

DHCRE III PROJECTS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR
THE YEAR ENDED

31 DECEMBER 2012



Registered in England & Wales No 06416574

**DHCRE III PROJECTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2012**

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DHCRE III PROJECTS LIMITED

Directors' Report

The Directors present their Report to the members together with the audited Financial Statements for the year ended 31 December 2012

Business review

The Company forms acquisition vehicles for use in investments undertaken by the Funds administered by the Doughty Hanson & Co Group

Given the nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Results and dividends

The results for the year are set out in the profit and loss account on page 6 The Directors do not recommend the payment of a dividend for the year (2011 £nil)

Liability insurance

The Company has professional indemnity insurance in the form of a qualifying third party indemnity provision in place in respect of the duties of the Directors and Officers

Directors

The Directors of the Company who served during the year and up to the date of the signing of the Financial Statements were as follows

N E Doughty (Deceased 4 February 2012)
R P Hanson
S C Marquardt
R N Lund
G D Stening

DHCRE III PROJECTS LIMITED

Directors' Report (continued)

Statement of Directors' Responsibilities in respect of the Annual Report and 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 prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they 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 accounting 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 confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. 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.

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



R N Lund
Director
17 April 2013

Registered Office
45 Pall Mall
London
SW1Y 5JG

DHCRE III PROJECTS LIMITED

Independent Auditors' Report to the member of DHCRE III Projects Limited

We have audited the Financial Statements of DHCRE III Projects Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Directors and Auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited Financial Statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the Financial Statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of its result and cash flows for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

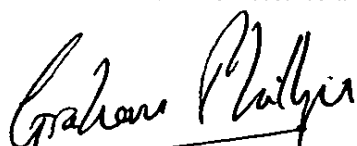
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the Financial Statements are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Graham Phillips (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 April 2013

DHCRE III PROJECTS LIMITED
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Profit and Loss Account for the year ended 31 December 2012

	Notes	2012	2011
		£	£
Turnover		-	-
Administrative expenses		—	—
Profit on ordinary activities before taxation	2	-	-
Taxation		—	—
Result for the financial year		==	==

The results above are derived from continuing activities

The Company has no recognised gains and losses other than the results above and therefore no separate statement of recognised gains and losses is presented

There is no difference between the amounts stated above and their historical cost equivalents, either in respect of profit on ordinary activities before taxation and the result for the financial year

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Balance Sheet as at 31 December 2012

	Notes	2012 £	2011 £
Current assets			
Debtors	5	<u>100</u>	<u>100</u>
Capital and Reserves			
Called-up share capital	6	100	100
Profit and loss account		<u>-</u>	<u>-</u>
Total shareholders' funds		<u>100</u>	<u>100</u>

The Financial Statements on pages 6 to 10 were approved by the Board of Directors on 17 April 2013 and were signed on its behalf by



R N Lund
Director

DHCRE III PROJECTS LIMITED
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Cash Flow Statement for the year ended 31 December 2012

There were no cash flows for the year ended 31 December 2012 (2011 £nil)

All payments are made by a fellow subsidiary undertaking and settled via an intercompany payable All receipts are also received by a fellow subsidiary undertaking and settled via an intercompany receivable

DHCRE III PROJECTS LIMITED

Notes to the Financial Statements for the year ended 31 December 2012

1 Accounting policies

Basis of accounting

These Financial Statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards. The principal accounting policies which have been applied consistently are set out below.

The headings and formats adopted in the profit and loss account have been adapted from those specified in the Companies Act 2006 as, in the opinion of the Directors, those adopted more appropriately reflect the nature of the Company's business.

Revenue recognition

Fee income, which excludes value added tax, represents the value of services supplied, accounted for on an accruals basis.

Foreign currencies

Assets and liabilities in foreign currencies are translated into Sterling at rates of exchange ruling at the end of the financial period. Transactions denominated in foreign currency are translated into sterling at the rate of exchange ruling on the date of transaction. Foreign exchange differences are taken to the profit and loss account in the year in which they arise.

2 Profit on ordinary activities before taxation

The Company's fee payable for the audit for the year ended 31 December 2012 is £1,220 (2011: £1,230). This fee is met by a fellow subsidiary undertaking, Doughty Hanson & Co Managers Limited, and is not recharged to the Company.

3 Employee information

There were no employees of the Company during the year (2011: nil).

4 Directors' emoluments

The emoluments of the Directors are paid by the parent company or a fellow subsidiary which makes no recharge to the Company. The Directors are also directors of the parent company and/or a number of fellow subsidiaries and for disclosure purposes an apportionment of Directors' emoluments is made to each company in the Group based on services provided. The services provided to the Company are deemed to be immaterial in the context of Directors' emoluments as a whole and therefore the above details include no emoluments in respect of the Directors.

5 Debtors

	2012 £	2011 £
Amounts owed by fellow subsidiary undertaking	<u>100</u>	<u>100</u>

Amounts owed by fellow subsidiary undertaking, DHCCPP Limited, are interest free and payable on demand.

DHCRE III PROJECTS LIMITED

Notes to the Financial Statements for the year ended 31 December 2012

6 Share capital

	2012 £	2011 £
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

7 Ultimate parent company

The ultimate parent undertaking is DHC Limited, which is the parent undertaking of the smallest and largest group to consolidate these Financial Statements. DHC Limited is registered in the Cayman Islands and trades from 45 Pall Mall, London, SW1Y 5JG. DHC Limited and all of its subsidiary companies, other than overseas operating companies, are subject to UK Corporation Tax. Overseas operating companies are subject to taxation in Germany, USA, Sweden and Italy. The ultimate controlling parties are Richard Hanson and the Executors of the estate of the late Nigel Doughty. The ultimate controlling parties are UK domiciled and therefore subject to UK taxation.

8 Related party transactions

The Company forms acquisition vehicles for use in investments undertaken by the Funds administered by the Doughty Hanson & Co Group. The Company received no fees for its services in the year (2011: £nil).

At 31 December 2012 a balance of £100 (2011: £100) was due from DHCCPP Limited.