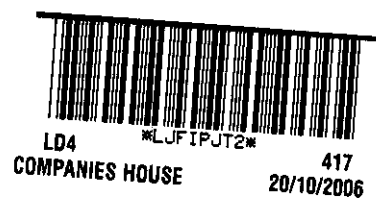


**Company registration No. 04313439**

# **Wacoal UK Limited**

**Report and Financial Statements**

**31 December 2005**



# **Wacoal UK Limited**

## **Report and financial statements 2005**

### **Officers and professional advisers**

#### **Directors**

R Murray  
K Yamamoto  
Y Ide

#### **Secretary**

Scrip Secretaries Limited  
17 Hanover Square  
London W1S 1HU

#### **Registered office**

Scrip Secretaries Limited  
17 Hanover Square  
London W1S 1HU

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
London

## Wacoal UK Limited

### Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 31 December 2005.

#### Principal activity, business review and future prospects

The principal activity of the company comprises the sale of clothing on behalf of the parent company, Wacoal America Inc. The results for the period are set out on page 5.

The directors expect the current level of activity to continue for the foreseeable future.

#### Dividends

The directors do not recommend the payment of a dividend (53 week period ended 1 January 2005- £nil).

#### Directors and their interests

The directors who served throughout the period to 31 December 2005 are:

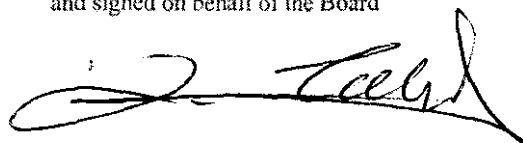
R Murray	(US citizen)
K Yamamoto	(Japanese citizen)
Y Ide	(Japanese citizen)

No directors held any beneficial interest in the issued share capital of the company or any other group company at any point in the year.

#### Auditors

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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



Secretary

26 September 2006

## **Wacoal UK Limited**

### **Statement of directors' responsibilities**

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

- select suitable accounting policies and then apply them consistently;
- make 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, 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 Wacoal UK Limited**

We have audited the financial statements of Wacoal UK Limited for the 52 week period ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with the relevant financial reporting framework, and are properly prepared in accordance with the Companies Act 1985. We also report to you 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 other transactions is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

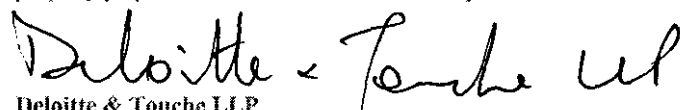
### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 company's circumstances, 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its loss for the 52 week period then ended and the financial statements have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP  
Chartered Accountants and Registered Auditors  
London

26 September 2006

# Wacoal UK Limited

## Profit and loss account 52 week period ended 31 December 2005

	Notes	52 week period ended 31 December 2005 £	53 week period ended 1 January 2005 £
Turnover	1	442,125	513,125
Cost of sales		-	-
<b>Gross profit</b>		<b>442,125</b>	<b>513,125</b>
Administrative expenses		(442,575)	(478,221)
<b>Operating (loss)/profit on ordinary activities before taxation</b>	3	<b>(450)</b>	<b>34,904</b>
Tax on (loss)/profit on ordinary activities	4	-	-
<b>Retained (loss)/profit on ordinary activities after taxation for the financial period</b>		<b>(450)</b>	<b>34,904</b>

There are no recognised gains or losses for either period other than the loss or profit for that period. All amounts in the current and preceding period relate to continuing activities.

# Wacoal UK Limited

## Balance sheet 31 December 2005

	Notes	31 December 2005 £	1 January 2005 £
<b>Fixed assets</b>	5		
Tangible assets		26,751	40,427
<b>Current assets</b>			
Debtors	6	76,679	55,540
Cash at bank and in hand		18,248	36,688
		94,248	92,228
<b>Creditors: amounts falling due within one year</b>	7	(35,341)	(45,868)
<b>Net current assets</b>		59,586	46,360
<b>Total assets less current liabilities</b>		86,337	86,787
<b>Net assets</b>		86,337	86,787
<b>Capital and reserves</b>			
Called up share capital	8	100,000	100,000
Profit and loss account deficit		(13,663)	(13,213)
<b>Total equity shareholders' funds</b>	9	86,337	86,787

These financial statements were approved by the Board of Directors on 26 September 2006.

Signed on behalf of the Board of Directors



Director

# Wacoal UK Limited

## Notes to the accounts 52 week period ended 31 December 2005

### 5. Tangible fixed assets

	Leasehold improvements £	Fixtures, fittings, and equipment £	Total £
<b>Cost:</b>			
At 1 January 2005	50,073	23,051	73,124
Additions	-	1,367	1,367
Transfers	-	(1,002)	(1,002)
At 31 December 2005	50,073	23,416	73,489
<b>Accumulated depreciation:</b>			
At 1 January 2005	18,857	13,840	32,697
Charge for the period	10,064	4,748	14,812
Transfers	-	(771)	(771)
At 31 December 2005	28,920	17,818	46,738
<b>Net book value:</b>			
At 31 December 2005	21,153	5,598	26,751
At 1 January 2005	31,216	9,211	40,427

### 6. Debtors

	31 December 2005 £	1 January 2005 £
Amounts owed by parent undertaking	21,289	20,276
Prepayments	27,649	5,790
Other debtors	27,741	29,474
	76,679	55,540

### 7. Creditors: amounts falling due within one year

	31 December 2005 £	1 January 2005 £
Trade creditors	2,599	106
Accruals and deferred income	26,917	40,545
Social security and other taxes	5,825	5,217
	35,341	45,868



# Wacoal UK Limited

## Notes to the accounts 52 week period ended 31 December 2005

### 8. Called up share capital

	31 December 2005 £	1 January 2005 £
<b>Authorised:</b>		
100,000 ordinary shares of £1 each	100,000	100,000
<b>Called up, allotted and fully paid</b>		
100,000 ordinary shares of £1 each	100,000	100,000

### 9. Reconciliation of movements in shareholders' funds

	Share capital £	Profit and loss account deficit £	Total Shareholders' funds £
At 1 January 2005	100,000	(13,213)	86,787
Retained loss for the period	-	(450)	(450)
At 31 December 2005	100,000	(13,663)	86,337

### 10. Financial commitments

The company has annual commitments under non-cancellable operating leases as follows:

	Property 2005 £
Payment due within one year for leases which expire: - between one and five years	81,511

### 11. Ultimate parent company

The ultimate parent company and controlling party is Wacoal America Inc., a company registered in the USA.

The largest and smallest group in which the results of the company are consolidated is that headed by Wacoal America Inc.

The consolidated accounts of Wacoal America Inc. are available to the public and may be obtained from Wacoal America Inc., 1 Wacoal Plaza, Lyndhurst, U.S.A.

### 12. Related party disclosures

The company has taken advantage of the exemptions available under FRS 8 Related Party Disclosures not to disclose transactions with other group companies.