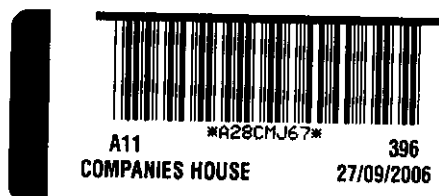


**Registration number 4382295**

**Louis Dreyfus Commodities (Metals) Limited  
(formerly Louis Dreyfus Asset Management Holdings Limited)**

**Directors' report and financial statements**

**for the year ended 31 December 2005**



## **Louis Dreyfus Commodities (Metals) Limited**

### **Company information**

Directors	B Hidier N Mamalis J Gandar J Barritt I McIntosh M Lowe
Secretary	A M Payne
Company number	4382295
Registered office	Queensberry House 3 Old Burlington Street London W1S 3LD
Auditors	Constantin Aldwych House 81 Aldwych London WC2B 4HN

## **Louis Dreyfus Commodities (Metals) Limited**

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## **Louis Dreyfus Commodities (Metals) Limited**

### **Directors' report for the year ended 31 December 2005**

The directors present their report and the financial statements for the year ended 31 December 2005.

#### **Change of name**

The company changed its name on 22 November 2005 to L.D. Metals Limited and again on 11 April 2006 to Louis Dreyfus Commodities (Metals) Limited.

#### **Principal activity and review of the business**

The principal activity of the company is to act as a holding company.

The directors consider the results achieved by the company to be satisfactory.

#### **Results and dividends**

The results for the year are set out on page 5.

The directors do not recommend payment of a dividend (2004 - US\$nil).

#### **Directors and their interests**

The directors who served during the year and their interests in the company are as stated below:

		<b>Ordinary shares</b>	
		<b>31/12/05</b>	<b>01/01/05</b>
		<b>or date of</b>	
		<b>appointment</b>	
B Hidier		-	-
P de Camaret	(Resigned 22 December 2005)	-	-
N Mamalis	(Appointed 24 November 2005)	-	-
J Gandar	(Appointed 24 November 2005)	-	-
J Barritt	(Appointed 24 November 2005)	-	-
I McIntosh	(Appointed 24 November 2005)	-	-
M Lowe	(Appointed 21 December 2005)	-	-

#### **Directors' and officers' liability insurance**

During the year the company purchased and maintained liability insurance for its directors and officers, as permitted by Section 310(3) of the Companies Act 1985.

## **Louis Dreyfus Commodities (Metals) Limited**

### **Directors' report for the year ended 31 December 2005**

#### **Directors' responsibilities**

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 company and of the profit or loss of the company for that year. In preparing these the directors are required to:


- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Constantin be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 14.9.06 and signed on its behalf by

  
**A M Payne**  
**Secretary**

## **Louis Dreyfus Commodities (Metals) Limited**

### **Independent auditors' report to the shareholders of Louis Dreyfus Commodities (Metals) Limited**

We have audited the financial statements of Louis Dreyfus Commodities (Metals) Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and 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 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 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 consider the implications for our report if we become aware of any apparent misstatements within it.

#### **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.

**Louis Dreyfus Commodities (Metals) Limited**

**Independent auditors' report to the shareholders of Louis Dreyfus Commodities (Metals) Limited**

**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 profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



**Constantin**  
**Registered Auditors**

Date 25 September 2006.

**Aldwych House**  
**81 Aldwych**  
**London**  
**WC2B 4HN**

**Louis Dreyfus Commodities (Metals) Limited**

**Profit and Loss Account  
for the year ended 31 December 2005**

		Continuing operations	
		2005	2004
	Notes	US\$	US\$
Administrative expenses		<u>2,728</u>	<u>(185)</u>
<b>Operating profit/(loss) on ordinary activities before taxation</b>	<b>2</b>	<u>2,728</u>	<u>(185)</u>
Tax on profit/(loss) on ordinary activities	<b>4</b>	<u>-</u>	<u>-</u>
<b>Profit/(loss) on ordinary activities after taxation</b>		<u>2,728</u>	<u>(185)</u>
Accumulated loss brought forward		<u>(2,728)</u>	<u>(2,543)</u>
<b>Retained profit/(loss) carried forward</b>		<u><u>-</u></u>	<u><u>(2,728)</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

**The notes on pages 7 to 10 form an integral part of these financial statements.**



**Louis Dreyfus Commodities (Metals) Limited**

**Balance Sheet  
as at 31 December 2005**

		2005		2004	
	Notes	US\$	US\$	US\$	US\$
<b>Fixed assets</b>					
Investments	5		-		1,000
<b>Current assets</b>					
Debtors	6	1,000		-	
		<u>1,000</u>		<u>-</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>-</u>		<u>(2,728)</u>	
<b>Net current assets/(liabilities)</b>			1,000		<u>(2,728)</u>
<b>Total assets less current liabilities</b>			<u>1,000</u>		<u>(1,728)</u>
<b>Capital and reserves</b>					
Called up share capital	8		1,000		1,000
Profit and loss account			<u>-</u>		<u>(2,728)</u>
<b>Shareholders' funds</b>	9		<u>1,000</u>		<u>(1,728)</u>

The financial statements were approved by the Board on 14.09.2006 and signed on its behalf by

**B Hidier  
Director**

The notes on pages 7 to 10 form an integral part of these financial statements.

## **Louis Dreyfus Commodities (Metals) Limited**

### **Notes to the financial statements for the year ended 31 December 2005**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the applicable Accounting Standards.

The financial statements are prepared in US\$ as this is the main operating currency of the company.

##### **1.2. Investments**

Investments in subsidiary companies are stated at cost less provision for diminution in value.

##### **1.3. Deferred taxation**

Deferred taxation is accounted for on an undiscounted basis at expected tax rates on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

##### **1.4. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the Balance Sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss Account.

##### **1.5. Related party transactions**

In accordance with Financial Reporting Standard No.8, the company has taken advantage of the exemption for subsidiary undertakings, whose 90% or more voting rights are controlled within a group, from the requirement to disclose related party transactions, as the consolidated financial statements in which the company is included are publicly available.

##### **1.6. Cash flow statement**

In accordance with Financial Reporting Standard No.1, the company has taken advantage of the exemption for subsidiary undertakings, whose 90% or more voting rights are controlled within a group, from the requirement to prepare a cash flow statement, as the consolidated financial statements in which the company is included are publicly available.

#### **2. Operating profit/(loss)**

	<b>2005</b>	<b>2004</b>
	<b>US\$</b>	<b>US\$</b>
Operating profit/(loss) is stated after charging:		
Exchange differences	-	185

The audit and taxation fees for the year have been borne by another group company.

**Louis Dreyfus Commodities (Metals) Limited**

**Notes to the financial statements  
for the year ended 31 December 2005**

**3. Directors' emoluments**

There were no employees during the year apart from the directors.

The directors did not receive any emoluments during the year (2004 - US\$nil).

**4. Tax on profit/(loss) on ordinary activities**

<b>Analysis of charge in period</b>	<b>2005 US\$</b>	<b>2004 US\$</b>
<b>Current tax</b>		
UK corporation tax	<u>-</u>	<u>-</u>

**Factors affecting tax charge for period**

The tax assessed for the period differs from the standard rate of corporation tax in the UK (30 per cent).  
The differences are explained below:

	<b>2005 US\$</b>	<b>2004 US\$</b>
Profit/(loss) on ordinary activities before taxation	<u>2,728</u>	<u>(185)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 December 2004 - 30%)	818	(56)
<b>Effects of:</b>		
Group relief surrendered for no consideration	-	56
Non-taxable connected party loan waiver	<u>(818)</u>	<u>-</u>
Current tax charge for period	<u>-</u>	<u>-</u>

**Louis Dreyfus Commodities (Metals) Limited**

**Notes to the financial statements  
for the year ended 31 December 2005**

5.	<b>Fixed asset investments</b>	<b>Subsidiary undertakings shares US\$</b>	
	<b>Cost</b>		
	At 1 January 2005		1,000
	Disposals		(1,000)
	At 31 December 2005		<u>-</u>
	<b>Provisions for diminution in value</b>		
	At 1 January 2005 and 31 December 2005		<u>-</u>
	<b>Net book values</b>		
	At 31 December 2005		<u>-</u>
	At 31 December 2004		<u><u>1,000</u></u>
6.	<b>Debtors</b>	<b>2005 US\$</b>	<b>2004 US\$</b>
	Amounts owed by group undertaking	<u>1,000</u>	<u>-</u>
7.	<b>Creditors: amounts falling due within one year</b>	<b>2005 US\$</b>	<b>2004 US\$</b>
	Amounts owed to group undertaking	<u>-</u>	<u>2,728</u>
8.	<b>Share capital</b>	<b>2005 US\$</b>	<b>2004 US\$</b>
	<b>Authorised</b>		
	100,000,000 Ordinary shares of US\$1 each	<u>100,000,000</u>	<u>100,000,000</u>
	<b>Allotted, called up and fully paid</b>		
	1,000 Ordinary shares of US\$1 each	<u>1,000</u>	<u>1,000</u>

**Louis Dreyfus Commodities (Metals) Limited**

**Notes to the financial statements  
for the year ended 31 December 2005**

<b>9. Reconciliation of movements in shareholders' funds</b>	<b>2005</b>	<b>2004</b>
	<b>US\$</b>	<b>US\$</b>
Profit/(loss) for the year	2,728	(185)
Opening shareholders' funds	(1,728)	(1,543)
Closing shareholders' funds	<u>1,000</u>	<u>(1,728)</u>

**10. Ultimate parent undertaking and controlling party**

The company's ultimate parent undertaking and controlling party is Louis Dreyfus S.A.S., a company incorporated in France. Copies of the consolidated financial statements, in which the company is included, are available from its registered office: 87 Avenue de la Grande Armee, 75782, Paris.

Louis Dreyfus S.A.S. is the smallest and the largest group for which group accounts are prepared and which includes Louis Dreyfus Commodities (Metals) Limited in its consolidated financial statements.