
DBUKH Finance Limited

Company number: 4816138

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2008

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REPORT OF THE DIRECTORS
For the year ended 31 December 2008

The Directors present their annual report and audited financial statements for the year ended 31 December 2008.

ACTIVITIES AND REVIEW OF BUSINESS

The principal business of the Company is that of a holding company. The Directors do not envisage that there will be any substantial change for the foreseeable future in the operations of the Company.

On 14 November 2008, the Company terminated its stock loan agreement with a group undertaking.

The position at the end of the year is reflected in the audited balance sheet set out on page 5.

RESULTS AND DIVIDENDS

The results of the Company for the year ended 31 December 2008, after providing for taxation, show a profit of £17,383,311 (2007: profit of £460,878).

The Directors do not recommend the payment of a dividend for the year (2007: £nil), leaving the profit for the year to be carried forward to the next year.

FUTURE OUTLOOK

The outlook for the business is stable, and it is expected that the Company will maintain its historical level of activity and profitability.

PRINCIPAL RISK AND UNCERTAINTIES

The Company is a wholly owned subsidiary within the Deutsche Bank Group and therefore the risks it is subject to are managed within the risk and control functions of this Group.

The Directors acknowledge their responsibility for the overall management of the risks faced by the Company and note that the key business risks and uncertainties affecting the Company are considered to relate to the external interest rate and credit environment, particularly in relation to the Euro zone and the banking sector.

DIRECTORS

The Directors of the Company who held office during the year and subsequent to the year ended 31 December 2008 were as follows:

S E Macfarlane	Appointed 18 June 2007	Resigned 17 January 2008
V E Harman		Resigned 29 October 2008
M P Coxon		Resigned 30 June 2009
D K Thomas	Appointed 28 January 2008	
A Cooper	Appointed 7 November 2008	
S W Clark	Appointed 1 July 2009	
D D O Keen		

A Rutherford was Secretary of the Company throughout the year. There have been no further changes during the year or subsequent to the year-end.

As at the date of approval, and during the year, the Company provided an indemnity to its Directors in the form of a qualifying third party indemnity provision.

REPORT OF THE DIRECTORS (continued)
For the year ended 31 December 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 judgements 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 disclose with reasonable accuracy at any time the financial position of the Company and which 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.

DISCLOSURE OF INFORMATION TO AUDITORS

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

Pursuant to Section 487 of the Companies Act 2006 the auditors will be deemed to be reappointed and KPMG Audit plc will therefore continue in office.

By order of the Board of Directors this 28th day of October 2009



A Rutherford
Company Secretary

Registered office

Winchester House
1 Great Winchester Street
London
EC2N 2DB

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
DBUKH FINANCE LIMITED**

We have audited the financial statements of DBUKH Finance Ltd for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Shareholder's Funds and the related notes. 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 auditor's 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

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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

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 UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2008 and of its profit for the year then ended;
- The financial statements have been properly prepared in accordance with the Companies Act 1985; and
- The information given in the Directors' Report is consistent with the financial statements.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 Salisbury Square
London EC4Y 8BB

Dated: *25th October 2009*

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2008

	Note	<u>2008</u> £	<u>2007</u> £
Income from shares in group undertakings		34,531,505	17,581,891
Interest receivable	4	28,544,600	27,624,238
Interest payable	5	(51,077,686)	(50,100,216)
Foreign exchange		(1,503,953)	(1,795,930)
Other income		47,098	-
<hr/>			
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		10,541,564	(6,690,017)
Tax credit on profit/(loss) on ordinary activities	6	6,841,747	7,150,895
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PROFIT FOR THE FINANCIAL YEAR		17,383,311	460,878

The profit for the year has arisen from continuing activities.

There were no other recognised gains and losses during the year.

The notes on pages 7 to 11 form part of these accounts.

BALANCE SHEET
As at 31 December 2008

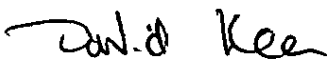
	Note	<u>2008</u> £	<u>2007</u> £
FIXED ASSETS			
Investments	7	167,989,846	554,848,063
CURRENT ASSETS			
Debtors	8	533,993,358	482,784,460
Cash at bank		1,074,802	1,040,319
		<u>535,068,160</u>	<u>483,824,779</u>
CREDITORS: amounts falling due within one year	9	(581,137,692)	(934,135,839)
TOTAL ASSETS LESS CURRENT LIABILITIES		121,920,314	104,537,003
CREDITORS: amounts falling due after more than one year	10	(103,931,625)	(103,931,625)
NET ASSETS		17,988,689	605,378
CAPITAL AND RESERVES			
Called up share capital	11	1	1
Profit and loss account		17,988,688	605,377
SHAREHOLDER'S FUNDS		17,988,689	605,378

The notes on pages 7 to 11 form part of these accounts.

These financial statements were approved by the Board of Directors on

28th October

2009



Signed by **D KEEN**
For and on behalf of the Board of Directors

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 31 December 2008

	<u>2008</u>	<u>2007</u>
Profit for the year	17,383,311	460,878
Exchange (loss)/gain on translation of investments denominated in foreign currencies	(90,098,117)	(49,891,207)
Exchange gain/(loss) on translation of borrowings to hedge investments denominated in foreign currencies	90,098,117	49,891,207
Total recognised gains and losses for the year	17,383,311	460,878

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 31 December 2008

	<u>Profit & Loss Account</u>	<u>Ordinary Share Capital</u>	<u>Total</u>
	£	£	£
Balance at 1 January 2008	605,377	1	605,378
Profit for the year	17,383,311	-	17,383,311
Balance at 31 December 2008	17,988,688	1	17,988,689

RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS
For the year ended 31 December 2007

	<u>Profit & Loss Account</u>	<u>Ordinary Share Capital</u>	<u>Total</u>
	£	£	£
Balance at 1 January 2007	144,499	1	144,500
Profit for the year	460,878	-	460,878
Balance at 31 December 2007	605,377	1	605,378

The notes on pages 7 to 11 form part of these accounts.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2008

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

These financial statements have been prepared in accordance with the Companies Act 1985, UK applicable accounting standards and applicable Statements of Recommended Practice. The particular accounting policies are described below.

(a) CONVENTION

These financial statements are prepared in accordance with the historical cost convention.

(b) INCOME RECOGNITION

Interest income and expense is accounted for on an accrual basis.

(c) TAXATION

The charge for taxation is based on 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, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

(d) FOREIGN EXCHANGE

Transactions in foreign currencies are translated into Pounds Sterling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

(e) CLASSIFICATION OF FINANCIAL INSTRUMENTS ISSUED BY THE COMPANY

In accordance with FRS 25, financial instruments issued by the Company are treated as equity (i.e., forming part of shareholder's funds) only to the extent that they meet the following two conditions:

- (i) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (ii) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging of a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance charges associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholder's funds.

(f) FIXED ASSET INVESTMENTS

Investments of a monetary nature are recorded at cost in the currency of purchase and revalued at the exchange rate current at the balance sheet date or if there is derivative instrument hedging the foreign currency investment at the exchange rate implicit in the hedge.

(g) STOCK LOAN AGREEMENT

The Company has entered into a stock loan agreement which involves the transfer of subsidiary shares in return for collateral. The collateral is recorded as a liability with the related shares included in fixed asset investments, reflecting the substance of the arrangement.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2008

1 ACCOUNTING POLICIES (continued)**(h) CASH FLOW STATEMENT**

The Company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (Revised 1996) as it is a wholly owned subsidiary undertaking of a company which prepares consolidated financial statements which are publicly available.

(i) GROUP ACCOUNT EXEMPTION

As the Company is a wholly owned subsidiary undertaking of Deutsche Bank AG, which is incorporated in the E.U. and which publishes consolidated financial statements, and as its immediate parent undertaking is also incorporated in the E.U., it is exempt under section 228 of the Companies Act 1985 from the requirement to prepare group financial statements. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

2 DIRECTORS' REMUNERATION

The aggregate emoluments of persons who were Directors of the Company during the year ended 31 December 2008, including pension contributions, were £nil (2007: £nil).

As at the date of approval, and during the year, the Company provided an indemnity to its Directors in the form of a qualifying third party indemnity provision.

3 ADMINISTRATIVE EXPENSES

The Company has no full time employees. The staff involved in the Company's operations are all employees of the Deutsche Bank Group. The total staff costs have been borne by a Deutsche Bank Group company without recharge, no staff costs have therefore been included in these financial statements (2007: £nil).

	<u>2008</u>	<u>2007</u>
	£	£
Auditors' remuneration:		
Audit of these financial statements	9,307	9,307
Auditors' remuneration for services to the Company has been borne by another group undertaking.		

4 INTEREST RECEIVABLE

	<u>2008</u>	<u>2007</u>
	£	£
Interest receivable from group undertakings	28,544,600	27,624,238

5 INTEREST PAYABLE

	<u>2008</u>	<u>2007</u>
	£	£
In respect of borrowing from group undertakings	44,470,368	43,510,951
Finance costs on shares classified as liabilities	6,607,318	6,589,265
	51,077,686	50,100,216

NOTES TO THE ACCOUNTS
For the year ended 31 December 2008

6 TAXATION

	<u>2008</u>	<u>2007</u>
	£	£
(a) Analysis of tax on profit on ordinary activities		
<i>Current Taxation</i>		
UK Corporation tax on income for the year	6,841,747	7,278,451
Adjustment in respect of prior periods	-	(127,556)
Total tax credit on profit on ordinary activities	<u>6,841,747</u>	<u>7,150,895</u>

(b) Current tax reconciliation

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28.49% (2007: 30%). The actual tax credit for the year differs from the standard rate for the reasons set out in the following reconciliation:

	<u>2008</u>	<u>2007</u>
	£	£
Loss on ordinary activities before taxation	<u>10,541,564</u>	<u>(6,690,017)</u>
Tax on loss on ordinary activities at standard rate	(3,004,057)	2,007,005
Effects of:		
Deemed manufactured dividend	1,874,799	1,973,662
Dividend payable	(1,882,905)	(1,976,780)
Non-taxable UK dividend income	9,840,407	5,274,567
Non-taxable income	13,503	-
Non-deductible expenditure	-	(3)
Adjustment in respect of previous periods	-	(127,556)
Total current tax credit	<u>6,841,747</u>	<u>7,150,895</u>

7 FIXED ASSET INVESTMENTS

	<u>2008</u>	<u>2007</u>
	<u>Shares in subsidiaries</u>	<u>Shares in subsidiaries</u>
	£	£
At 1 January	554,848,063	504,956,869
Additions during the year	20,844,309	-
Disposals during the year	(497,800,930)	-
Exchange difference	90,098,404	49,891,194
At 31 December	<u>167,989,846</u>	<u>554,848,063</u>

Subsidiary Undertakings

The shares in subsidiary undertakings are valued at the Director's valuation.

Details of the Company's principal undertakings are set out below:

Name of company	Country of incorporation	Activity	Proportion of equity capital
Arche Investments Limited	United Kingdom	Special Purpose Vehicle	100%
Stores International Limited	Cayman Islands	Special Purpose Vehicle	100%
DB Henlow Investments Limited	Cayman Islands	Special Purpose Vehicle	100%
DB Jasmine (Cayman) No.2 Limited	Cayman Islands	Special Purpose Vehicle	100%
DB Marcassin (Cayman) Holdings Limited	Cayman Islands	Special Purpose Vehicle	100%
Deutsche Securities Colombia SA.	Colombia	Special Purpose Vehicle	1.5%

NOTES TO THE ACCOUNTS

For the year ended 31 December 2008

8 DEBTORS	2008	2007
	£	£
Amounts due from group undertakings	533,993,357	482,784,459
Called up share capital, allotted and issued but not fully paid	1	1
	<u>533,993,358</u>	<u>482,784,460</u>
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9 CREDITORS: Amounts falling due within one year	2008	2007
	£	£
Amounts owed to parent undertakings	545,240,494	462,838,849
Amounts owed to fellow subsidiary undertakings	51,039	445,361,432
Interest on preference share classified as liabilities	32,368,617	25,761,299
Group relief payable	3,477,542	174,259
	<u>581,137,692</u>	<u>934,135,839</u>
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10 CREDITORS: Amounts falling due after more than one year	2008	2007
	£	£
Cumulative redeemable preference shares classified as liabilities	2,500	2,500
Preference share premium classified as liabilities	103,929,125	103,929,125
	<u>103,931,625</u>	<u>103,931,625</u>
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11 SHARE CAPITAL	2008	2007
	No	No
Authorised:		
Ordinary Shares of £1 each	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>
Allotted and issued:		
Ordinary Shares of £1 each	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>
Fully paid:		
Ordinary Shares of £1 each	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	<u>2008</u>	<u>2007</u>
	£	£
Authorised:		
Ordinary Shares of £1 each	1	1
Cumulative Redeemable Preference Shares of \$1 each	99,999,999	99,999,999
	<u>100,000,000</u>	<u>100,000,000</u>
Allotted and issued:		
Ordinary Shares of £1 each	1	1
Cumulative Redeemable Preference Shares of \$1 each	2,500	2,500
	<u>2,501</u>	<u>2,501</u>

NOTES TO THE ACCOUNTS

For the year ended 31 December 2008

11 SHARE CAPITAL (continued)

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
Fully paid:		
Ordinary Shares of £1 each	-	-
Cumulative Redeemable Preference Shares of \$1 each	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
<i>Presentation on Balance Sheet</i>		
Shares classified as liabilities	2,500	2,500
Shares classified in shareholder's funds	1	1
	<u>2,501</u>	<u>2,501</u>

The Cumulative Redeemable Preference shares were issued for a total of £103,931,625, including a premium of £103,929,125. This premium, along with the notional value above, has been classified as liabilities.

The preference share issued are redeemable cumulative preferential share with a fixed rate dividend of 6.34% per annum. The Company has the ability to redeem these preference shares from the date of the 10th anniversary of the issue of these shares. Preferential share holders have one vote in respect of each fully paid preference share.

12 FORWARD PURCHASE AGREEMENTS

On 5 February 2004 the Company entered into a forward purchase agreement with Bozarche Limited in relation to preference shares issued by DB Sirius Limited presently held by Bozarche Limited.

Under the terms of the agreement the Company contracts to buy back the shares, the principal being £103,931,625, plus all accrued and unpaid dividends once the dividends have become payable. At 31 December, the amount was:

	<u>2008</u>	<u>2007</u>
	<u>£</u>	<u>£</u>
Commitments - one year or more	136,300,242	119,727,808

13 ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS

DB UK Holdings Limited, a company registered in England and Wales, is the Company's immediate controlling entity.

Deutsche Bank AG, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, is the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest and smallest group for which group financial statements are drawn up.

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from the Company Secretary, Deutsche Bank AG, London branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

14 RELATED PARTY TRANSACTIONS

As permitted by paragraph 3(c) of FRS 8, no disclosure is made of transactions with members or associates of the Deutsche Bank AG group.