Number

03053842

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2013

Principal activity

The principal activity of the company during the year was that of being a corporate member in Origin Asset Management LLP.

Results and dividends

The profit for the year after taxation amounted to £1,401,122 (2012: £1,510,930).

Shareholder's Funds of the company set out on page 7 total £1,469,235 (2012: £2,529,092).

The Directors declared and paid dividends in the year amounting to £2,460,979 (2012: £nil).

The Directors declared a dividend of £1,849,206 in September 2014 and will be accounted for as an appropriation of retained earnings in the year ended 31 December 2014.

Directors

The directors who served the company during the year end and at the date of this report were as follows:

Ellen Shumway
James McCaughan
Nora Everett

Directors' responsibilities statement

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 judgments and 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 proper 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 to 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.

Events since the year end

The company received a final distribution on 6 June 2014 of £1,104,534 from Origin Asset Management LLP and immediately passed this through to Principal Global Investors LLC.

Directors' Report

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out above. The financial position of the company and its liquidity position are reflected on the balance sheet.

The company has sufficient liquid resources and the directors believe that it is well placed to manage its business risks successfully. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Auditors

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

Directors' statement as to disclosure of information to auditors

The directors are listed on above. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Ellen Shumway

Director

26 September 2014

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PGI ORIGIN HOLDING COMPANY LIMITED

We have audited the financial statements of PGI Origin Holding Company Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, Balance Sheet, and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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

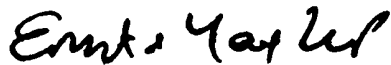
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PGI
ORIGIN HOLDING COMPANY LIMITED**

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; or
- The directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors'.



Ashley Coups (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London
29 September 2014

Profit and Loss Account

For the period ended 31 December 2013

| | | Year Ended 31 December 2013 | Period ended 31 December 2012 |
|--|------|-----------------------------------|-------------------------------------|
| | Note | £ | £ |
| Turnover | 2 | 1,849,206 | 2,006,910 |
| Administrative expenses | | (23,772) | (5,750) |
| Operating profit | 3 | 1,825,434 | 2,001,160 |
| Profit on ordinary activities before taxation | | 1,825,434 | 2,001,160 |
| Tax on ordinary activities | 6 | (424,312) | (490,230) |
| Profit for the financial year | | 1,401,122 | 1,510,930 |

All amounts are in respect of continuing activities.

The Company has no recognised gains and losses other than the profit shown above and therefore no separate statement of total recognised gains and losses has been prepared.

The accompanying notes 1 to 14 form an integral part to the Financial Statements.

Balance sheet

As at 31 December 2013

| | | Year ended 31 December 2013 | Period Ended 31 December 2012 |
|--|------|-----------------------------------|-------------------------------------|
| | Note | £ | £ |
| Fixed assets | | | |
| Investments | 7 | 689,173 | 689,173 |
| Current assets | | | |
| Debtors | 8 | 1,849,206 | 2,550,752 |
| | | <u>1,849,206</u> | <u>2,550,752</u> |
| Creditors | | | |
| Amounts falling due within one year | 9 | (1,069,144) | (710,833) |
| Net current assets less current liabilities | | <u>780,062</u> | <u>1,839,919</u> |
| Total assets less current liabilities | | <u>1,469,235</u> | <u>2,529,092</u> |
| Capital and reserves | | | |
| Called up share capital | 10 | 2 | 2 |
| Profit and loss account | 11 | 1,469,233 | 2,529,090 |
| Shareholders' funds | 11 | <u>1,469,235</u> | <u>2,529,092</u> |

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



Ellen Shumway

26 September 2014

The accompanying notes 1 to 14 form an integral part to the Financial Statements.

Notes to the Financial Statements
For the year ended 31 December 2013

1. Accounting policies

Basis of preparation

The financial statements are prepared on a going concern basis and in accordance with United Kingdom generally accepted accounting practice (UK GAAP).

Accounting Convention

The financial statements are prepared under the historical cost convention.

Group financial statements

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group financial statements as it is exempt from the requirement to do so by Section 401 of the Companies Act 2006, as it is a subsidiary of Principal Financial Group, Inc, and is included in the consolidated financial statements of that company.

Cash flow exemption

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of a company whose accounts are publically available.

Turnover

Turnover represents income allocated to the company from its investments during the year.

Investments

Investments held in subsidiary undertakings are classified as such and included, at cost less provision for impairment, within fixed asset investments.

Taxation and Deferred taxation

Provision is made for corporation tax at the current rates on the excess of taxable income over allowable expenses.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more or right to pay less, tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Differences arising from rate movements between the due date and the actual payment date are taken to the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date and differences arising are taken to the profit and loss account.

Notes to the Financial Statements
For the year ended 31 December 2013

2. Turnover

An analysis of turnover by class of business is as follows:

| | Year ended 31 December 2013 | Period Ended 31 December 2012 |
|-------------------------------|-----------------------------------|-------------------------------------|
| Profit share from UK entities | 1,849,206 | 2,006,910 |

All turnover arose within the United Kingdom.

3. Operating profit

| | Year ended 31 December 2013 £ | Period Ended 31 December 2012 £ |
|--------------------------------|--|--|
| This is stated after charging: | | |
| Auditors' remuneration: | | |
| Audit services | 8,400 | 8,000 |
| Tax services | 1,750 | - |
| | <u>10,150</u> | <u>8,000</u> |

4. Employee cost

The company has no employees (2012: None).

5. Directors Remuneration

The directors were remunerated for their services by emoluments they received from an affiliated company within the Principal Financial Group.

PGI Origin Holding Company Limited

Notes to the Financial Statements For the year ended 31 December 2013

6. Tax on profit on ordinary activities

| | Year ended 31 December 2013 £ | Period Ended 31 December 2012 £ |
|---|--|--|
| Current tax: | | |
| UK corporation tax | 424,312 | 490,230 |
| Total tax on ordinary activities | <u>424,312</u> | <u>490,230</u> |

Factors affecting tax charge for the period/year

The tax assessed for the period/year differs from the standard rate of corporation tax in the UK of 23.25% (2012: 24%). The differences are explained below:

| | Year ended 31 December 2013 £ | Period Ended 31 December 2012 £ |
|---|--|--|
| Profit on ordinary activities before tax | <u>1,825,434</u> | <u>2,001,160</u> |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012: 24%) | 424,411 | 490,230 |
| Effects of: | | |
| Disallowed Expenses | 2,423 | - |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | - | - |
| Impacts of profits recognised for accounting purposes tax in prior years | (2,522) | - |
| Group relief | - | - |
| Current tax charge for the period/year (see note above) | <u>424,312</u> | <u>490,230</u> |

Notes to the Financial Statements
For the year ended 31 December 2013

7. Fixed asset investments

| | Investments in subsidiary companies £ |
|---------------------|--|
| At 31 December 2012 | 689,173 |
| At 31 December 2013 | <u>689,173</u> |

The Company is a corporate member in Origin Asset Management, an English partnership and has a 51.98% holding. As of 31 December 2013 Origin had net assets attributable to members of £3,820,547 (2012: £4,014,538). Profits for the year to 31 December 2013 were £5,900,524 (2012: £6,349,778)

8. Debtors

| | Year ended 31 December 2013 £ | Period Ended 31 December 2012 £ |
|------------------------------------|--|--|
| Amounts owed by group undertakings | 1,849,206 | 2,550,752 |
| | <u>1,849,206</u> | <u>2,550,752</u> |

9. Creditors

| | Year ended 31 December 2013 £ | Period Ended 31 December 2012 £ |
|---|--|--|
| <i>Amounts falling due within one year:</i> | | |
| Accruals | 868,892 | 11,500 |
| Corporation Tax | 200,252 | 699,333 |
| | <u>1,069,144</u> | <u>710,833</u> |

PGI Origin Holding Company Limited

Notes to the Financial Statements For the year ended 31 December 2013

10. Called up share capital

| | 2013 | Authorised 2012 | 2013 | Issued and fully paid 2012 |
|-----------------------|------|--------------------|------|----------------------------------|
| | £ | £ | £ | £ |
| 2 A shares of £1 each | 2 | 2 | 2 | 2 |

11. Reconciliation of movement in shareholders' funds

| | Share Capital £ | Profit and Loss Account £ | Total Shareholders' Funds £ |
|---|-----------------------|---------------------------------|--------------------------------------|
| At 1 January 2012 | 2 | 1,018,160 | 1,018,162 |
| Profit attributable to members of the company | – | 1,510,930 | 1,510,930 |
| At 1 January 2013 | 2 | 2,529,090 | 2,529,092 |
| Dividends paid | – | (2,460,979) | (2,460,999) |
| Profit attributable to members of the company | – | 1,401,122 | 1,401,122 |
| At 31 December 2013 | 2 | 1,469,233 | 1,469,235 |

12. Related party transactions

The company has taken advantage of the exemption under FRS 8 not to disclose transactions with entities within the Principal Financial Group as its results are included within the consolidated financial statements of Principal Financial Group, Inc.

13. Parent undertaking and controlling party

The company's immediate parent undertaking is Principal Global Investors, LLC. The ultimate parent company is Principal Financial Group, Inc.

From 3 October 2011 the parent undertaking and controlling party is Principal Financial Group, Inc., which is incorporated in USA. Copies of its group accounts, which include the company, are available from 711 High Street, Des Moines, Iowa 50392-0120 USA.

14. Post balance sheet events

The company received a distribution on 6 June 2014 of £1,849,206 from Origin Asset Management LLP and immediately passed this through to Principal Global Investors LLC.

The Directors declared a dividend of £1,849,206 in September 2014.