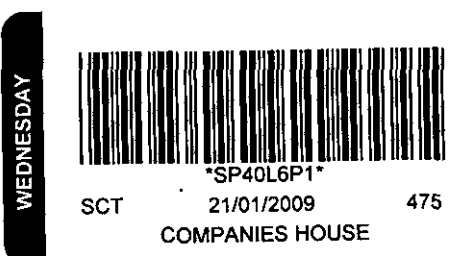


TRG ESOT LIMITED

Report and Financial Statements

31 March 2008



TRG ESOT LIMITED

REPORT AND FINANCIAL STATEMENTS 2008

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TRG ESOT LIMITED

REPORT AND FINANCIAL STATEMENTS 2008

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R G Adam
F A W Bowden
N R Butcher (appointed 27 November 2007)
J M Christie
S N Forbes (appointed 25 September 2007)
E Lindsay
G D Miller
J A Mowbray (retired 27 November 2007)
D C Munro (retired 25 September 2007)
C A G Parr
J M P Whelan

SECRETARY

G D Miller

REGISTERED OFFICE

Markinch
Glenrothes
Fife
KY7 6PB

BANKERS

The Royal Bank of Scotland plc
18 Crossgate
Cupar
Fife
KY15 5HH

SOLICITORS

Dundas & Wilson CS LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

TRG ESOT LIMITED

DIRECTORS' REPORT

The directors present their annual report and the unaudited financial statements for the year ended 31 March 2008.

REVIEW OF THE BUSINESS

The company did not trade in the year under review.

PRINCIPAL ACTIVITIES AND REVIEW OF THE DEVELOPMENTS

The company is non-trading and acts as the sole corporate Trustee of the Tullis Russell Group Employee Share Ownership Trust, the Tullis Russell Group Second Employee Share Ownership Trust and the Tullis Russell Group Limited Employee Share Ownership Plan ("the Trusts"). The Trusts are part of an Employee Share Ownership Plan (ESOP) set up for the benefit of the employees of the parent undertaking and its subsidiaries.

DIRECTORS

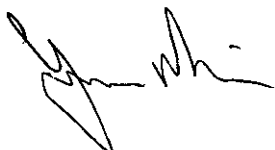
The present membership of the Board is set out on page 1.

Directors' interests in the share capital of the parent undertaking, except for those directors who were also directors of the parent undertaking, were as follows:-

	Ordinary 10p shares	
	At 31 March 2008	At 31 March 2007
	Number	Number
E Lindsay	1,691	14,700
N R Butcher	7,439	7,339
G D Miller	29,588	27,488
J M P Whelan	1,318	1,218
R G Adam	4,849	8,365

The relevant interests in share capital for directors who were also directors of Tullis Russell Group Limited are disclosed in the annual report of Tullis Russell Group Limited.

Approved by the Board of Directors and signed by order of the Board



G D Miller
Secretary

27 May 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare the financial statements for the company in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP").

Company law requires the directors to prepare such financial statements for each financial year which give a true and fair view in accordance with UK GAAP of the state of affairs of the company and of the profit or loss of the company for that period and comply with UK GAAP and the Companies Act 1985. In preparing those financial statements, the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards have been followed; and
- (d) 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRG ESOT LIMITED

BALANCE SHEET

31 March 2008

	Note	2008 £	2007 £
CURRENT ASSETS			
Cash at bank		-	-
Amounts due by parent undertaking		18,044	18,044
		<u>18,044</u>	<u>18,044</u>
CREDITORS: amounts falling due within one year			
Amounts due to the Trusts		-	-
		<u>-</u>	<u>-</u>
NET ASSETS		<u>18,044</u>	<u>18,044</u>
CAPITAL AND RESERVES			
Called up share capital	3	2	2
Income and expenditure account		18,042	18,042
		<u>18,044</u>	<u>18,044</u>
SHAREHOLDERS' FUNDS		<u>18,044</u>	<u>18,044</u>

For the financial year ended 31 March 2008 the company was entitled to exemption from audit under section 249AA(1) of the Companies Act 1985, and no members have required the company to obtain an audit of its Accounts for the year in question in accordance with section 249B(2).

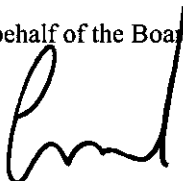
The directors acknowledge their responsibility for:

- i) ensuring the company keeps accounting records which comply with section 221, and
- ii) preparing accounts which give a true and fair view of the affairs of the company as at the end of the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements were approved by the Board of Directors on 27 May 2008.

Signed on behalf of the Board of Directors

C A G Parr
Director



TRG ESOT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2008

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable UK accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The accounts are prepared under the historical cost convention.

Accounts Format

The directors have taken advantage of paragraph 3 (3) of Schedule 4 of the Companies Act 1985 to adapt the Income and Expenditure Account from the prescribed formats of Schedule 4. The revised format in their opinion better reflects the nature of the company's activities.

2. ADMINISTRATIVE EXPENSES

Certain administrative expenses are borne by Tullis Russell Group Limited.

The company has not paid its directors any remuneration in the current or previous years. There were no employees, other than directors, in either year.

3. SHARE CAPITAL

	2008 £	2007 £
Authorised:		
1,000 ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid:		
2 ordinary shares of £1 each	2	2

4. PARENT UNDERTAKING

The immediate and ultimate parent undertaking and ultimate controlling party is Tullis Russell Group Limited. The only group into which the results of this company are consolidated is headed by Tullis Russell Group Limited. Copies of the financial statements of Tullis Russell Group Limited may be obtained from Companies House, 37 Castle Terrace, Edinburgh, EH7 2EB.

5. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary and has therefore taken advantage of the exemption contained in FRS 8 - 'Related Party Disclosures' in not disclosing details of transactions with other group companies.

There were no other related party transactions.