

Cooper Cameron (U.K.) Investments Limited

Report and Financial Statements

31 December 2005



Registered No: 4550385

Directors

G Mackie
K Fleming

Secretary

Abogado Nominees Limited

Auditors

Ernst & Young LLP
PO Box 61
Cloth Hall Court
14 King Street
Leeds
LS1 2JN

Registered Office

100 New Bridge Street
London
EC4V 6JA

Directors' report

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

Principal activity

The company's principal activity during the period was that of a holding company.

Results and dividends

The company has not traded during the year.

Review of the business and future developments

During 2006 the company disposed of its investment in Nutron Flow Control Manufacturer (India) Private Limited.

Directors and their interests

The present directors of the company, who served throughout the year, are shown on page 1.

The directors who held office at the year end had no interest in the share capital of the company or any other group company which required notification to the company in accordance with the provisions of section 324 of the Companies Act 1985.

Auditors

In accordance with Section 386 of the Companies Act 1985, the company in general meeting has adopted a resolution to dispense with the obligation to appoint auditors annually.

On behalf of the board



G Mackie
Director

30 OCTOBER 2006

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the report and financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

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 of its 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, 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.

Independent auditors' report

to the members of Cooper Cameron (U.K.) Investments Limited

We have audited the company's financial statements for the period ended 31 December 2005 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 9. These financial statements have been prepared on the basis of 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 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 group'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.

Independent auditors' report

to the members of Cooper Cameron (U.K.) Investments Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 December 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Leeds

31 October 2006

Profit and loss account

for the year ended 31 December 2005

	<i>Notes</i>	<i>2005</i> £	<i>2004</i> £
Administrative expenses		-	10,469
Loss on ordinary activities before interest	3	-	(10,469)
Interest payable to group undertakings		-	5,543
Loss on ordinary activities before taxation		-	(16,012)
Tax on loss on ordinary activities	4	-	4,804
Deficit for the year		-	(11,208)

There are no recognised gains or losses in the year ended 31 December 2005 (2004 loss - £11,208).

Statement of movements on reserves and reconciliation of movements in shareholders' funds

	<i>Share capital</i> £	<i>Profit and loss account</i> £	<i>Total shareholders' funds</i> £
Balance at 31 December 2003	1	-	-
Share issue	258,219	-	258,219
Loss for the year	-	(11,208)	(11,207)
Balance at 31 December 2004 and at 31 December 2005	258,220	(11,208)	247,012

Balance sheet

at 31 December 2005

	Notes	2005 £	2004 £
Fixed assets			
Investments	5	242,236	242,236
Current assets			
Debtors	6	142,921	4,804
Creditors: amounts falling due within one year	7	138,145	28
Net current assets		4,776	4,776
Total assets less current liabilities		247,012	247,012
Capital and reserves			
Called up share capital	8	258,220	258,220
Profit and loss account		(11,208)	(11,208)
Equity shareholders' funds		247,012	247,012



G Mackie – Director

30 October 2006

Notes to the accounts

at 31 December 2005

1. Group accounts

Group accounts are not prepared as the company is a wholly owned subsidiary of Cooper Cameron Holding (U.K.) Limited.

2. Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention, and in accordance with applicable accounting standards.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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, with the following exceptions:

- (i) Provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets with no likely subsequent rollover or available capital losses.
- (ii) Provision is made for gains on revalued fixed assets only where there is a commitment to dispose of the revalued assets and the attributable gain can neither be rolled over nor eliminated by capital losses.
- (iii) Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

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

Notes to the accounts

at 31 December 2005

3. Loss on ordinary activities before interest

This is stated after charging:

	2005 £	2004 £
Directors' remuneration	-	-
	<u> </u>	<u> </u>

There were no employees in the year other than the directors.

4. Tax

(a) Tax on loss on ordinary activities

The tax credit is made up as follows:

	2005 £	2004 £
<i>Current tax</i>		
Corporation tax and total current tax (Note 4(b))	-	(4,804)
	<u> </u>	<u> </u>
Tax on loss on ordinary activities	-	(4,804)
	<u> </u>	<u> </u>

(b) Factors affecting current tax credit

	2005 £	2004 £
Loss on ordinary activities before taxation	-	(16,012)
	<u> </u>	<u> </u>
Loss on ordinary activities multiplied by the standard rate of corporation tax of 30%	-	(4,804)
	<u> </u>	<u> </u>
Current tax credit	-	(4,804)
	<u> </u>	<u> </u>

Notes to the accounts

at 31 December 2005

5. Investments

	<i>Subsidiary undertakings</i>	<i>Associated undertakings</i>	<i>Total</i>
	£	£	£
Cost:			
At 1 January 2005 and at 31 December 2005	6,212	236,024	242,236

The subsidiary undertakings at 31 December 2005 were:

<i>Name of company</i>	<i>Country of registration</i>	<i>Nature of business</i>	<i>Proportion of shares held</i>
Nutron Flow Control International (Malaysia) Sdn Dhd	Malaysia	Non-trading	100%
Nutron Manufacturers (India) Private Limited	India	Mfg of Valves	100%

The associated undertakings at 31 December 2005 were:

<i>Name of company</i>	<i>Country of registration</i>	<i>Nature of business</i>	<i>Proportion of shares held</i>
Flow Link Control Production Tati SDN BHD	Malaysia	Mfg of Valves	49.0%
Flow Link Systems Private Limited	India	Mfg of Valves	45.5%

6. Debtors

	<i>2005</i>	<i>2004</i>
	£	£
Taxation recoverable	4,804	4,804
Other debtors	138,117	-
	<u>142,921</u>	<u>4,804</u>

7. Creditors: amounts falling due within one year

	<i>2005</i>	<i>2004</i>
	£	£
Amounts due to immediate parent undertaking	<u>138,145</u>	<u>28</u>

Notes to the accounts

at 31 December 2005

8. Called up share capital

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>2005</i>	<i>2004</i>	<i>2005</i>	<i>2004</i>
	<i>No.</i>	<i>No.</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	259,219	259,219	258,220	258,220

9. Parent undertaking and ultimate parent company

The parent undertaking of the smallest group of undertakings for which group accounts are drawn up and of which the company is a member is Cooper Cameron Holding (UK) Limited. The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is Cooper Cameron Corporation, which is incorporated in the United States of America. Cooper Cameron Corporation is also the company's ultimate parent company and controlling party. Copies of the Annual Report of Cooper Cameron Corporation are available from Cooper Cameron Corporation, 1333 West Loop South, Suite 1700, Houston, Texas 77027, USA.