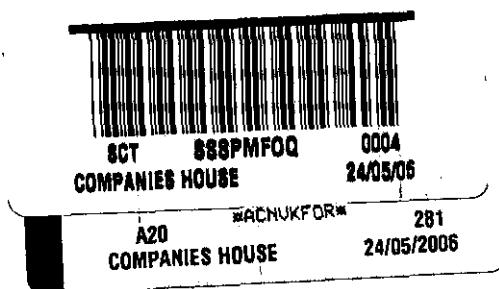


YARM ROAD INTERNATIONAL LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004
TOGETHER WITH THE REPORT OF THE DIRECTORS



Yarm Road International Limited

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year to 31 December 2004.

Principal Activity and Business Review

The Company has ceased to trade. The Company continues to resolve and close out issues arising and resulting from its former operations and the sale of its business following which it is intended that the Company be liquidated or dissolved. The Directors believe that work to resolve legacy issues will continue in the forthcoming year.

During May 2000 the Kvaerner Group completed the sale of its steel fabrication and bridge building business to its management (MBO), which sale included the trade and certain assets of the Company. Since May 2000, the Company has not operated or controlled any business activities.

Financial Statements and Dividend

The financial statements of the Company appear on pages 5 to 9, inclusive.

The result for the year is set out in the profit and loss account on page 5.

The Company has a deficit on its profit and loss account. Consequently, no dividend can be paid.

Subsequent Event

At 31 December 2004 and until 1 April 2005, the Company was a member of the Kværner ASA group of companies. The Company's immediate parent was, and still is, Yarm Road Limited, which company is an indirect subsidiary of Kvaerner PLC. At 1 April 2005, a management buy-out of certain assets and liabilities of Kværner ASA, including the shares of Kvaerner PLC, took place with consequential change in the ultimate parent company and ultimate controlling party of the Company (see Note 13 for details of the Company's ultimate controlling party at the date of approval of these report and accounts). On 20 March 2006, Kvaerner PLC changed its name to TH Global plc.

Directors

At 31 December 2004 the Directors were:

Thomas Hiorth

Ørjan Svanevik

On 1 April 2005, Messrs Hiorth and Svanevik resigned as Directors. Rufus Laycock and Nigel Williams were appointed Directors on 31 May 2005.

Directors' Interests

No Director has, or during the year had, or at the time he became a Director had, any interest in the shares of the Company or any other company in the same group to be disclosed in terms of the Companies Act 1985.

Annual General Meeting

The Company has dispensed with the laying of accounts and reports before the Company in general meeting and the holding of annual general meetings.

Yarm Road International Limited

DIRECTORS' REPORT (continued)

Auditors

KPMG Audit Plc has signed its willingness to continue in office.

Pursuant to a shareholders' resolution, the Company is not obliged to reappoint its auditor annually and KPMG Audit Plc is, therefore, deemed reappointed as auditor for the succeeding year.

By order of the Board,

Rufus Laycock

Rufus Laycock
Company Secretary

Date: 22nd May 2006

Registered Office:
151 St. Vincent Street,
Glasgow G2 5NJ

Yarm Road International Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss 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;
- state whether applicable 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. As explained in the Directors' Report and Note 1 to the Financial Statements, the Company has ceased trading. Accordingly, the Directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

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 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.

Yarm Road International Limited

REPORT OF THE INDEPENDENT AUDITORS, KPMG AUDIT PLC, TO THE MEMBERS OF YARM ROAD INTERNATIONAL LIMITED

We have audited the financial statements on pages 5 to 9.

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 are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs as at 31 December 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Re.

KPMG Audit Plc
Chartered Accountants
Registered Auditor

Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

22 May. 2006

Yarm Road International Limited

Profit & Loss Account for the year ended 31 December 2004

	Notes	<u>Year to</u> <u>31 December</u> <u>2004</u> <u>£000's</u>	<u>Year to</u> <u>31 December</u> <u>2003</u> <u>£000's</u>
Administrative expenses		<u>(1,641)</u>	<u>-</u>
OPERATING LOSS		<u>(1,641)</u>	<u>-</u>
Interest payable and similar charges	2	<u>(117)</u>	<u>(172)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>(1,758)</u>	<u>(172)</u>
Tax on loss on ordinary activities	4	<u>21</u>	<u>-</u>
RETAINED LOSS FOR THE FINANCIAL YEAR	10	<u>(1,737)</u>	<u>(172)</u>

The notes on pages 7 to 9 form part of these accounts.

All of the results above derive from discontinued activities.

The company has no recognised gains or losses other than the loss for the financial year. Accordingly a statement of total recognised gains and losses has not been prepared.

Yarm Road International Limited

Balance Sheet at 31 December 2004

	<u>Notes</u>	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
CURRENT ASSETS			
Debtors	7	21,981	23,732
Cash at bank and in hand		-	7
		<u>21,981</u>	<u>23,739</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	8	<u>(15,217)</u>	<u>(15,238)</u>
		<u>(15,217)</u>	<u>(15,238)</u>
NET CURRENT ASSETS		6,764	8,501
NET ASSETS		<u>6,764</u>	<u>8,501</u>
CAPITAL AND RESERVES			
Called up share capital	9	21,750	21,750
Profit and loss account	10	<u>(14,986)</u>	<u>(13,249)</u>
Equity shareholder's funds	11	<u>6,764</u>	<u>8,501</u>

The notes on pages 7 to 9 form part of these accounts

These financial statements were approved by the Board of Directors on 22nd May 2006 and were signed on its behalf by:

Rufus Laycock

.....
Rufus Laycock
Director

X
Nigel Williams

.....
Nigel Williams
Director

Yarm Road International Limited

Notes to the Accounts

1. Accounting Policies

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

(a) Accounting conventions

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. As explained in the Directors' Report, the Company has ceased trading. In these circumstances, the Directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis. Assets are stated at their recoverable amounts and all known liabilities are provided for at the amounts expected to be paid for their discharge.

(b) Cash flow statement

The company has taken advantage of the exemption under the rules of FRS1 not to produce a cash flow statement. The appropriate amounts have been included in the consolidated accounts of Kvaerner ASA.

(c) Foreign currencies

Trading results denominated in foreign currencies are translated into sterling at average rates of exchange. Monetary assets and liabilities are translated into sterling at the rates ruling at the year end except where rates of exchange are fixed under contractual arrangements. All exchange differences are taken to the profit and loss account when they arise.

(d) Taxation

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.

2. Interest payable and similar charges

	<u>Year to</u> <u>31 December</u> <u>2004</u> <u>£000's</u>	<u>Year to</u> <u>31 December</u> <u>2003</u> <u>£000's</u>
Exchange differences	(117)	(172)
	<u>(117)</u>	<u>(172)</u>

3. Loss on ordinary activities before taxation.

No auditors' remuneration has been charged, in the current and preceding financial year, as this is borne by the company's immediate parent undertaking.

Yarm Road International Limited

Notes to the Accounts (continued)

4. Tax on loss on ordinary activities

Factors affecting the current tax credit

The current tax credit for the year is lower (2003: lower) than the standard rate of corporation tax in the UK. The differences are as follows:

	<u>Year to</u> <u>31 December</u> <u>2004</u> <u>£000's</u>	<u>Year to</u> <u>31 December</u> <u>2003</u> <u>£000's</u>
Loss on ordinary activities before taxation	(1,758)	(172)
Taxation credit at UK corporation tax rate of 30% (2003:30%)	(527)	(52)
Effects of Group relief for which no payment is made	527	52
Adjustment to tax credit in respect of previous periods	(21)	-
Actual tax credit per the accounts	(21)	-

Factors affecting future tax charges

It is anticipated that any future taxable income in this company will be sheltered from tax by utilisation of group relief from other Group companies and, where possible, the use of the Group's tax losses arising in prior years. The Kvaerner PLC tax group has brought forward tax losses estimated at £230m and surplus ACT of approximately £194m.

5. Deferred Tax

There is no potential liability to deferred tax (2003 – £Nil).

6. Directors' emoluments, staff costs and staff numbers

None of the directors received any remuneration from the company during the year (2003: nil). The company had no employees during the current and preceding financial year.

7. Debtors

	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
Amounts falling due within one year:		
Amount owed by group undertakings	21,981	21,981
Other debtors	-	1,751
	<u>21,981</u>	<u>23,732</u>

8. Creditors: Amounts falling due within one year

	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
Trade creditors	3	3
Amounts owed to group undertakings	15,214	15,214
Other taxes and social security	-	21
	<u>15,217</u>	<u>15,238</u>

Yarm Road International Limited

Notes to the Accounts (continued)

9. Called up share capital

	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
Authorised:		
Equity share capital 21,750,000 ordinary shares of £1 each	<u>21,750</u>	<u>21,750</u>
Allotted, called up and fully paid:		
Equity share capital 21,750,000 ordinary shares of £1 each	<u>21,750</u>	<u>21,750</u>

10. Profit and loss account

	<u>£000's</u>
As at 1 January 2004	(13,249)
Retained loss for the financial year	<u>(1,737)</u>
As at 31 December 2004	<u>(14,986)</u>

11. Reconciliation of movements in equity shareholders' funds

	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
Loss for the year	(1,737)	(172)
Opening equity shareholders' funds	<u>8,501</u>	<u>8,673</u>
Closing equity shareholders' funds	<u>6,764</u>	<u>8,501</u>

12. Ultimate parent company

The Company's immediate parent company is Yarm Road Ltd which is registered in England and Wales.

At 31st December 2004, the largest group in which the results of the Company were consolidated was that headed by The Resource Group TRG AS, incorporated in Norway.

The smallest group in which they are consolidated is that headed by Kvaerner PLC, incorporated in England and Wales. The consolidated financial statements of Kvaerner PLC are available to the public and may be obtained from Companies House and/or Kvaerner PLC at 68 Hammersmith Road, London W14 8YW.

At 31st December 2004, the Company's ultimate parent company was The Resource Group TRG AS. Throughout the year under review, The Resource Group TRG AS was controlled by Kjell Inge Rokke and his interests.

13. Post balance sheet event

At 1st April 2005, a management buy-out of certain assets and liabilities, including the shares of Kvaerner PLC, of Kvaerner ASA took place. Consequently, at the date of approval of these financial statements, The Glacier Trust, established under the laws of Guernsey, is to be regarded as the Company's ultimate controlling party.

14. Related party disclosures

As a subsidiary undertaking of Kvaerner PLC, the company has taken advantage of the exemption in FRS8 'related party disclosures' not to disclose transactions with other members of the group headed by Kvaerner PLC.