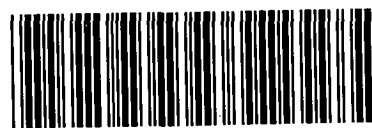


**INEOS Industries Holdings Limited**  
**Annual report**  
**for the year ended 31 December 2013**  
**Registered Number 6958119**

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# INEOS Industries Holdings Limited

## Annual report

for the year ended 31 December 2013

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# INEOS Industries Holdings Limited

## Strategic report for the year ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

### Principal activities and business review

The principal activity of the Company is the management activities of a financial holding company.

### Future developments

The Company held its investments in the year and will continue to do for the foreseeable future.

### Principal risks and uncertainties

The principal risk and uncertainty of the business is the potential impairment of the investments it holds. The directors review the investments for impairment annually or when an indication of impairment is deemed to exist.

### Key performance indicators ("KPIs")

Given the straightforward 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

The result for the year ended 31 December 2013 was a profit on ordinary activities after taxation of €7,551,000 (2012: loss of €25,534,000)

### Dividends

No dividends were declared or paid in respect of the year (2012: none).

Approved and signed by order of the board



Y Ali  
Company Secretary  
30 June 2014

# INEOS Industries Holdings Limited

## Directors' report for the year ended 31 December 2013

The directors present their report and the audited financial statements for the year ended 31 December 2013.

### Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

Mr G Leask

Mr J Dawson

Mr J Ginns (appointed 28 March 2013)

### Financial risk management

The Company is funded internally and therefore has no direct exposure to liquidity, interest or debt market risk.

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 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;
- 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 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.

### Disclosure of information to auditors

The directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

# **INEOS Industries Holdings Limited**

## **Directors' report for the year ended 31 December 2013 (continued)**

Approved and signed by order of the board

A handwritten signature in black ink, appearing to read 'Y Ali', with a stylized flourish at the end.

Y Ali  
Company Secretary  
30 June 2014

# **INEOS Industries Holdings Limited**

## **Independent auditors' report to the members of INEOS Industries Holdings Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit 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.

This opinion is to be read in the context of what we say in the remainder of this report.

#### **What we have audited**

The financial statements, which are prepared by INEOS Industries Holdings Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

# INEOS Industries Holdings Limited

## Independent auditors' report to the members of INEOS Industries Holdings Limited (continued)

### Opinion on other matter prescribed by the Companies Act 2006

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

### Other matters on which we are required to report by exception

#### Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

#### Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### Responsibilities for the financial statements and the audit

#### Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 ISAs (UK & 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.



Steve Denison (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
30 June 2014

# INEOS Industries Holdings Limited

## Profit and loss account for the year ended 31 December 2013

	Note	2013 €'000	2012 €'000
Administrative expenses		17,393	(26,248)
<b>Operating profit / (loss)</b>	2	17,393	(26,248)
Income from shares in group undertakings		-	2,250
Income from other fixed asset investments		273	114
Interest receivable and similar income	3	8,829	7,090
Interest payable and similar charges	4	(17,518)	(10,979)
<b>Profit / (loss) on ordinary activities before taxation</b>		8,977	(27,773)
Tax on profit /(loss) on ordinary activities	6	(1,426)	2,239
<b>Profit / (loss) for the financial year</b>	12	7,551	(25,534)

All results relate to continuing activities.

The Company has no recognised gains or losses other than the profit/ (loss) above and therefore no separate statement of total recognised gains or losses has been presented.

There are no material differences between the profit/ (loss) on ordinary activities before taxation and the profit/ (loss) for the financial years stated above and their historical cost equivalents.

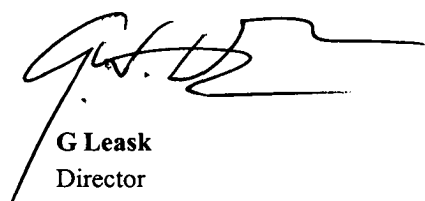


# INEOS Industries Holdings Limited

## Balance sheet as at 31 December 2013

	Note	2013 €'000	2012 €'000
<b>Fixed assets</b>			
Investments	7	226,767	156,986
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	112,609	143,342
Debtors: amounts falling due after more than one year	8	53,252	39,219
Cash at bank and in hand		2,466	2,636
		<b>168,327</b>	<b>185,197</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(288,373)</b>	<b>(165,122)</b>
<b>Net current (liabilities) / assets</b>		<b>(120,046)</b>	<b>20,075</b>
<b>Total assets less current liabilities</b>		<b>106,721</b>	<b>177,061</b>
<b>Creditors: amounts falling due after more than one year</b>	9	<b>(59,513)</b>	<b>(137,404)</b>
<b>Net assets</b>		<b>47,208</b>	<b>39,657</b>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account	11	47,208	39,657
<b>Total shareholders' funds</b>	12	<b>47,208</b>	<b>39,657</b>

The financial statements on pages 6 to 17 were approved by the board of directors on 30 June 2014 and were signed on its behalf by:



**G Leask**  
Director

INEOS Industries Holdings Limited  
Registered number 06958119

# INEOS Industries Holdings Limited

## Statement of accounting policies

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

### **Basis of preparation**

The financial statements present the financial position and financial performance of the Company standing alone only.

The financial statements are expressed in Euros as the Company generates income, incurs expenditure and has the majority of its assets and liabilities denominated in Euros.

The financial statements are prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been consistently applied, are set out below.

### **Exemption from consolidation**

The Directors consider that the Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is included within the consolidated financial statements of INEOS Industries Limited, the immediate parent Company at 31 December 2013.

### **Cash flow statement**

The Directors consider that the Company is exempt under the terms of Financial Reporting Standard No 1 (revised 1996) from publishing a cash flow statement because the cash flows of the Company are included in the consolidated cash flow statement of INEOS Industries Limited.

### **Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction (or if hedged forward, at the rate of exchange under the related forward currency contract). Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

### **Investments**

Investments are included at cost less provision for impairment. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013

### 1 Reporting currency

The financial statements are expressed in Euros as the Company generates income, incurs expenditure and has the majority of its assets and liabilities denominated in Euros.

The exchange rate as at 31 December 2013 was €1.19632/£1 (2012: €1.21966/£1).

### 2 Operating profit/(loss)

During the year, the company wrote back a carrying value adjustment of €21.6 million, acquired on acquisition against a receivable loan that is no longer required.

In 2011 the company wrote off a loan of €21 million to Ineos Bio Holdings Limited.

These amounts were charged in arriving at operating loss.

Operating loss includes audit fees of £10,000 (2012: £10,000).

### 3 Interest receivable and similar income

	2013 €'000	2012 €'000
Interest receivable from group undertakings	7,274	5,974
Interest receivable from related parties	1,555	910
Other interest receivable	-	206
	8,829	7,090

# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 4 Interest payable and similar charges

	2013 €'000	2012 €'000
Interest payable to group undertakings	12,847	9,729
Interest payable to related parties	3,286	660
Other interest payable	22	-
Exchange losses	1,363	590
	17,518	10,979

### 5 Employees and directors

None of the directors received any emoluments during the year in respect of their services to the Company (2012:nil). No other persons were employed during the year (2012: nil).

### 6 Tax on profit/(loss) on ordinary activities

(a) Analysis of tax (credit) /charge in the year:

	2013 €'000	2012 €'000
Total current tax credit / charge for the year	1,426	(2,239)

# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 6 Tax on profit/(loss) on ordinary activities (continued)

The tax assessed for the year is below (2012: below) the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below:

	2013 €'000	2012 €'000
Profit / (loss) on ordinary activities before taxation	8,977	(27,773)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%)	2,087	(6,804)
Effects of:		
Expenses not chargeable for tax purposes	(5,142)	4,565
Losses not recognised	3,055	-
Adjustment in respect previous years	1,426	-
<b>Current tax charge/(credit) for the year</b>	<b>1,426</b>	<b>(2,239)</b>

#### (b) Factors that may affect future tax charge

The Finance Act 2013 was substantively enacted on 2 July 2013 and included legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 and further reduce to 20% from 1 April 2015.

### 7 Investments

	Subsidiaries €'000	Joint Ventures €'000	Other €'000	Total €'000
Cost				
At 1 January 2013	25	147,610	9,351	156,986
Additions	54,517	12,189	3,075	69,781
<b>At 31 December 2013</b>	<b>54,542</b>	<b>159,799</b>	<b>12,426</b>	<b>226,767</b>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 7 Investments (continued)

Details of investments in joint ventures are set out below:

Company	Country of incorporation	Percentage held	Principal activities
Styrolution Holding GmbH	Germany	50%	Chemicals
Tricoya Technologies	UK	50%	Wood Technology

During the year, the company made an additional investment of €12.2 million in Styrolution Holdings GmbH and €1.3 million in Tricoya Technologies.

Details of the other investments are set out below:

Company	Country of incorporation	Percentage held	Principal activities
Fluxel S.A.S	France	20%	Port Authority
Accsys Technologies	UK	5.43%	Technology

During the year, the company made an additional investment of €1.8 million in Fluxel SAS.

# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 7 Investments (continued)

Details of the subsidiaries are set out below:

Company	Country of registration or incorporation	Percentage held	Principal activities
Ineos (ABS) UK Limited*	UK	100%	Business Consultancy
Ineos ABS (USA) Corporation*	US	100%	Chemicals
Ineos Bio Holdings Limited*	UK	80%	Holding Company
Ineos Mexico, S de RL de C.V.	Mexico	100%	Services Company
Ineos Bio Limited	UK	80%	Chemicals
Ineos Bio Resources Limited	UK	80%	Chemicals
Ineos Bio USA LLC	US	80%	Chemicals
Ineos Bio New Planet BioEnergy	US	80%	Chemicals
Ineos Healthcare Holdings Limited*	UK	80%	Holding Company
Ineos Healthcare Limited	UK	80%	Healthcare
Ineos Melamines GmbH*	Germany	100%	Chemicals
Ineos Melamines LLC	US	100%	Chemicals
Ineos Melamines Singapore Pte Ltd	Singapore	100%	Chemicals
Ineos Styrenics Germany GmbH	Germany	100%	Chemicals
Ineos Styrenics Europeans Holdings BV*	Netherlands	100%	Chemicals
Ineos Styrenics GmbH*	Germany	100%	Chemicals
Ineos Styrenics Holdings France S.A.S	France	100%	Chemicals
Ineos Styrenics International S.A.*	Switzerland	100%	Chemicals
Ineos Styrenics Italy S.R.L	Italy	100%	Chemicals
Ineos Styrenics Kimyasaal Urunler L.S	Turkey	100%	Chemicals
Ineos Styrenics Manufacturing GmbH	Germany	100%	Chemicals
Ineos Styrenics Netherlands B.V	Netherlands	100%	Chemicals
Ineos Styrenics Ribecourt S.A.S	France	100%	Chemicals
Ineos Styrenics Service BV	Netherlands	100%	Chemicals
Ineos Styrenics UK Limited	UK	100%	Chemicals
Ineos Styrenics US LLC	US	100%	Chemicals
Ineos Styrenics Wingles S.A.S	France	100%	Chemicals
Ineos ChloroToluenes Belgium NV	Belgium	100%	Chemicals
Ineos ChloroToluenes Holdings BV	Netherlands	100%	Holding Company
Ineos ChloroToluenes Limited	UK	100%	Chemicals

# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 7 Investments (continued)

	Country of registration or incorporation	Percentage held	Principal activities
Ineos Maastricht BV	Netherlands	100%	Chemicals
Ineos Vinyls Holdings Italia S.r.l.*	Italy	100%	Dormant
Ineos Films Italia S.r.l.	Italy	100%	Dormant

\*Held directly by the Company

### 8 Debtors

Amounts falling due within one year	2013	2012
	€'000	€'000
Amounts owed by group undertakings	112,529	113,513
Amounts owed by related parties	-	27,531
Other debtors	80	2,298
	112,609	143,342

Amounts falling due after more than one year	2013	2012
	€'000	€'000
Amounts owed by group undertakings	2,140	39,219
Amounts owed by related parties	44,324	-
Other debtors	6,788	-
	53,252	39,219

Amounts owed by group undertakings and related parties are unsecured.



# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 9 Creditors

<b>Amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>
	<b>€'000</b>	<b>€'000</b>
Amounts owed to group undertakings	254,343	139,777
Amounts owed to related parties	34,018	24,470
Other creditors	12	875
	<b>288,373</b>	<b>165,122</b>

<b>Amounts falling due after more than one year</b>	<b>2013</b>	<b>2012</b>
	<b>€'000</b>	<b>€'000</b>
Amounts owed to group undertakings	59,513	137,404

Amounts owed to group undertakings and related parties are unsecured.

### 10 Called up share capital

<b>Allotted, issued and fully paid</b>	<b>2013</b>	<b>2012</b>
	<b>€'000</b>	<b>€'000</b>
2 (2012:2) ordinary shares of £1.00 each	-	-
214,913 (2012: 269,124) business tracker shares of 0.001p each	-	-
	-	-

As the reporting currency of the Company is the Euro, share capital has been converted to Euros at the effective rate of exchange ruling at the date of issuance.

A summary of the rights that attach to each class of shares is as follows:

# INEOS Industries Holdings Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 10 Called up share capital (continued)

The holders of the Business Tracker shares shall be entitled to receive dividends as determined by the Company out of profits of the Company available for distribution in a financial year up to a maximum of 10% of such profits available for distribution or such higher amount as the Special Committee may determine. On a return of capital, the holders of the Business Tracker shares shall be entitled to receive up to a maximum of 10% of the surplus assets of the Company remaining after the payment of its liabilities, or such higher amount as the Special Committee may determine. Each holder of Business Tracker shares shall receive that portion of the surplus assets for the year over which the Business Tracker shares have been held by them. The holders of the Business Tracker shares are not entitled to vote at any general meeting of the Company.

The holders of the Ordinary shares shall be entitled to receive dividends as determined by the Company out of the profits remaining after the deduction of the proportion of the profits attributed to the holders of the relevant Business Tracker shares. On a return of capital, the holders of the Ordinary shares shall be entitled to receive that portion of the surplus assets remaining after the deduction of the proportion of the surplus assets attributed to the holders of the relevant Business Tracker shares. The holders of the Ordinary shares are entitled to one vote per share at any general meeting of the Company.

### 11 Reserves

	Profit and loss account €'000
At 1 January 2013	39,657
Profit for the financial year	7,551
<b>At 31 December 2013</b>	<b>47,208</b>

### 12 Reconciliation of movements in shareholders' funds

	2013 €'000	2012 €'000
Profit / (loss) for the financial year	7,551	(25,534)
Increase / (decrease) in total shareholders' funds	7,551	(25,534)
Opening shareholders' funds	39,657	65,191
<b>Closing shareholders' funds</b>	<b>47,208</b>	<b>39,657</b>

# **INEOS Industries Holdings Limited**

## **Notes to the financial statements for the year ended 31 December 2013 (continued)**

### **13 Related party transactions**

The Company had a management services agreement with Ineos AG. Management fees of €5.0 million were charged in the year (2012: € 5.0 million), these were in part recovered from other entities in the group. At 31 December 2013 amounts owed to Ineos AG were €12.5 million. (2012: €8.0 million)

The company was owed €44.3 million by Ineos Bio SA (2012: €26.7 million) and €nil million by Ineos Bio Refinery (Seal Sands) Limited (2012: €0.1 million), for unsecured borrowings. The company owed €21.5 million to Ineos Technologies Limited (2012: €16.1 million) due within 1 year and €59.5 million to Ineos Holdings Limited (2012 €nil) due after 1 year, for unsecured borrowings.

### **14 Parent undertaking and controlling party**

The directors regard INEOS Industries Holdings Limited, a company incorporated in the United Kingdom, to be the immediate parent undertaking of the company.

The ultimate parent undertaking is INEOS A.G. INEOS Industries Limited is the smallest and largest group of undertakings to consolidate these financial statements. Copies of the financial statements of INEOS Industries Limited can be obtained from the Company Secretary, INEOS Industries Limited, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

The ultimate controlling party is Mr J A Ratcliffe, director and majority shareholder in INEOS A.G.