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Cannon Automotive Limited (formerly Shelfco (No. 3051) Limited)

Report and Financial Statements

28 May 2006

Registered No 05406972

Directors

E Atkin
C J Atkin

Secretaries

B Gold
R I Harris

Auditors

Ernst & Young LLP
400 Capability Green
Luton
Beds
LU1 3LU

Bankers

The Royal Bank of Scotland plc
Corporate Banking
280 Bishopsgate
London EC2M 4RB

Registered office

881 High Road
Tottenham
London N17 8EY

Directors' report

The directors present their report and financial statements for the period ended 28 May 2006

Results and dividends

The loss for the period, after taxation, amounted to £2,983,000 The directors do not recommend the payment of a dividend

Change of name

The company changed its name from Shelfco (No 3051) Limited to Cannon Automotive Limited ("the company") on 20 May 2005

Principal activity and review of business

The company was incorporated on 30 March 2005 and received the trade and assets of the automotive division of Cannon Rubber Limited on 1 June 2005

The company's principal activity during the period to 28 May 2006 was the manufacture of rubber car mats The company's key financial results for the period were as follows -

	£000
Turnover	12,074
Loss after tax	(2,983)

The company's products utilise substantial amounts of oil and rubber The adverse price movement of these commodities during the period has had an unfavourable affect on the company's attained margins

The average number of employees during the period was 256 and staff costs amounted to £6,424,000

The company is supported by the principal shareholders of its parent company (C A Holdings plc) The company's performance is consistently monitored by the company's directors and senior management

Towards the end of 2006 a voluntary redundancy scheme was offered to certain of the company's employees This will result in a reduction of approximately 10% of the company's payroll cost, subject to the one off cost of the redundancies The company has taken additional steps to improve profit margins and overall efficiency

Directors and their interests

The directors who served during the period and their interests in the share capital of the company were as follows

		At 28 May 2006 *Ordinary shares* *No*	*At date of appointment* *Ordinary shares* *No*
E Atkin	(Appointed 20 May 2005)	–	155,778
C J Atkin	(Appointed 20 May 2005)	–	101,543
Mikjon Limited	(Appointed and resigned 20 May 2005)	–	–

E Atkin and C J Atkin are majority shareholders of C A Holdings plc, the parent undertaking Details of their shareholdings have been disclosed in the financial statements of C A Holdings plc

Directors' report

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1 Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and

- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person

Where existing employees become disabled during the year it is the company's policy, wherever practicable, to provide continuing employment under normal terms and conditions, and to provide training and career development and promotion to disabled employees wherever appropriate

Employee involvement

All employees are kept informed, by way of a monthly Communication Meeting chaired by the Managing Director, of the company's actual and projected financial results, the quality levels achieved, the progress in the pursuit of new products and services, and other matters

Payment of suppliers

It is the company's policy to pay suppliers on agreed terms These terms are subject to contract or subject to negotiated settlement terms on an individual supplier basis Where appropriate the terms of payment are agreed in advance, communicated to suppliers and the payments are made accordingly

At 28 May 2006 the company had an average of 55 days creditors' purchases outstanding

Auditors

During the period Ernst & Young LLP were appointed as the company's auditors

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be put to the members at the forthcoming Annual General Meeting

On behalf of the Board

Director

10 April 2007

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual 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 the directors have elected to prepare financial statements in accordance with United Kingdom General Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 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, 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

ERNST & YOUNG

Independent auditors' report

to the members of Cannon Automotive Limited

We have audited the company's financial statements for the period ended 28 May 2006 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Statement of Cash Flows and the related notes 1 to 21 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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 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 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, except that the scope of our work was limited as explained below

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 judgments 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 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 However, the evidence available to us was limited in respect of the carrying amount of a freehold property, Brook House and in respect of an associated provision for clean up costs Brook House was obtained on 1 June 2005 as part of the transfer of trade and net assets of Cannon Rubber Limited Brook House's previous carrying amount prior to the transfer was £1,189,000 An independent valuer of this property determined that its market value on an existing use basis at the date of transfer, excluding any potential clean up costs, was £3,200,000 However the directors believe its net value after taking into account the clean up costs of the site would be £nil and have recorded it at this lower carrying amount Owing to the significant uncertainty as to the level and timing of the potential clean up costs and the directors not seeking an independent valuation of such costs, we have not been able to obtain sufficient appropriate audit evidence regarding the value of this freehold property or the appropriate level of clean up costs that should be recognised as a provision

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 Cannon Automotive Limited (continued)

Qualified opinion arising from limitation in audit scope

Except for the financial effects of such adjustments that we would have determined to be necessary to reflect the freehold property at its previous book value at acquisition, and a separate provision for related clean up costs, had we been able to satisfy ourselves as to the appropriate amounts for this item, 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 28 May 2006 and of its loss for the period then ended, and

- have been properly prepared in accordance with the Companies Act 1985

In respect solely of the limitation on our work relating to the above freehold property and its related clean up cost provision, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

In our opinion the information given in the directors' report is consistent with the financial statements

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Luton

11 April 2007

Profit and loss account

for the period ended 28 May 2006

	Notes	2006 £000
Turnover	2	12,074
Cost of sales		(7,963)
Gross profit		4,111
Operating expenses	3	(6,948)
Other operating income		70
Operating loss	4	(2,767)
Interest payable and similar charges	7	(216)
Loss on ordinary activities before taxation		(2,983)
Tax on loss on ordinary activities	8	-
Loss for the financial period	16	(2,983)

All activities relate to continuing operations

Statement of Total Recognised Gains and Losses

There are no recognised gains or losses other than the loss of £2,983,000 attributable to the shareholders for the period ended 28 May 2006

Balance sheet
at 28 May 2006

	Notes	2006 £000
Fixed assets		
Tangible assets	9	3,545
Investments	10	-
		3,545
Current assets		
Stocks	12	1,290
Debtors	13	3,721
Cash at bank and in hand		647
		5,658
Creditors amounts falling due within one year	14	(10,909)
Net current liabilities		(5,251)
Total assets less current liabilities		(1,706)
Capital and reserves		
Called up share capital	15	4
Share premium	16	793
Other reserve	16	480
Profit and loss account	16	(2,983)
Equity shareholders' funds	16	(1,706)

On behalf of the Board

Director

10 April 2007

Statement of cash flows

for the period ended 28 May 2006

	Notes	2006 £000
Net cash outflow from operating activities	17(a)	(7,431)
Returns on investments and servicing of finance		
Interest paid		(216)
Capital expenditure		
Payments to acquire tangible fixed assets		(1,323)
Receipts from sale of tangible fixed assets		139
Net cash outflow before financing		(8,831)
Financing		
Loan from related parties	17(b)	4,853
Decrease in cash	17(b)	(3,978)

Reconciliation of net cash flow to movement to net debt

		2006 £000
Decrease in cash		(3,978)
Cash inflow from increase in debt financing		(4,853)
Movement in net debt		(8,831)
Net debt on incorporation	17(b)	-
Net debt at 28 May 2006	17(b)	(8,831)

Notes to the financial statements

at 28 May 2006

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and applicable accounting standards The true and fair override of provisions of the Companies Act 1985 have been invoked See investment properties note 9

Fundamental accounting concept

During the period ended 28 May 2006 the company was able to continue as a going concern and meet its working capital requirements through financial support by E Atkin and C J Atkin, the principal shareholders of the parent company

The financial statements have been prepared on a going concern basis, which assumes the company will continue in operational existence for the foreseeable future The validity of this assumption is dependent on the continuation of sufficient resources being made available to the company by the principal shareholder of the parent company

On 7 June 2006, E Atkin and C J Atkin put in place a facility of £10,000,000 to fund the parent company and its subsidiaries E Atkin, the principal shareholder, has undertaken to provide adequate funds to the parent company and its subsidiaries to meet their liabilities as they fall due for the foreseeable future

On this basis, the directors considered it appropriate to prepare the financial statements on the going concern basis

Group financial statements

The company is exempt from the requirement to prepare group financial statements by virtue of Section 248 of the Companies Act 1985 As such the financial statements present information about the company as an individual undertaking and not about its group

Group reconstruction

On 1 June 2005, the company received the trade and net assets of the automotive division of Cannon Rubber Limited in exchange for the issue of shares to the existing shareholders of Cannon Rubber Limited

The company has accounted for this transaction using the merger method of accounting due to it being a group reconstruction

Accordingly, the surplus of the net assets transferred in over the nominal value of the shares issued has been transferred to share premium In addition, £480,000 representing the revaluation surplus on investment properties at the date of transfer was transferred to an 'other reserve'

Fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition

Certain of the company's properties are held for long-term investment Investments properties are accounted for in accordance with SSAP 19, whereby investment properties are revalued annually where the directors consider there to be a significant difference between the book value and the properties market value The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year

Notes to the financial statements

at 28 May 2006

1 ACCOUNTING POLICIES (continued)

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land and investment properties, at rates calculated to write off the cost less estimated residual value based on prices prevailing at the date of acquisition, of each asset over its expected useful life, as follows

Leasehold improvements	-	over the term of the lease
Motor vehicles	-	25%
Plant and machinery, fixtures and fittings	-	15% to 20%
Computer equipment	-	25%

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value Cost is determined on a first-in, first-out basis and includes transport and handling costs In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity Where necessary, provision is made for obsolete, slow moving and defective stocks

Net residual value is based on the estimated selling price less future costs expected to be incurred to completion and disposal

Deferred taxation

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 will result in an obligation to pay more, or right to pay less or to receive more, tax have occurred

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 underlying timing differences can be deducted

Deferred tax is measured on an undiscounted 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

Leasing commitment

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term

Investments

The fixed asset investments represent the company's investment in its subsidiaries and are stated at cost, less a provision for diminution in value where appropriate

Pensions

The company operates a defined contribution pension scheme for its employees The assets of the scheme are held separately from those of the company in an independently administered fund

The company also contributes to certain employees' defined contribution pension policies Contributions are charged in the profit and loss account as they become payable

Notes to the financial statements

at 28 May 2006

1. ACCOUNTING POLICIES (continued)

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

2. TURNOVER

Turnover, which is stated net of value added tax, is attributable to the design and manufacture of car mats An analysis of turnover by geographical market is given below

	2006
	£000
United Kingdom	3,997
United States of America	2,580
Rest of World	5,497
	12,074

3. OPERATING EXPENSES

	2006
	£000
Distribution costs	5,529
Administrative expenses	1,419
	6,948

4. OPERATING LOSS

This is stated after charging/(crediting)

		2006
		£000
Depreciation - owned fixed assets		482
Auditors' remuneration	- audit	28
	- other services	6
Operating lease rentals	- plant and machinery	64
Rentals receivable on investment properties		(70)
Profit on disposal of tangible fixed assets		(2)

The depreciation charge for the period comprised of the costs of additions during the period, which were immediately written off during an impairment review (note 9)

Notes to the financial statements

at 28 May 2006

5. DIRECTORS' EMOLUMENTS

	2006 £000
Emoluments	8
Company contributions paid to money purchase pension scheme	-

	2006 No
Members of money purchase pension scheme	-

6. STAFF COSTS

	2006 £000
Wages and salaries	5,615
Social security costs	544
Other pension costs	265
	6,424

The monthly average number of employees (including executive directors) during the period was as follows

	2006 No
Production	221
Selling and distribution	13
Administration	22
	256

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2006 £000
Bank overdraft	186
Interest on loan from related parties (note 20)	30
	216

Notes to the financial statements

at 28 May 2006

8. TAX

a) Tax on loss on ordinary activities
The tax charge is made up as follows

	2006 £000
Current tax	
UK Corporation tax (note 8 (b))	-

b) Factors affecting current tax charges

The tax assessed on the loss on ordinary activities for the period differs from the UK standard rate of corporation tax of 30% The reason for this is explained below

	2006 £000
Loss on ordinary activities before taxation	(2,983)
Loss on ordinary activities multiplied by the standard rate of corporation tax of 30%	(895)
Expenses not deductible for tax purposes	8
Depreciation in excess of capital allowances	130
Other timing differences	5
Unrelieved tax losses carried forward	752
Total current tax (note 8 (a))	-

c) Factors that may affect future tax charges

There are no material factors that are likely to affect future tax charges

d) Deferred taxation

Deferred tax assets not provided in the financial statements are analysed as follows

	2006 £000
Depreciation in excess of capital allowances	555
Other timing differences	5
Tax losses	752
	1,312

There were no unprovided deferred tax liabilities

Notes to the financial statements

at 28 May 2006

9. TANGIBLE FIXED ASSETS

	Land and buildings £000	Motor vehicles £000	Plant and machinery £000	Fixtures, fittings and computer equipment £000	Total £000
Cost					
On acquisition	2,683	158	-	-	2,841
Additions	846	-	266	211	1,323
Disposals	-	(137)	-	-	(137)
At 28 May 2006	3,529	21	266	211	4,027
Depreciation					
Provided during the period	-	5	266	211	482
Disposals	-	-	-	-	-
At 28 May 2006	-	5	266	211	482
Net book value					
At 28 May 2006	3,529	16	-	-	3,545

The depreciation charge for the period on plant and machinery, computer equipment and fixtures and fittings comprised of the costs of additions during the period, which were immediately written off during an impairment review

Included in land and buildings are investment properties with total net book value of £3,529,000 at 28 May 2006

No depreciation is provided against investment properties Although this is a departure from the Companies Act, the directors consider that this treatment is appropriate in order that the financial statements present a true and fair view

Land and buildings also include a freehold property, Brook House, which was brought in at £nil value as part of the transfer of trade and net assets of Cannon Rubber Limited on 1 June 2005 (note 11)

Notes to the financial statements

at 28 May 2006

10. Investments

	Subsidiary undertakings £
Cost	
On incorporation	–
Additions	2
At 28 May 2006	2

Interests in subsidiary undertakings

Details of the subsidiary undertakings are as follows

Name of company	*Country of incorporation*	*Description of shares held*	*Proportion of nominal value of issued shares held by the company*
Cannon Rubber Limited	England and Wales	Ordinary £1	100%
The Cannon Rubber Manufacturers Limited	England and Wales	Ordinary £1	100%

These companies have been dormant

11. Transfer of business

On 1 June 2005 the company received the trade and net assets of the automotive division of Cannon Rubber Limited in exchange for the issue of shares to the existing shareholders of Cannon Rubber Limited Details of the assets and liabilities transferred are as follows

	2006 £000
Tangible fixed assets	2,841
Stocks	1,760
Debtors	3,142
Creditors	(6,466)
Net assets	1,277
Discharged by issue of shares (note 16)	4
Arising on transfer of business	
Other reserve (note 16)	480
Share premium (note 16)	793
	1,277

Investment properties were transferred in at their open market value resulting in an 'other reserve' of £480,000 (note 16)

The previous carrying value of the freehold property, Brook House, at the time of transfer was £1,189,000 However, the directors believe its net value after taking into account the clean up costs of the site would be £nil and have recorded it at this lower carrying amount

Other fixed assets, with the exception of motor vehicles, were fully impaired and transferred at £nil value

Notes to the financial statements

at 28 May 2006

12 STOCKS

	2006 £000
Raw materials and consumables	853
Work in progress	212
Finished goods	225
	1,290

13. DEBTORS

	2006 £000
Trade debtors	2,561
Amounts owed by group undertakings (note 20)	890
Other debtors	228
Prepayments and accrued income	42
	3,721

14 CREDITORS: amounts falling due within one year

	2006 £000
Amounts due to related parties (note 20)	4,853
Bank overdraft	4,625
Trade creditors	748
Other taxes and social security costs	144
Accruals and deferred income	539
	10,909

The bank overdraft is secured by fixed charges on land and buildings

Included in amounts due to related parties is a loan repayable on demand which is secured by fixed and floating charge over the assets of the company Interest is charged at 3% over The Royal Bank of Scotland base rate on £1,150,000 of this loan Interest due on the rest of the loan balance has been waived by the lenders (note 20)

Notes to the financial statements

at 28 May 2006

15. SHARE CAPITAL

		Authorised
	No	*£*
Ordinary shares of 1p each	355,750	3,557 50

		Allotted, called up and fully paid
	No	*£*
Ordinary shares of 1p each	355,750	3,558

16 RECONCILIATION OF SHAREHOLDRS' FUNDS AND MOVEMENT ON RESERVES

	Share capital £000	*Other reserve £000*	*Share premium £000*	*Profit and loss account £000*	*Total shareholders' funds £000*
Shares issued	4	-	-	-	4
Arising on transfer of business	-	480	793	-	1,273
Loss for the period	-	-	-	(2,983)	(2,983)
At 28 May 2006	4	480	793	(2,983)	(1,706)

During the period, the company issued 355,750 ordinary shares of 1p each at par

On 1 June 2005 the company received the trade and net assets of the automotive division of Cannon Rubber Limited in exchange for the issue of shares to the existing shareholders of Cannon Rubber Limited As a result, a share premium balance of £793,000 arose being the difference between the value of net assets received and the nominal value of issued shares In addition, £480,000 was transferred to an 'other reserve', representing revaluation surplus on the investment properties at the date of transfer

17. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of operating loss to net cash inflow from operating activities

	2006 £000
Operating loss	(2,767)
Depreciation	482
Profit on sale of tangible fixed assets	(2)
(Increase) in debtors	(579)
Decrease in stocks	470
Decrease in creditors	(5,035)
Net cash outflow from operating activities	(7,431)

Notes to the financial statements

at 28 May 2006

17 NOTES TO THE STATEMENT OF CASH FLOWS (continued)

(b) Analysis of changes in net debt

	On incorporation	*Cash flow*	*At 28 May 2006*
	£000	*£000*	*£000*
Cash at bank and in hand	-	647	647
Bank overdraft	-	(4,625)	(4,625)
Net overdraft	-	(3,978)	(3,978)
Loan from related parties	-	(4,853)	(4,853)
	-	(8,831)	(8,831)

18. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for its employees The assets of the scheme are held separately from those of the company in an independently administered fund Contributions paid by the company to the fund were £265,000 The amount outstanding at the period end was £19,000

19. OTHER FINANCIAL COMMITMENTS

At 28 May 2006 the company had annual commitments under non-cancellable operating leases as set out below

	Other 2006
	£000
Operating leases, which expire	
In two to five years	53

20 RELATED PARTY TRANSACTIONS

During the period the company received loans totalling £5,000,000 from related parties (note 14) Of this balance, £3,850,000 was provided by E Atkin and C J Atkin, the directors of the company A further £1,150,000 was provided by E Atkin and B Gold as trustees of KC Atkin Settlement B Gold is also the secretary of the company Interest is charged at 3% over The Royal Bank of Scotland base rate on this loan Interest payable to E Atkin and C J Atkin during the period has been waived

E Atkin and C J Atkin put in place a further £10,000,000 facility to C A Holdings plc, the company's parent undertaking, in order to fund the group

The company charged C A Holdings plc, £490,000 for expenditure incurred on its behalf during the period In advance of C A Holdings plc securing its own funding, the company purchased various fixed assets for C A Holdings plc and also advanced monies to it At the period end the amount due from C A Holdings plc was £890,063

Since the period end certain properties have been transferred to other subsidiaries of C A Holdings plc at their net book value which amounted to £3,423,073 in total at the date of transfer

Notes to the financial statements

at 28 May 2006

21. PARENTS UNDERTKAING AND ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking is C A Holdings plc, a company registered in England and Wales

The directors regard E Atkin and C J Atkin as the ultimate controlling parties According to the register kept by the company, E Atkin and C J Atkin have 45% and 29% respective interests in the equity capital of C A Holdings plc, the parent undertaking of Cannon Automotive Limited, at 28 May 2006