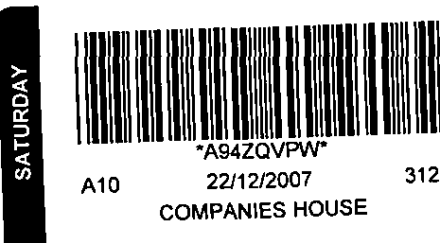


Petresco – KCC Limited

Directors' report and financial statements
for the period ended 31 December 2004

Registered number 04738647



Petreco - KCC Limited

Directors' report and financial statements for the period ended 31 December 2004

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Petresco - KCC Limited

Directors' report for the period ended 31 December 2004

The Directors present their annual report and the audited financial statements for the period ended 31 December 2004

Principal activities

The company's principal activity is the supply of custom built process plant and services for oil and gas production and treatment to the worldwide energy industry

Business review

The directors consider the results for the period to 31 December 2004 to be satisfactory and will continue to develop the business so as to maintain the strong competitive position KCC currently holds in the market

Dividend

The Directors are recommending a £nil dividend for the period (2003 £nil)

Directors

The Directors who held office during the period were as follows

NJ Winterbourne	
K Fleming	(appointed 2 June 2004)
G Mackie	(appointed 2 June 2004)
DR Zachariah	(resigned 2 June 2004)
MK Ulrey	(resigned 2 June 2004)

Research and development

The company is currently undertaking research and development activities towards improving products to enhance performance, increase the product run life, reduce costs and reduce the environmental impact

Petresco - KCC Limited

Directors' report for the period ended 31 December 2004 (continued)

Statement of Directors' responsibilities

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 and of the profit or loss 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,
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. A resolution concerning their reappointment will be proposed at the forthcoming annual general meeting.

By order of the board



Director
19 December 2007

Independent auditors' report to the members of Petreco - KCC Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

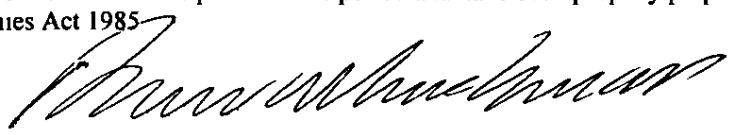
Basis of audit opinion

We conducted our audit in accordance with 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 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 of the state of the company's affairs at 31 December 2004 and of its profit for the period and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
East Midlands

21 Dec 2005

Petresco - KCC Limited

Profit and loss account for the period ended 31 December 2004

	Note	31 December 2004 £'000	2 January 2004 £'000
Turnover		4,296	1,131
Cost of sales		(4,183)	(1,075)
Gross profit		113	56
Administrative expenses		(42)	(21)
Operating profit and profit on ordinary activities before taxation	2	71	35
Tax on profit on ordinary activities	4	(11)	(11)
Result for the period		60	24

There were no recognised gains or losses in the period other than those shown above. All results were derived from continuing operations.

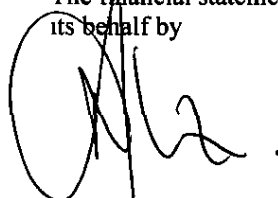
There is no material difference between the profit on ordinary activities before taxation and the retained profit for the period stated above, and their historical cost equivalents.

Petresco - KCC Limited

Balance sheet as at 31 December 2004

	Note	31 December 2004 £'000	2 January 2004 £'000
Current assets			
Debtors	5	3,489	1,132
Cash at bank and in hand		8	86
		3,497	1,218
Creditors: amounts falling due within one year	6	(3,412)	(1,193)
Net current assets and net assets		85	25
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account	8	84	24
Shareholders' funds (equity interests)	9	85	25

The financial statements on pages 4 to 10 were approved by the Board on 19th December 2007 and signed on its behalf by



N J Winterbourne
Director

Petresco - KCC Limited

Notes to the financial statements for the period ended 31 December 2004

1 Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. Where a choice of treatment is available the directors have applied the most appropriate accounting policies and estimation techniques in accordance with FRS 18. A summary of the significant accounting policies, which have been applied consistently, are set out below.

Development costs

Expenditure on research and development of new products is charged to the profit and loss account in the period in which it is incurred.

Turnover

Turnover, excluding value added tax, derives from the provision of goods and services to customers including amounts attributable to long-term contracts. Contracts with a value greater than \$250,000 and which meet the criteria for long term contracts relating to duration, transfer of title and payment terms are included within turnover using percentage completion accounting. Turnover reflects the contract costs plus an estimate of profit and is recognised as contractual milestone obligations are met. Turnover is adjusted for any changes in the milestone schedules or for any material projected changes in the expected profits on the contracts, as soon as this becomes apparent. Full provision is made for contracts foreseen to be loss making. Contract work in progress is stated at cost incurred, less that element transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover. Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account. Payments received in excess of recorded turnover are recorded in creditors as payments received on account.

Those contracts with an order value of less than \$250,000 or which do not meet the additional criteria to be classified as long-term contracts are recognised in turnover upon completion.

Cash flow statement

The company is a wholly owned subsidiary of Cameron International Corporation, and is included in the consolidated financial statements of Cameron International Corporation. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under FRS 1.

Interest costs

Interest costs are taken to the profit and loss account as incurred.

Petresco - KCC Limited

Notes to the financial statements for the period ended 31 December 2004 (continued)

1 Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward foreign currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or, if appropriate, at the forward contract rate. All differences are taken to the profit and loss account.

Taxation

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

Deferred taxation arises when items are recognised for tax purposes in years that differ from the years in which they are recognised for accounting purposes. Deferred taxation is recognised as a liability or asset, using the full provision method, if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or right to pay less taxation in the future. A deferred tax asset is recognised to the extent that it is regarded as recoverable. Deferred tax assets and liabilities are not discounted.

Related parties

The company has taken advantage of the exemption contained in FRS8 'Related party Disclosures' and has therefore not disclosed transactions or balances with entities which form part of the group.

2 Operating profit

Operating profit is stated after charging/(crediting)

	31 December 2004	2 January 2004
	£'000	£'000
Auditors' remuneration		
Audit	2	2

Petresco - KCC Limited

Notes to the financial statements for the period ended 31 December 2004 (continued)

3 Staff costs and remuneration of directors

The average number of persons employed by the company (including directors) during the period, analysed by category, was as follows

	31 December 2004	2 January 2004
	Number	Number
Management and administration	3	3

There were no employees during the period other than the directors

No directors received remuneration in respect of their services to the company for the period ended 31 December 2004

4 Taxation

	31 December 2004	2 January 2004
	£'000	£'000
UK corporation tax		
Current tax on income for the period	22	11
Adjustment in respect of previous periods	(11)	-
Tax on profit on ordinary activities	11	11

Factors affecting the tax charge for the current period:

	31 December 2004	2 January 2004
	£'000	£'000
Profit on ordinary activities before tax	71	35
Current tax at 30%	22	11
Adjustments in respect of prior periods	(11)	-
Total current tax charge (see above)	11	11

Petresco – KCC limited

Notes to the financial statements for the period ended 31 December 2004 (continued)

5 Debtors

	31 December 2004	2 January 2004
	£'000	£'000
Accounts recoverable on contracts	3,488	1,131
Amounts owed by group undertakings	1	1
	3,489	1,132

6 Creditors: amounts falling due within one year

	31 December 2004	2 January 2004
	£'000	£'000
Payments received on account	-	86
Amounts owed to group undertakings	1,213	1,066
Corporation tax	2	11
Accruals and deferred income	2,197	30
	3,412	1,193

7 Called up share capital

	31 December 2004	2 January 2004
	£'000	£'000
Authorised		
Equity 1,000 ordinary shares of £1 each	1	1
Allotted, called up and fully paid		
Equity 1,000 ordinary shares of £1 each	1	1

Petresco - KCC Limited

Notes to the financial statements for the period ended 31 December 2004 (continued)

8 Reserves

	Profit and loss account
	£'000
At beginning of period	24
Profit for the period	60
At end of the period	84

9 Reconciliation of shareholders' funds

	31 December 2004	2 January 2004
	£'000	£'000
Profit after taxation	60	24
Issue of shares	-	1
Shareholders' funds at the beginning of the period	25	-
Shareholders' funds at the end of the period	85	25

10 Ultimate and intermediate parent companies and controlling parties

The company's immediate parent company is Petresco International Inc, a company registered in the United States of America. The company's ultimate parent company and controlling party is Cameron International Corporation, a company registered in the United States of America. Cameron International Corporation is the parent undertaking of the smallest and largest group to consolidate these financial statements.