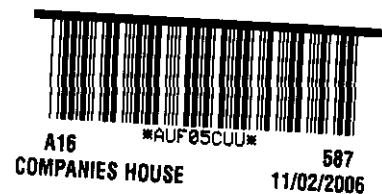


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Kemira Specialty Crop Care B.V.
(formerly Liprokem B.V.)

Annual Report 2004



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Kemira Specialty Crop Care B.V. (formerly Liprokem B.V.)

Balance sheet as at 31 December 2004

(before appropriation of result)

	31 December 2004		31 December 2003*	
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Fixed assets				
Inventories	719		445	
Receivables	10,836		29,086	
Liquid assets	5,812		64	
Current assets	17,367		29,595	
Current liabilities	20,018		32,429	
Net current assets		-2,651		-2,834
Assets less current liabilities		-2,651		-2,834
Shareholder's equity				
Called and paid-in share capital		18		18
Share premium reserve		-		-
Accumulated losses		-2,834		-2,187
Unappropriated result		165		-665
		-2,651		-2,834

The notes on pages 5 through 9 form an integral part of these financial statements.

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* Restated for comparison purposes.

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Kemira Specialty Crop Care B.V. (formerly Liprokem B.V.)

Profit and loss account for the year ended 31 December 2004

	2004		2003	
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Gross profit		938		609
Wages and Salaries	289		283	
Other expenses	34		65	
		<u>323</u>		<u>348</u>
Net operating result		615		261
Interest and similar income	154		58	
Interest and similar expenses	103		380	
Foreign exchange (gains) and losses	365		495	
Other financing expenses	136		109	
		<u>-450</u>		<u>-926</u>
Result from normal operations		165		-665
Tax on result from normal operations		-		-
Net profit / loss		<u>165</u>		<u>-665</u>

The notes on pages 5 through 9 form an integral part of these financial statements.



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Notes to the financial statements

General

Kemira Specialty Crop Care B.V., formerly Liprokem B.V. ("the Company"), is part of the group of which Kemira Oyj is the ultimate parent company. The financial and other data of the Company is (ultimately) consolidated with that of Kemira Oyj, Helsinki, Finland. The accounts of the latter company are available from its offices in Helsinki.

The Company provides services to other Kemira group companies regarding the trading of specialty crop care products on a commissionaire basis. The Company's UK Branch acts as a trading company in the United Kingdom.

Basis of presentation

Further to Article 396 part 9 Book 2 of the Dutch Civil Code Book, the Company classifies as a so-called 'small company'. Accordingly, the financial statements are presented taking into account the exemption facilities of this Article.

The net current liabilities of EUR 2.6 million as at 31 December 2004 may raise questions about the ability of the company to continue as a going concern. However, portion of the current liabilities represent payables to Kemira group companies. As a consequence of the separation of the GrowHow business, SCC's water soluble is from the 1st of October 2004 no longer the sales representative for the GrowHow business. The company is also currently financed through short-term loans provided by its ultimate parent company. Management believes that the company will generate sufficient cash flows and will have the necessary financing to enable the company to continue as a going concern. Consequently, these financial statements have been prepared on a going concern basis.

Change of accounting policies concerning balance sheet presentation

With effect from financial years starting on or after 1 January 2003, the Council for Annual Reporting has decided that proposed dividend payments approved after the balance sheet date can no longer be stated as a liability as at balance sheet date. Consequently a change in accounting policies has been made concerning the balance sheet presentation, which is now presented prior to appropriation of profit. The result after taxes for the financial year is included as a separate item in the shareholders' equity. The comparative figures have been adjusted to incorporate this change in accounting principles.

Currency translation



All assets and liabilities expressed in foreign currencies are translated into Euros at the rates of exchange ruling at the balance sheet date. Transaction conducted in foreign currencies translated at the exchange rates approximating those ruling at the date of the transactions. Differences arising on translation are processed in the profit and loss account.

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Accounting principles for valuation and the determination of the result

The financial statements have been prepared under the historical cost convention. Unless mentioned otherwise, all assets and liabilities have been stated at their face values.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost represents historic purchase prices determined on the "first in-first out" (FIFO) basis. Where applicable, provisions are formed to account for the effect of obsolescence and are applied to reduce the carrying value of the inventories.

Receivables

Receivables are stated at their face value less any provisions considered necessary.

Deferred taxes

Deferred taxes arising from timing differences between the commercial and fiscal valuation of assets and liabilities are calculated at the standard rate of corporation tax ruling at the balance sheet date.

Deferred tax assets, in excess of any deferred tax liabilities, are only recognized to the extent there is reasonable assurance of future profits that justifies attributing a carrying value to such deferred tax assets.

Long-term liabilities

These represent amounts outstanding at the balance sheet date that are due for redemption more than twelve months after the end of the financial year under review. The redemptions due within twelve months are classified under "current liabilities".

Net turnover

Net turnover represents the commissions received for services provided to other Kemira group companies. Net turnover of the UK Branch represents the invoiced value of goods and services supplied, net of turnover tax and discounts.

Cost and expenses

Cost and expenses are accounted for on an accrual basis applying the principle of matching income and expense.



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Kemira Specialty Crop Care B.V. (formerly Liprokem B.V.)

Taxation

Taxation for the financial year is calculated applying the standard rates of income tax to taxable income determined after taking account of the available fiscal facilities and allowances.

Notes to the balance sheet

Receivables

The majority of the accounts receivables are due within one year.

Liquid assets

Represent cash in hand and bank balances and are freely available.

Shareholder's equity

Called-up and paid-in share capital

As at 31 December 2004, the authorized share capital of the Company amounted to EUR 90,000 comprising 9,000 ordinary shares with a nominal value of EUR 10 each of which 1,815 shares have been issued fully called up and paid-in.

Notes to the profit and loss account

Employee information

The average number of personnel employed by the Company in the financial year was 4 (2003: 4).

Wages and salaries include social security charges for an amount of EUR 26,000 and an amount of EUR 23,000 pension cost.



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Intra-group transactions

The following amounts for transactions with comprises of the Kemira Oyj group have been processed in the profit and loss account for the year:

	2004	2003
Net sales / commission income	960	603
Various recharges (salaries, IT-costs, start-up costs etc.)	1.348	1396
Interest income	154	58
Interest expense	103	380

Rozenburg, 29 June 2005

Executive Directors:

J. van den Bosch

H.G.T. Helsen



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Other information

Statutory provisions for the appropriation of profits

In accordance with Article 18 of the Company's Articles of Association, the result for the year is at the disposition of the Annual General Meeting of Shareholders. Profits may only be distributed to the extent that the Company's equity exceeds the sum of the called-up and paid-in capital and the legal and statutory reserves.

Appropriation of results

The directors' proposal that the result for the year be transferred to the Accumulated Losses has not yet been processed in the financial statements for the year ended 31 December 2004.



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Auditor's report

Introduction

We have audited the 2004 financial statements of Kemira Specialty Corp Care B.V., Rozenburg, as taken up on pages 3 to 9 of the Annual Report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2004 and of the result for the year then ended in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of the Dutch Civil Code.

Rotterdam, 29 June 2005

KPMG Accountants N.V.

Ref.: D. Luthra