

(Registered No 1371507)

CARBOLITE FURNACES LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30TH SEPTEMBER 2004



CARBOLITE FURNACES LIMITED

ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 30TH SEPTEMBER 2004

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CARBOLITE FURNACES LIMITED

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DIRECTORS' REPORT

For the year ended 30th September 2004

The directors present their report and the audited accounts for the year ended 30th September 2004.

Principal activities and business review

The company has not traded during the current year.

Results and dividends

The profit for the year before taxation amounted to £nil (2003 : £nil).

The profit after tax of £nil (2003 : £nil) will be transferred to reserves.

Directors

The names of those who have been directors during the period are as follows:-

Mr B J Baxter	
Mr P Horsfield	
Mr P J Maybury	(resigned 31 March 2004)
Mr W L Thomson	
Mr J Whitehouse	(appointed 31 March 2004)

Directors' Interests

Mr P Horsfield is a director of the immediate parent company, Barloworld Scientific Group Ltd and his interests are disclosed in that company's accounts.

No other directors or members of their families held either beneficial or non beneficial interests in either the shares of Barloworld PLC or Barloworld Ltd (ultimate parent company) at the beginning or end of the year.

No contract in which any Director had a material interest was entered into by the Company during the year.

Directors responsibilities concerning the accounts

United Kingdom Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of the profit or loss of the company for that year. 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.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

CARBOLITE FURNACES LIMITED

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DIRECTORS' REPORT (continued)

Auditors

A resolution to re-appoint Deloitte & Touche LLP as auditors will be proposed at the forthcoming Annual General Meeting.

By order of the board



MJ Fahy . Secretary

Date : 17 January 2005

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARBOLITE FURNACES LTD

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We have audited the financial statements of Carbolite Furnaces Ltd for the year ended 30th September 2004 which comprises the balance sheet and the related notes 1 to 3. These financial statements have been prepared under the accounting policies set out therein.

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 the auditors 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 or 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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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 supplied by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

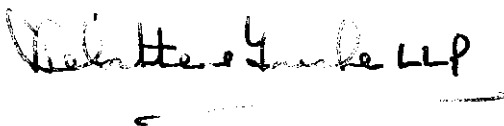
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 the 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 30th September 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Liverpool

CARBOLITE FURNACES LIMITED

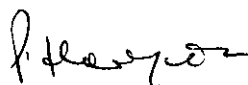
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Balance sheet

30th September 2004

	Notes	2004 £	2003 £
Current assets			
Amounts owed from group undertakings		2,804,893	2,804,893
Net assets		<u>2,804,893</u>	<u>2,804,893</u>
Capital and reserves			
Share capital	2	200,000	200,000
Profit and loss account		<u>2,604,893</u>	<u>2,604,893</u>
		<u>2,804,893</u>	<u>2,804,893</u>

Signed on behalf of the Board who approved the accounts on 17 January 2005



P Horsfield

Notes to the financial statements
for the year ended 30th September 2004

1. Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies which have been applied consistently, is set out below.

Basis of accounting

The accounts are drawn up on the historical cost basis of accounting.

Cash Flows

The company has not prepared a cash flow statement as it is a wholly owned subsidiary of Barloworld PLC and its cash flows are included in that company's consolidated cash flow statement. This is in accordance with FRS 1 (revised).

2. Share capital

	2004 £	2003 £
Authorised		
500,000 ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid		
200,000 ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>

3. Ultimate parent company

The ultimate parent company is Barloworld Ltd incorporated in South Africa. The immediate parent company is Bibby Sterilin Limited, a company incorporated in England & Wales. Copies of the financial statements for these companies may be obtained from The Secretary, Barloworld plc, 3rd Floor, Medici Court, 67/69 New Bond Street, London, W1S 1DF.

The company has taken advantage of the exemption included in Financial Reporting Standard No 8 "Related Party Disclosures" (para 3) for wholly owned subsidiaries not to disclose transactions with entities that are part of the group or investees of the group qualifying as related parties.