

Company No: 3182537

CROWN UK HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2004



CROWN UK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

The directors present their report and the audited consolidated financial statements of the company for the year ended 31 December 2004.

PRINCIPAL ACTIVITIES, REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The principal activity of the group continues to comprise the manufacture and printing of packaging containers. The directors are satisfied with the financial performance of the company and anticipate that the current level of activity will be sustained throughout the following year.

RESULTS AND DIVIDENDS

The group's retained profit for the year of £1.7M (2003: loss as restated of £7.4M) has been transferred to reserves. The directors do not recommend the payment of a dividend (2003: £NIL).

DIRECTORS AND THEIR INTERESTS

The directors of the company who served during the year and up to the date of signing the accounts are set out below:

J W Conway
J Davidson
A W Rutherford

J Davidson has an interest of 1 £1 ordinary share in Alpine Crown Corks Limited, a body corporate within the same group as Crown UL Holdings Limited. J Davidson also holds 2 £1 deferred shares in CarnaudMetalbox Group UK Ltd, a body corporate within the same group as Crown UK Holdings Limited. No other directors have any interest in the shares of the company or any other group company required to be disclosed under Schedule 7 of the Companies Act 1985.

EMPLOYMENT POLICIES

It is the group's policy to keep employees fully informed on matters which affect them through direct face to face communications and established collective procedures for joint consultation.

Throughout the year the drive for world class goals has served as an important focus for improved communication with employees. It has provided opportunities for involving employees and enlisting their commitment through training and joint problem solving in a team working environment with the added focus of world class manufacturing programmes in all locations.

HEALTH AND SAFETY

The group promotes its Health and Safety policy with high profile initiatives and has throughout the period continued vigorously to apply increasing standards of machine and employee safety.

DISABLED PERSONS

The group's policy on the employment of disabled persons has been applied as sympathetically as possible although few external recruitment opportunities arose during the period. The Group has continued to examine ways and means of providing employment for disabled employees under normal terms and conditions with opportunities for training, career development and promotion as appropriate. If members of staff become disabled the group continues employment wherever possible and arranges retraining.

CROWN UK HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

CHARITABLE AND POLITICAL DONATIONS

Donations to charitable organisations made by the group amounted to £5,325 (2003: £6,000). No payments were made during the year for political purposes (2003: £NIL).

RESEARCH AND DEVELOPMENT

The directors consider that research and development play a vital role in the group's success. The research and development costs incurred by the group are set out in note 4 to the accounts.

INFORMATION TECHNOLOGY

There is a central Information Technology ("IT") department responsible for ensuring that businesses conform to their IT strategy and policies. The IT department is also responsible for writing and maintaining proprietary operating software.

CREDITORS PAYMENT POLICY

The group agrees payment terms with its suppliers and seeks to abide by these terms when it is satisfied that goods and services have been provided in accordance with the relevant contractual arrangements. The group settles all undisputed accounts for payment within 45 days, unless terms in excess of 45 days are specifically negotiated with the supplier. Creditor days at 31 December 2004 were 68 (2003: 69). The company does not have any trade creditors.

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 the group as at the end of the financial year and of the profit or loss of the group for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

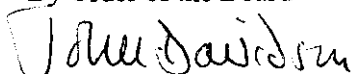
The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2004 and that applicable accounting standards have been followed, subject to any material departures disclosed and explained within the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By Order of the Board



J Davidson

Director

26/10/05

CROWN UK HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CROWN UK HOLDINGS LIMITED

We have audited the financial statements which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the balance sheets, the consolidated cash flow statement and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 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 affairs of the company and the group at 31 December 2004 and of the profit and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Reading

27th October 2005

CROWN UK HOLDINGS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004**

	<u>Notes</u>	<u>2004</u>	<u>As restated 2003</u>
		<u>£M</u>	<u>£M</u>
Turnover	2	669.3	680.3
 Operating costs (net)	4	 <u>(652.3)</u>	 <u>(648)</u>
Operating profit	2	17.0	32.3
Loss on disposal of fixed asset investments	3	(0.1)	-
 Losses on sales of operations	3	 <u>-</u>	 <u>(0.3)</u>
Profit on ordinary activities before interest and other income		16.9	32
 Income from shares in Group undertakings		 0.3	 0.2
Interest receivable	5	2.5	3.4
Interest payable	6	(24.7)	(48.9)
Other financial income	22	19.0	10.0
Other financial expenses	22	<u>(0.7)</u>	<u>(0.6)</u>
Profit/(loss) on ordinary activities before taxation		13.3	(3.9)
 Tax on profit/(loss) on ordinary activities	8	 (11.6)	 (3.5)
 Retained profit/(loss) for the financial year	19	 <u>1.7</u>	 <u>(7.4)</u>

The group sold its interests in CarnaudMetalbox Ghana Ltd to another group company in June 2004 hence activities for the year ended 31 December 2004 include only six months of the results of CarnaudMetalbox Ghana Ltd. These results have not been classified as discontinued operations as they are not considered to be material. All other results for the years above are derived entirely from continuing operations.

There is no material difference between the profit/(loss) on ordinary activities before taxation and the results for the years stated above and their historical cost equivalent.

CROWN UK HOLDINGS LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2004**

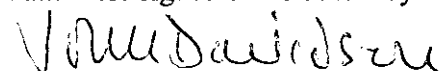
	<u>Notes</u>	<u>2004</u> £M	<u>As restated</u> <u>2003</u> £M
Profit/(loss) for the financial year		1.7	(7.4)
Actuarial (loss)/gain on pension scheme	22	(12.0)	15.0
Actuarial gain/(loss) on medical plan	22	1.9	(0.1)
Movement on deferred tax relating to pension asset	19	3.6	(4.5)
Movement on deferred tax re medical plan	20	(0.6)	-
Currency translation differences on foreign currency net investments		<u>(0.4)</u>	<u>(1.3)</u>
Total recognised (loss)/gain for the year		(5.8)	1.7
Prior year adjustment - FRS17	19	33.4	
Total gains recognised since last annual report		<u>27.6</u>	

CROWN UK HOLDINGS LIMITED

BALANCE SHEETS AS AT 31 DECEMBER 2004

	Notes	Group 2004 £M	Company 2004 £M	Group as restated 2003 £M	Company as restated 2003 £M
Fixed assets					
Intangible assets	10	366.6	-	397.8	-
Tangible assets	11	173.2	-	191.3	-
Investments	12	1.4	776.3	1.4	776.3
		<u>541.2</u>	<u>776.3</u>	<u>590.5</u>	<u>776.3</u>
Current assets					
Stocks	13	68.6	-	63.5	-
Debtors	14	131.3	31.6	123.6	30.8
Cash at bank and in hand		<u>16.1</u>	<u>-</u>	<u>26.4</u>	<u>-</u>
		216.0	31.6	213.5	30.8
Creditors (amounts falling due within one year)	15	<u>(305.8)</u>	<u>(315.8)</u>	<u>(310.2)</u>	<u>(316.1)</u>
Net current liabilities		<u>(89.8)</u>	<u>(284.2)</u>	<u>(96.7)</u>	<u>(285.3)</u>
Total assets less current liabilities		451.4	492.1	493.8	491.0
Creditors (amounts falling due after more than one year)	16	(125.3)	-	(156.4)	-
Provisions for liabilities and charges	17	<u>(19.0)</u>	<u>-</u>	<u>(19.4)</u>	<u>-</u>
Net assets excluding pension asset and post-retirement medical benefit plan liability		307.1	492.1	318.0	491.0
Pension asset	22	44.0	44.0	40.0	40.0
Post-retirement medical benefit plan liability	22	<u>(7.2)</u>	<u>-</u>	<u>(8.3)</u>	<u>-</u>
Net assets including pension asset and post-retirement medical benefit plan liability		<u>343.9</u>	<u>536.1</u>	<u>349.7</u>	<u>531.0</u>
Capital and reserves					
Called-up share capital	18	0.4	0.4	0.4	0.4
Share premium account	19	491.5	491.5	491.5	491.5
Profit and loss account (deficit)	19	(148.2)	42.8	(142.4)	37.7
Other reserves	19	<u>-</u>	<u>1.4</u>	<u>-</u>	<u>1.4</u>
Equity shareholders' funds					
	20	343.7	536.1	349.5	531.0
Equity minority interests		<u>0.2</u>	<u>-</u>	<u>0.2</u>	<u>-</u>
Capital employed		<u>343.9</u>	<u>536.1</u>	<u>349.7</u>	<u>531.0</u>

The financial statements on pages 4 to 30 were approved by the board of directors on 26 October 2005 and were signed on its behalf by



J Davidson
Director

CROWN UK HOLDINGS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004**

	<u>Notes</u>	<u>2004 £M</u>	<u>2004 £M</u>	<u>2003 £M</u>	<u>2003 £M</u>
Net cash inflow/(outflow) from operating activities	21a		60.5		(174.1)
Returns on investments and servicing of finance					
Interest received		2.5		3.4	
Interest paid		(24.7)		(48.9)	
Dividends received		0.3		0.2	
Dividends paid to minority interest		-		-	
			(21.9)		(45.3)
Taxation			(3.1)		(0.8)
Capital expenditure and financial investment					
Purchase of tangible fixed assets	11	(16.2)		(13.4)	
Purchase of intangible fixed assets		(0.3)		(0.3)	
Sale of tangible fixed assets		2.5		6.1	
Receipt from sale of fixed asset investment	12	1.3		-	
Net cash disposed of with above investment Sold		(0.1)		-	
			(12.8)		(7.6)
Net cash inflow/(outflow) before use of liquid resources and financing			22.7		(227.8)
Management of liquid resources					
Repayment of short term borrowings			(4.8)		(120.5)
Financing					
Issue of ordinary share capital		-		390.0	
Decrease in long term borrowings		(27.8)		(30.1)	
Net cash inflow from financing			(27.8)		359.9
(Decrease)/increase in net cash			(9.9)		11.6

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies, are set out below, together with an explanation of where changes have been made to previous policies on the adoption of new accounting standards in the year.

Changes in accounting policies

In November 2000, the Accounting Standards Board issued FRS 17, 'Retirement benefits'. The group has adopted FRS 17, 'Retirement benefits' in these financial statements. The adoption of this new standard represents a change in accounting policy and the comparative figures have been restated accordingly.

The effect of the change in accounting policy to adopt FRS17 was to increase staff costs, other financial income, other finance expense and deferred taxation by £6.9M (2003: £2.9M), £19.0M (2003: £10.0M), £0.7M (2003: £0.6M) and £5.8M (2003: £2.7M) respectively, to increase profit for the year by £5.6M (2003: £3.8M) and to reduce the total recognised gains and losses by £7.1M (2003: increase £10.4M).

Basis of preparation of group financial statements

The group accounts consolidate the accounts of the company and all its subsidiary undertakings for the year to 31 December 2004 and its share of the results and post-acquisition reserves of associated undertakings.

The profits and losses of subsidiary and associated undertakings are consolidated from the date of acquisition up to the date of disposal where appropriate.

Turnover

Turnover represents the amounts invoiced, excluding value added tax, in respect of the sale of goods and services to customers and is recognised upon despatch of goods.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost net of depreciation and provision for impairment in value. Cost includes interest on loans directly related to the funding of construction costs.

Tangible fixed assets are depreciated on the straight line method over their estimated useful economic lives which, for the major categories, are:

Buildings (freehold and leasehold)	- 10 to 40 years
Plant and machinery	- 7 to 10 years
Fixtures, fittings, tools and equipment	- 3 to 15 years

Freehold land and assets in the course of construction are not depreciated.

Stocks and work-in-progress

Stocks and work-in-progress are stated at the lower of cost and net realisable value. Cost is calculated using the first-in-first-out method and consists of material and direct labour costs, together with an appropriate proportion of production overheads.

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Intangible assets

Goodwill represents the excess of the cost of acquisition over the fair value of the separable net assets of businesses acquired. Goodwill is amortised through the profit and loss account on a straight line basis over an estimated useful life of 20 years.

Intellectual property is capitalised and amortised through the profit and loss account in equal instalments over an estimated useful life of 20 years.

Government grants

Regional development grants and other investment grants received are deferred and released to the profit and loss account over the estimated useful life of the relevant fixed assets.

Deferred taxation

The charge for taxation is based on the result for the year and takes into account deferred taxation. Provision is made in full for deferred taxation liabilities that arise from timing differences where transactions or events that result in an obligation to pay more taxation in the future have occurred at the balance sheet date.

Deferred taxation assets are recognised to the extent that they are regarded as recoverable.

Deferred taxation is measured by the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred taxation assets and liabilities are not discounted.

Research and development expenditure

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred.

Foreign currencies

Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which transactions occur, except for:

- (a) monetary assets and liabilities which are translated at the rate ruling at the balance sheet date and;
- (b) transactions to be settled at a contracted rate and trading transactions covered by a related or matching forward contract which are translated at those contracted rates.

Differences arising on the translation of such items are included in the profit and loss account.

Results of overseas subsidiaries are translated at the average rate for the period. Assets and liabilities of overseas subsidiaries are translated at the rate ruling at the balance sheet date. Exchange differences arising are included within reserves.

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Leases

Assets held under finance leases and the related lease obligations are included at the fair value of the leased assets at the inception of the lease. Depreciation on leased assets is calculated to write off this amount on a straight line basis over the shorter of the lease term and the useful life of the asset. Rentals payable are apportioned between the finance charge and a reduction of the outstanding obligation for future amounts payable so that the charge for each accounting period is a constant percentage of the remaining balance of the capital sum outstanding.

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease.

Investments

Investments are stated at cost less provision for any impairment in value.

Retirement benefits

The company is a member of both the Metal Box Pension Scheme ('pension scheme') which comprises both a defined benefit and defined contribution scheme and the Post-retirement Medical Plan ('medical plan') operated by CarnaudMetalbox Group UK Ltd.

The assets of the pension scheme are held separately from the group's assets in a Trustee administered fund. The medical plan is an unfunded scheme.

Details of the pension scheme and medical plan for the group are set out in note 22 to the financial statements.

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

2. SEGMENTAL INFORMATION

A geographical analysis of results by origin of business is given below:

	EU Countries 2004 £M	Rest of Europe 2004 £M	Rest of World 2004 £M	Total Group 2004 £M	As restated			
					EU Countries 2003 £M	Rest of Europe 2003 £M	Rest of World 2003 £M	Total Group 2003 £M
TURNOVER								
Sales to third parties	509.8	17.9	36.8	564.5	493.4	44.5	42.7	580.6
Sales to other members of the Crown Holdings, Inc. Group	57.7	4.2	42.9	104.8	47.4	10.8	41.5	99.7
Total	567.5	22.1	79.7	669.3	540.8	55.3	84.2	680.3
Operating Profit/(loss)	13.0	0.0	4.0	17	31	(3.6)	4.9	32.3
NET ASSETS	185.2	(6.7)	(9.9)	168.6	190.3	(6.8)	(14.3)	169.2
Reconciliation of net operating assets to the balance sheet:								
Net operating assets				168.6				169.2
Intangible fixed assets				366.6				397.8
External and intercompany debt				(191.3)				(217.3)
Net assets				343.9				349.7

The groups' activities represent one class of business for the purpose of segmental reporting, that of manufacture and distribution of packaging materials. Turnover by geographical destination is not materially different from the above analysis.

3. LOSSES ON DISPOSAL OF FIXED ASSET INVESTMENTS AND SALES OF OPERATIONS

On 30 June 2004 the group sold the net consolidated assets of its subsidiary undertaking CarnaudMetalbox Ghana Limited to another group company for a consideration of £1.3M. This resulted in a loss on disposal of £0.1M.

The Group closed the Foodcan factory at Westhoughton on 30 June 2003. An amount of £6.9M was provided in 2002 to cover this closure cost. A further provision of £0.7M was made in 2003 to cover additional severance costs being made in 2004.

On 31 July 2002 the Group sold its businesses in Kenya, Nigeria, Tanzania and Zimbabwe. The amount provided to meet ongoing liabilities of expatriated employees as contractually required has been reduced by £0.4M as at 31 December 2003 and this was credited back to the profit and loss account in 2003.

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

4. OPERATING COSTS (NET) are:

	2004	As restated 2003
	£M	£M
Change in stocks of finished goods and work in progress	(2.6)	6.4
Own work capitalised	(0.5)	(0.6)
Other operating charges	68.0	70.9
Raw materials and consumables	345.3	339.6
Goodwill and intellectual property amortisation	31.4	31.4
Staff costs - wages and salaries	116.8	114.0
social security	10.6	9.8
other pension costs	13.4	9.8
Depreciation - owned assets	31.9	37.1
Depreciation - leased assets	0.1	0.1
Loss/(profit) on disposal of fixed assets	0.3	(1.5)
Loss on disposal of intangible assets	-	0.2
Operating lease rentals		
- on plant and machinery	5.0	4.6
- other than plant and machinery	2.6	1.5
Auditors remuneration	0.4	0.5
Distribution costs	26.7	30.8
Selling and marketing costs	2.6	2.3
Research and development costs	17.2	19.0
Net exchange gains (see note 4a)	(20.9)	(29.7)
Post retirement medical benefits	0.3	0.7
Loss/(gain) on early redemption of bonds	0.9	(1.8)
Provision against bad debts	1.2	-
Redundancy and reorganisation	1.6	2.9
	<u>652.3</u>	<u>648.0</u>

Auditors remuneration for the company was £19,000 (2003: £16,000). Auditors remuneration for non-audit services to the Group were £297,000 (2003: £271,000). No non-audit services were provided to the company (2003: £NIL).

During the year bonds with a face value of \$33.5M (2003: \$80.9m) were redeemed early at a cost of \$35.2M (2003: \$78.1M). The sterling equivalent of the \$1.7M loss (2003: \$2.8M gain) equated to £0.9M (2003: \$1.8M).

The total realised exchange gain on the exit of the \$300m swap in September 2003 was £9.9M. This gain has been apportioned over the period of the swap and £5.1M has been deferred to future periods ending 31 December 2006.

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

4a. EXCHANGE GAINS

Gains totalling £21.4M were made on the previously held \$268.6m bonds repayable as a result of exchange movements on US dollar versus GBP. A summary of gains made during the year is:

	<u>2004</u>	<u>2003</u>
	£M	£M
<u>Realised</u>		
On redemption of bonds	1.4	(6.1)
On exit of \$200m swap	-	8.1
On exit on \$300m swap	3.8	1.0
On interest on bonds	<u>(0.6)</u>	<u>0.2</u>
	4.6	3.2
<u>Unrealised</u>		
On outstanding bonds as at December 2004	9.2	11.5
On Intercompany loan	7.5	14.1
On accrued interest on intercompany loan	<u>0.1</u>	<u>0.9</u>
	16.8	26.5
	<u>21.4</u>	<u>29.7</u>

5. INTEREST RECEIVABLE

	<u>2004</u>	<u>2003</u>
	£M	£M
Interest receivable		
- on bank and other deposits	1.0	1.5
- on loans to fellow group companies	<u>1.5</u>	<u>1.9</u>
	<u>2.5</u>	<u>3.4</u>

6. INTEREST PAYABLE

	<u>2004</u>	<u>2003</u>
	£M	£M
On bank loans, overdrafts and other loans wholly repayable within 5 years	11.5	19.7
On loans from fellow group companies	<u>13.2</u>	<u>29.2</u>
	<u>24.7</u>	<u>48.9</u>

7. DIRECTORS AND EMPLOYEES

	<u>2004</u>	<u>2003</u>
	Number	Number
Average number of persons, including executive directors, employed by the group during the period:	<u>4,428</u>	<u>4,426</u>
Production and Research & Development	3,674	3,733
Administrative	<u>754</u>	<u>693</u>
Total	<u>4,428</u>	<u>4,426</u>

Staff costs are disclosed in note 4.

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

7. DIRECTORS AND EMPLOYEES (CONTINUED)

	<u>2004</u> £'000	<u>2003</u> £'000
Remuneration		
Aggregate emoluments	<u>206</u>	<u>153</u>

	<u>2004</u> £'000	<u>2003</u> £'000
Highest paid UK director	<u>206</u>	<u>153</u>

During the year, one (2003: one) of the directors accrued benefits under the defined benefit pension scheme.

At 31 December 2004 the following amounts relating to the highest paid director were accrued under a defined benefit pension scheme.

	<u>2004</u> £'000	<u>2003</u> £'000
Accrued pension entitlement	32	27
Accrued lump sum	<u>66</u>	<u>60</u>

8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	<u>2004</u> £M	As restated <u>2003</u> £M
Current tax		
UK corporation tax on profit/(loss) for the year	6.6	10.9
Adjustment in respect of prior years	(2.8)	(8.0)
Overseas tax	1.1	1.2
Total current tax	<u>4.9</u>	<u>4.1</u>
Deferred tax		
Origination and reversal of timing differences	5.9	(0.3)
Overseas deferred tax	0.1	-
Adjustment of deferred tax in respect of prior years	0.7	(0.3)
Total deferred tax	<u>6.7</u>	<u>(0.6)</u>
Tax charge on profit/(loss) on ordinary activities	<u>11.6</u>	<u>3.5</u>

Overseas taxation has been provided on the results of overseas subsidiary companies at the appropriate overseas rates of tax.

CROWN UK HOLDINGS LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)****8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (CONTINUED)**

The tax assessed for the year is higher (2003: higher) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	<u>2004</u> £M	<u>2003</u> £M
Profit/(loss) on ordinary activities before tax	13.3	(3.9)
Profit/(loss) on ordinary activities multiplied by the standard rate		
in the UK 30% (2003: 30%)	4	(1.2)
Effects of:		
Overseas taxed at different rates	0.3	1.7
Expenses not deductible for tax purposes	0.2	2.5
Goodwill amortisation	9.3	9.3
Profit not taxed arising on the sale of business	-	(0.1)
Dividends received	(0.1)	(0.1)
DTR on Intra Group Dividends	0.3	-
Research allowances	(0.5)	(0.7)
Accelerated capital allowances and other timing differences	(0.6)	2.6
Pension contributions relief in excess of net pension charge	(5.4)	(2.1)
Medical plan contributions relief in excess of net medical plan charge	0.2	0.2
Adjustments in respect of previous years	(2.8)	(8.0)
Current tax charge for the year	<u>4.9</u>	<u>4.1</u>

A subsidiary of the company has received an enquiry from the Inland Revenue regarding its tax liabilities for 2004. Adjustments to that company's corporation tax liability, if any, that could result from the enquiry cannot be measured reliably at this time. As a result, no provision has been made in the financial statements in respect of this matter. Enquiries into all previous years are now completed and agreed.

CROWN UK HOLDINGS LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)****9. PROFIT OF PARENT COMPANY**

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the company is not presented as part of these accounts. The company's profit for the financial period was £13.5M (2003: loss as restated of £9.6M), which includes dividends receivable from group undertakings of £19.7M (2003: £0.2M).

10. INTANGIBLE FIXED ASSETS**Group**

	Intellectual Property	Goodwill	Total
	£M	£M	£M
COST			
At 1 January 2004	3.9	618.5	622.4
Additions	0.2	-	0.2
At 31 December 2004	4.1	618.5	622.6
AGGREGATE AMORTISATION			
At 1 January 2004	2.1	222.5	224.6
Charge for the year	0.4	31.0	31.4
At 31 December 2004	2.5	253.5	256.0
NET BOOK VALUE			
At 31 December 2004	1.6	365.0	366.6
At 31 December 2003	1.8	396.0	397.8

The company has no intangible fixed assets.

CROWN UK HOLDINGS LIMITED

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004
(CONTINUED)**

11. TANGIBLE FIXED ASSETS

Group	Freehold land and properties £M	Leasehold properties £M	Plant and machinery £M	Fixtures, fittings, tools and equipment £M	Total £M
COST					
At 1 January 2004	50.5	0.4	310.7	49.5	411.1
Additions	0.3	-	13.7	2.2	16.2
Disposals	-	-	(14.2)	(1.4)	(15.6)
Transfers to fellow group undertakings	-	-	(2.5)	0.1	(2.4)
Disposal of subsidiary	(0.4)	-	(2.3)	(0.1)	(2.8)
Reclassifications	1.6	-	(8.4)	8.9	2.1
Exchange movement	0.6	-	1.5	(0.3)	1.8
At 31 December 2004	52.6	0.4	298.5	58.9	410.4
ACCUMULATED DEPRECIATION					
At 1 January 2004	9.7	0.3	181.9	27.9	219.8
Charge for the year	1.7	-	24.9	5.4	32.0
Disposals	-	-	(11.5)	(1.1)	(12.6)
Transfers to fellow group undertakings	-	-	(2.6)	-	(2.6)
Disposal of subsidiary	(0.1)	-	(1.9)	(0.1)	(2.1)
Reclassification	0.6	-	(3.7)	5.2	2.1
Exchange movement	0.1	-	0.7	(0.2)	0.6
At 31 December 2004	12.0	0.3	187.8	37.1	237.2
NET BOOK AMOUNT					
At 31 December 2004	40.6	0.1	110.7	21.8	173.2
At 31 December 2003	40.8	0.1	128.8	21.6	191.3

Freehold land amounting to £11.0M (2003: £11.0M) has not been depreciated.

Plant and machinery includes the cost of assets in the course of construction being £7.8M (2003: £13.4M) which are not depreciated until the assets are commissioned.

Included in the net book amount of plant and machinery is £NIL (2003: £0.1M) in respect of assets held under finance lease. The movement in the year relates to depreciation.

The transfer of fixed assets to fellow group undertakings took place at net book value.

The company has no tangible fixed assets.

CROWN UK HOLDINGS LIMITED**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)****12. FIXED ASSET INVESTMENTS****GROUP UNDERTAKINGS**

	<u>2004</u>	<u>2003</u>
	<u>£M</u>	<u>£M</u>
COMPANY		
Shares in Group undertakings		
- subsidiary undertakings	776.3	776.3
	<u>776.3</u>	<u>776.3</u>

The above investments are unlisted.

The Company's investments comprise:

	<u>2004</u>	<u>2003</u>
	<u>£M</u>	<u>£M</u>
CarnaudMetalbox Group UK Ltd	691.2	691.2
CarnaudMetalbox Overseas Ltd	57.7	57.7
Crown Aerosols UK Ltd	25.9	25.9
Crown Cork & Seal Finance plc	0.1	0.1
CarnaudMetalbox Asia Ltd	1.4	1.4
	<u>776.3</u>	<u>776.3</u>

See note 28 for a list of the principal subsidiary and associated undertakings.

In the opinion of the directors the value of investments is not less than the net book amounts shown above.

GROUP

	<u>2004</u>	<u>2003</u>
	<u>£M</u>	<u>£M</u>
Shares in group undertakings	1.4	1.4

Represents 1.07% of Crown Asia Pacific Holdings Limited.

CROWN UK HOLDINGS LIMITED

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004
(CONTINUED)**

13. STOCKS

	Group 2004	Company 2004	Group 2003	Company 2003
	£M	£M	£M	£M
Raw materials and consumables	28.1	-	25.6	-
Work-in-progress	12.0	-	11.3	-
Finished goods and goods for resale	28.5	-	26.6	-
	68.6	-	63.5	-

14. DEBTORS

	Group 2004	Company 2004	Group 2003	Company 2003
	£M	£M	£M	£M
Amounts falling due within one year:				
Trade debtors	45.3	-	43.0	-
Amounts owed by Group undertakings	74.6	4.4	71.3	16.1
Corporation tax	-	7.6	-	14.7
Other debtors	8.1	0.2	5.8	-
Prepayments and accrued income	3.3	-	3.5	-
Dividend receivable	-	19.4	-	-
	131.3	31.6	123.6	30.8

15. CREDITORS: (amounts falling due within one year)

	Group 2004	Company 2004	Group 2003	Company 2003
	£M	£M	£M	£M
Bank loans and overdrafts	-	-	4.8	-
Trade creditors	104.9	-	97.0	-
Amounts owed to Group undertakings	157.2	315.7	160.1	315.7
Corporation tax	5.6	-	3.8	-
Other taxation and social security	3.8	-	5.7	-
Other creditors and accruals	34.3	0.1	38.8	0.4
	305.8	315.8	310.2	316.1

The bank loans and overdrafts are unsecured and bear interest at rates which fluctuate in line with the inter-bank rate and vary by country.

CROWN UK HOLDINGS LIMITED

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004
(CONTINUED)**

16. CREDITORS (amounts falling due after more than one year)

	Group 2004	Company 2004	Group 2003	Company 2003
	£M	£M	£M	£M
\$235.1M (2003: \$268.6M) fixed rate bonds	122.5	-	150.3	-
Deferred foreign exchange gains	2.5	-	5.8	-
Other creditors and accruals	0.3	-	0.3	-
	125.3	-	156.4	-

The \$268.6M bond is repayable in 2006 at a rate of 7% and is irrevocably and unconditionally guaranteed by Crown Holdings Inc.

Group

	2004			2003		
	Bank loans and overdrafts	Bonds	Total	Bank loans and overdrafts	Bonds	Total
	£M	£M	£M	£M	£M	£M
Analysis of debt						
Maturity:						
Amounts payable:						
In one year or less	-	-	-	4.8	-	4.8
Between two and five years	-	122.5	122.5	-	150.3	150.3
	-	122.5	122.5	4.8	150.3	155.1

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

17. PROVISIONS FOR LIABILITIES AND CHARGES:

Group	Post retirement obligations	Deferred taxation	Redundancy and reorganisation provisions	Other provisions	Total
	£M	£M	£M	£M	£M
At 1 January 2004 as previously reported	10.3	15.0	3.3	0.4	29.0
Prior year adjustment - FRS 17 (note 19)	(10.3)	0.7	-	-	(9.6)
1 January 2004 as restated	-	15.7	3.3	0.4	19.4
Charge/(credit) for the period	-	1.2	1.6	(0.1)	2.7
Utilised during the period	-	-	(2.9)	(0.1)	(3.0)
Reclassification	-	-	(0.5)	0.5	-
Exchange movements	-	(0.1)	-	-	(0.1)
At 31 December 2004	-	16.8	1.5	0.7	19.0

The post-retirement obligations provision relates to liabilities under post-retirement medical schemes. Following the adoption of FRS 17, this liability and associated deferred tax asset is now disclosed separately on the face of the balance sheet (see note 22).

Deferred Taxation

	Amount provided 2004	As restated amount provided 2003
	£M	£M
Excess of capital allowances over depreciation	17.5	16.8
Other timing differences	(0.7)	(1.1)
	16.8	15.7

Deferred taxation is not provided on the accumulated reserves of overseas subsidiaries since the amounts involved are not material. The company has no unprovided deferred taxation.

18. CALLED-UP SHARE CAPITAL

	Authorised 2004	Allotted, Issued and Fully Paid 2004	Authorised 2003	Allotted, Issued and Fully Paid 2003
	£	£	£	£
Ordinary Shares of £1 each	500,000	390,880	500,000	390,880

CROWN UK HOLDINGS LIMITED

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004
(CONTINUED)**

19. RESERVES

Group	Share capital £M	Share premium account £M	Profit and loss account (deficit) £M	Total £M
At 1 January 2004				
as previously reported	0.4	491.5	(175.8)	316.1
Prior year adjustment – FRS 17	-	-	33.4	33.4
At 1 January 2004 as restated	0.4	491.5	(142.4)	349.5
Retained profit for the financial year	-	-	1.7	1.7
Exchange movement	-	-	(0.4)	(0.4)
Actuarial loss on pension scheme	-	-	(12.0)	(12.0)
Actuarial gain on medical plan	-	-	1.9	1.9
Movement on deferred tax relating to pension scheme	-	-	3.6	3.6
Movement on deferred tax relating to medical plan	-	-	(0.6)	(0.6)
At 31 December 2004	0.4	491.5	(148.2)	343.7
Pension asset			(44.0)	
Profit and loss deficit excluding pension asset			(192.2)	

Company	Share Capital £M	Share Premium £M	Other Reserves £M	Profit and Loss £M	Total £M
At 1 January 2004					
as previously reported	0.4	491.5	1.4	(2.3)	491.0
Prior year adjustment - FRS 17	-	-	-	40.0	40.0
At 1 January 2004 as restated	0.4	491.5	1.4	37.7	531.0
Retained profit for the financial year	-	-	-	13.5	13.5
Actuarial loss on pension scheme	-	-	-	(12.0)	(12.0)
Movement on deferred tax relating to pension scheme	-	-	-	3.6	3.6
At 31 December 2004	0.4	491.5	1.4	42.8	536.1
Pension asset				(44.0)	
Profit and loss deficit excluding pension asset				(1.2)	

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

Prior year adjustment

The prior year adjustment relates solely to the implementation of FRS17 with regards to the pension scheme and medical plan. The adjustment is analysed below:

Group	Medical plan £M	Pension scheme £M	Total £M
Adjustment to opening shareholders' funds at 1 January 2003	(0.7)	19.5	18.8
Adjustment to profit and loss account for the year ended 31 December 2004	(0.3)	4.5	4.2
Adjustment to statement of total recognised gains and losses for the year ended 31 December 2003	(0.1)	10.5	10.4
	<u>(1.1)</u>	<u>34.5</u>	<u>33.4</u>

Company	Medical plan £M	Pension scheme £M	Total £M
Adjustment to opening shareholders' funds at 1 January 2003	-	25	25
Adjustment to profit and loss account for the year ended 31 December 2004	-	4.5	4.5
Adjustment to statement of total recognised gains and losses for the year ended 31 December 2003	-	10.5	10.5
	<u>-</u>	<u>40</u>	<u>40</u>

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group 2004 £M	Company 2004 £M	Group 2003 £M	Company 2003 £M
New shares issued	-	-	390.0	390.0
Profit/(loss) for the financial period	1.7	13.5	(7.4)	(9.6)
Currency translation differences on foreign currency and net investments	(0.4)	-	(1.3)	-
Actuarial (loss)/gain on pension scheme (note 22)	(12.0)	(12.0)	15.0	15.0
Actuarial gain/(loss) on medical plan (note 22)	1.9	-	(0.1)	-
Movement on deferred tax relating to pension scheme	3.6	3.6	(4.5)	(4.5)
Movement on deferred tax relating to medical plan	(0.6)	-	-	-
Net (reduction)/addition to shareholders' funds	<u>(5.8)</u>	<u>5.1</u>	<u>391.7</u>	<u>390.9</u>
Opening shareholders' funds as previously reported	316.1	491.0	(61.0)	115.1
Prior year adjustment – FRS 17 (note 19)	33.4	40.0	18.8	25
Opening shareholders funds as restated	<u>349.5</u>	<u>531.0</u>	<u>(42.2)</u>	<u>140.1</u>
Closing shareholders' funds	<u>343.7</u>	<u>536.1</u>	<u>349.5</u>	<u>531.0</u>

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (Continued)

21. CASH FLOW STATEMENT

a) RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	2004	As restated 2003
	£M	£M
Operating profit	16.9	32
Net pension and medical plan related income/costs	1.0	3.2
Loss/(profit) on disposal of fixed assets	0.3	(1.3)
Depreciation and amortisation	63.5	68.6
(Increase)/decrease in stocks	(6.5)	5.8
(Increase)/decrease in debtors	(7.4)	(58.0)
(Decrease)/increase in creditors	(5.5)	(222.8)
Decrease in provisions	(1.8)	(1.6)
Net cash inflow/(outflow) from continuing operating activities	60.5	(174.1)

b) RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2004	2003
	£M	£M
Net debt at 1 January	(128.7)	(313.0)
Decrease in net debt	22.7	162.2
Currency translation adjustment	(0.4)	22.1
Net debt at 31 December	(106.4)	(128.7)

c) RECONCILIATION OF MOVEMENT IN NET DEBT

	At 1 Jan 2004	Cash flow	Currency translation adjustment	At 31 Dec 2004
	£M	£M	£M	£M
Cash in hand and at bank	26.4	(9.9)	(0.4)	16.1
Debt due after one year	(150.3)	27.8	-	(122.5)
Debt due within one year	(4.8)	4.8	-	-
TOTAL	(128.7)	22.7	(0.4)	(106.4)

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004
(CONTINUED)**

22. PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS

(a) Pension Scheme

The group offers pension schemes to employees in its subsidiary undertakings in the UK. The principal scheme is the Metal Box Pension Scheme ('pension scheme'), for which employees at most UK locations are eligible. The pension scheme is both a defined benefit and defined contribution pension scheme, the assets of which are held in a separate trustee administered fund. For employees who joined the pension scheme on or after 1 April 2002, benefits are provided on a defined contribution basis.

The company has designed a stakeholder pension scheme for employees who are not eligible or who choose not to join the Scheme.

With effect from 1 April 2003, the UK re-commenced contributions to the Group's pension scheme.

The amount paid into the scheme for the UK sub group for the period to 31 December 2004 was £12.0M (2003: 9 months £9.3M). All amounts due in the year were paid and as such there are no accruals or prepayments in respect of pension scheme contributions at the year end. Planned contributions for the defined benefit scheme for 2005 total £11.0M.

Defined Benefit Scheme

Formal actuarial valuations of the pension scheme are carried out triennially by a professionally qualified independent actuary. An actuarial valuation for the purposes of compliance with the requirements of Financial Reporting Standard Number 17 was carried at 31 December 2004. All rates have been calculated on the Projected Unit Method. As the pension scheme is closed to new entrants, under the Projected Unit Method the current service cost (as a percentage of salary) will increase as the members of the pension scheme approach retirement.

	2004	2003	2002
Rate of increase in salaries	3.25%	3.50%	3.00%
Rate of increase in pensions in payment and deferment	2.75%	2.75%	2.25%
Discount rate	5.25%	5.50%	5.50%
Inflation assumption	2.75%	2.75%	2.25%

CROWN UK HOLDINGS LIMITED

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004
(CONTINUED)**

**22. PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS
(CONTINUED)**

(a) Pension Scheme (continued)

The assets in the scheme measured and the expected return were:

	<u>2004</u>	<u>Value at 31/12/04 £M</u>	<u>2003</u>	<u>Value at 31/12/03 £M</u>	<u>2002</u>	<u>Value at 31/12/02 £M</u>
Return seeking assets*	8.5%	669	8.5%	634	8.0%	512
Liability matching assets**	5.0%	727	5.2%	682	5.0%	708
Total market value of assets		1,396		1,316		1,220
Present value of scheme liabilities		(1,333)		(1,259)		(1,185)
Surplus in the scheme		63		57		35
Related deferred tax liability		(19)		(17)		(10)
Net pension asset		44		40		25

* Includes equities, private equity, hedge funds, high yield bonds and property.

** Includes gilts (fixed and index-linked) and investment grade corporate bonds.

The following amounts have been recognised in the performance statements in the year to 31 December 2004:

	<u>2004 £M</u>	<u>2003 £M</u>
Operating profit		
Current service cost	13	12
Past service cost	-	-
Total operating charge	13	12
Other finance income		
Expected return on pension scheme assets	88	74
Interest on pension scheme liabilities	(69)	(64)
Net return	19	10
Statement of total recognised gains and losses		
Actual return less expected return on pension scheme assets	39	69
Experience gains and losses arising on the scheme liabilities	9	11
Changes in assumptions underlying the present value of the scheme liabilities	(60)	(65)
Actuarial (loss)/gain	(12)	15

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

22. PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS (CONTINUED)

(a) Pension Scheme (continued)

	<u>2004</u> £M	<u>2003</u> £M
Movement in surplus during the year		
Surplus in scheme at beginning of the year	57	35
Current service cost	(13)	(12)
Contributions	12	9
Past service costs	-	-
Other finance income	19	10
Actuarial gain/(loss)	(12)	15
Surplus in scheme at end of the year	<u>63</u>	<u>57</u>

The full actuarial valuation at 31 December 2004 showed an increase in the surplus from £57.0M to £63.0M.

History of experience gains and (losses)

	<u>2004</u> £M	<u>2003</u> £M	<u>2002</u> £M
Difference between expected and actual return on scheme assets:			
Amount (£M)	39	69	(144)
Percentage of scheme assets	3%	5%	(12%)
Experience gains and losses on scheme liabilities:			
Amount (£M)	9	11	13
Percentage of scheme liabilities	1%	1%	1%
Total amount recognised in statement of total recognised gains and losses:			
Amount (£M)	(12)	15	(114)
Percentage of scheme liabilities	(1%)	1%	(10%)

Defined Contribution Scheme

Contributions under the defined contribution scheme amounted to £0.2M (2003: £0.1M). All contributions owing were paid during the year and charged to the profit and loss account.

(b) Post retirement medical costs

The group continues to participate in the private post-retirement medical plan for certain executives, and in some instances, their dependants. The medical plan is not funded.

The latest actuarial valuation for the purposes of compliance with the requirements of Financial Reporting Standard Number 17 of the medical plan was carried out as at 31 December 2004 by a professionally qualified independent actuary.

The major assumptions used by the actuary are as follows:

	<u>2004</u>	<u>2003</u>	<u>2002</u>
Discount rate	5.25%	5.5%	5.5%
Medical inflation	4.50%	5.0%	5.0%

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

22. PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS (CONTINUED)

The post retirement medical benefits are not funded in advance. The group and employees pay the premiums as they fall due.

	<u>2004</u>	<u>2003</u>	<u>2002</u>
	£M	£M	£M
Present value of liabilities	10.3	11.9	11.7
Related deferred tax asset	(3.1)	(3.6)	(3.5)
	<u>7.2</u>	<u>8.3</u>	<u>8.2</u>

The following amounts have been recognised in the performance statements in the year to 31 December 2004:

	<u>2004</u>	<u>2003</u>
	£M	£M
Operating profit		
Current service cost	0.1	0.1
Past service cost	-	-
	<u>0.1</u>	<u>0.1</u>

	<u>2004</u>	<u>2003</u>
	£M	£M
Other finance expense		
Interest on plan liabilities	0.7	0.6

	<u>2004</u>	<u>2003</u>
	£M	£M

Statement of total recognised gains and losses

Experience gains and (losses) arising on plan liabilities	1.6	(0.1)
Changes in assumptions underlying the present value of plan liabilities	0.3	-
Actuarial gain/(loss)	<u>1.9</u>	<u>(0.1)</u>

Movement in deficit during the year

	<u>2004</u>	<u>2003</u>
	£M	£M
Deficit in plan at beginning of the year	(11.9)	(11.7)
Movement in year:		
Current service cost	(0.1)	(0.1)
Contributions	0.5	0.6
Other finance expense	(0.7)	(0.6)
Actuarial gain/(loss)	1.9	(0.1)
Deficit in plan at end of the year	<u>(10.3)</u>	<u>(11.9)</u>

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

22. PENSION COMMITMENTS AND OTHER POST-RETIREMENT BENEFITS (CONTINUED)

(b) Post retirement medical costs (continued)

History of experience gains and (losses)

	<u>2004</u> £M	<u>2003</u> £M	<u>2002</u> £M
Experience gains and losses on scheme liabilities:			
Amount (£M)	1.6	(0.1)	(0.5)
Percentage of scheme liabilities	15.4%	(1%)	(4.4%)
Changes in assumptions underlying the present value of plan liabilities (£M)	0.3	-	(0.4)
Percentage of scheme liabilities	3.2%	-	(3.6%)
Total amount recognised in statement of total recognised gains and losses:			
Amount (£M)	1.9	(0.1)	(0.9)
Percentage of scheme liabilities	18.6%	1%	(8%)

23. CAPITAL COMMITMENTS

	<u>Group</u> <u>2004</u> £M	<u>Company</u> <u>2004</u> £M	<u>Group</u> <u>2003</u> £M	<u>Company</u> <u>2003</u> £M
Capital expenditure contracted for but not provided for in the accounts	0.4	-	5.0	-

24. OTHER FINANCIAL COMMITMENTS

At 31 December 2004 the company had annual commitments under non-cancellable operating leases expiring as follows:

	<u>Land and</u> <u>Buildings</u> <u>2004</u> £M	<u>Other</u> <u>2004</u> £M	<u>Land and</u> <u>Buildings</u> <u>2003</u> £M	<u>Other</u> <u>2003</u> £M
Within 1 year	-	1.7	-	1.1
Between 2-5 years	0.2	3.4	-	2.6
Over 5 years	2.3	0.6	1.5	1.0
Total	2.5	5.7	1.5	4.7

25. CONTINGENT LIABILITIES

Bank and other guarantees in respect of group pooling given by the Group amounted to £1.9M (2003: £3.9M).

CROWN UK HOLDINGS LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONTINUED)

26. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under paragraph 3 (c) from the provisions of Financial Reporting Standard Number 8 ("Related Party Disclosures") which requires the disclosure of the details of material transactions between the reporting entity and any related parties, on the grounds that it is a wholly owned subsidiary of a group headed by Crown Holdings, Inc. whose accounts are publicly available. Accordingly the Company has not therefore disclosed transactions with members of the Crown Holdings, Inc. Group.

27. ULTIMATE PARENT UNDERTAKING

The company's immediate parent undertaking and controlling party is Crown Canadian Holdings ULC, a company incorporated in Canada. The ultimate parent company and controlling party is Crown Holdings, Inc. which is incorporated in the USA.

The only group for which consolidated accounts are prepared, and which include the accounts of the company, are Crown Holdings, Inc.

Copies of the Group accounts of Crown Holdings, Inc. which are publicly available may be obtained from CarnaudMetalbox Group UK Ltd, Downsview Road, Wantage, Oxon OX12 9BP.

28. PRINCIPAL SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

The directors consider that to give particulars of all subsidiary undertakings would lead to a statement of excessive length. Crown UK Holdings Limited owns directly or indirectly 100% of the shares in all subsidiaries except where a lower percentage is shown. Undertakings part or all of whose share capital is owned by another subsidiary are marked*. The following subsidiary undertakings, in the opinion of the directors, principally affect the results and assets of the Group and are included in the consolidated accounts.

		Country of operation and incorporation	Nature of business
CarnaudMetalbox Group UK Ltd		UK	Holding Company
Crown Aerosols UK Ltd		UK	Packaging
Crown Cork & Seal Finance Plc		UK	Finance
Crown Packaging UK Plc	*	UK	Packaging
CarnaudMetalbox Overseas Ltd		UK	Holding Company
Crown Packaging Ireland Ltd	*	Ireland	Packaging
Crown UCP Limited	*	UK	Packaging
Crown Speciality Packaging UK Plc	*	UK	Packaging
CarnaudMetalbox Engineering Plc	*	UK	Packaging
CarnaudMetalbox Food South Africa PTY Ltd	*	South Africa	Packaging
Crown Packaging Polska Sp Z.O.O.	*	Poland	Packaging
Crown Packaging Jamaica Ltd	*	Jamaica	Packaging
Crown Packaging Trinidad Ltd (91.01%)	*	Trinidad	Packaging
CarnaudMetalbox Barbados Ltd	*	Barbados	Packaging
Crown Massmould Ltd	*	UK	Packaging

In October 2005 the group disposed of its interests in Crown UCP Limited and Crown Massmould Ltd.