Registered no: 4039373

Bemis Swansea Limited

Report for the year ended 31 December 2008

BEMIS SWANSEA LIMITED

Report for the year ended 31 December 2008

Directors' report
for the year ended 31 December 2008

The directors present their report and the audited financial statements for the year ended 31 December 2008.

Principal activities

The principal activities of the company during the year were unchanged, being the manufacture and distribution of speciality plastic film and packaging.

Review of business and future developments

The results for the year are set out on page 5.

The company has continued to invest in its production facilities, which will enable it to continue to expand in the forthcoming years. Volumes have been maintained in the year, improved margins and sterling costs have resulted in an increased level of profitability. The directors consider that the financial statements, attached, include the key performance indicators relating to the performance of the business, specifically turnover, gross profit and operating profit.

Research and development activities

The company is committed to research and development activities in order to secure its position in the markets in which it operates. Research and development expenditure is charged to the profit and loss account in the period in which it is incurred.

Dividends

No dividends have been declared in respect of the year ended 31 December 2008 (2007: £Nil).

Directors

The directors of the company at 31 December 2008 and for the whole of the year then ended, were as follows:

J Belsack
G C Wulf
M Dussart
J J Seifeit

Directors' interests in shares of the company

The directors who held office during the financial year held no beneficial interest in the shares of the company or other group companies at 1 January 2008 and 31 December 2008.

Employees

The company's policy is to consult and discuss with employees, through employee meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins, reports and team briefings, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Disabled persons

The company's policy is to recruit disabled workers for those vacancies which they are able to fill. All necessary assistance with initial training courses is given. Arrangements are made, wherever possible, for retraining employees who become disabled to enable them to perform work identified as appropriate for their aptitude and abilities.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of raw material prices, credit risk, liquidity risk and interest rate risk. The company seeks to limit the adverse effects on the financial performance of the company by the following.

Price risk

The company is exposed to commodity price risk as a result of its operations. The directors monitor market movements in material prices on a regular basis, but do not consider it cost effective to undertake any formal hedging arrangements.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The company has medium term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate risk

The company's interest rate risk is limited to interest rate change impacts on its medium term debt finance.

Statement of directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

Each director has taken appropriate steps to ensure that they are aware of such relevant information, and that the company's auditors are aware of that information.

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

By order of the board

Director

Independent auditors' report to the members of BEMIS SWANSEA LIMITED

We have audited the financial statements of Bemis Swansea Limited for the year ended 31 December 2008, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland). 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors
Swansea, 29 October 2009

Profit and loss account
for the year ended 31 December 2008

	Notes	2008 £'000	2007 £'000
Turnover	2	**26,082**	23,839
Cost of sales		**(11,783)**	(11,551)
Gross profit		**14,299**	12,288
Net operating expenses	3	**(9,599)**	(9,586)
Operating profit		**4,700**	2,702
Interest receivable and similar income	6	**177**	212
Interest payable and similar charges	7	**(351)**	(699)
Profit on ordinary activities before taxation	8	**4,526**	2,215
Tax on profit on ordinary activities	9	**(1,276)**	(207)
Profit on ordinary activities after taxation and profit for the financial year		**3,250**	2,008

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and their historical cost equivalents.

The turnover and profit for the financial year were derived from continuing operations of the company at 31 December 2008.

Statement of total recognised gains and losses

	2008 £'000	2007 £'000
Profit for the year	**3,250**	2,008
Actuarial (losses)/gains recognised in the pension scheme	**(1,039)**	1,082
Movement in deferred tax relating to pension scheme balance	**291**	(325)
Total recognised gains for the year	**2,502**	2,765

Balance sheet
at 31 December 2008

	Notes	2008	2007
		£'000	£'000
Fixed assets			
Tangible assets	10	**14,860**	16,151
Investments	11	**236**	5
		15,096	16,156
Current assets			
Stocks	12	**2,807**	2,729
Debtors	13	**5,970**	5,744
Cash at bank and in hand		**404**	450
		9,181	8,923
Creditors: amounts falling due within one year	14	**(7,227)**	(8,457)
Net current assets		**1,954**	466
Total assets less current liabilities		**17,050**	16,622
Creditors: amounts falling due after more than one year	15	-	(2,500)
Provisions for liabilities and charges	16	**(1,416)**	(1,332)
Accruals and deferred income	17	**(1,183)**	(1,320)
Net assets, excluding pension deficit		**14,451**	11,470
Pension deficit	18	**(780)**	(301)
Net assets, including pension deficit		**13,671**	11,169
Capital and reserves			
Called-up share capital	19	**6,899**	6,899
Profit and loss account	20	**6,772**	4,270
Total shareholders' funds	21	**13,671**	11,169

The financial statements on pages 5 to 16 were approved by the board of directors on 29 October 2009
and were signed on its behalf by:

Director

Notes to the financial statements for the year ended 31 December 2008

1 Accounting policies

The financial statements have been prepared under the historical cost convention and 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.

Cash flow

The company is a subsidiary of Curwood Inc and the cash flows of the company are included in the consolidated cash flow statement of the ultimate holding company, Bemis Company Inc, whose financial statements are publicly available. Consequently, the company is exempt under the terms of Financial Reporting Standard No. 1 (Revised), from publishing a cash flow statement.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal economic lives used for this purpose are:

	Years
Long leasehold land and buildings	Term of lease
Plant and machinery	7-12
Fixtures and fittings	3-5

Assets under construction are not depreciated. Tooling expenditure is written off to the profit and loss account in the year in which it is incurred.

Fixed asset investments

Fixed asset investments are stated at purchase cost less provision for any permanent diminution in value.

Financial statements

The results of the company and its subsidiary are included in the consolidated accounts of its ultimate parent, Bemis Inc. These accounts have been prepared in a manner consistent with consolidated accounts prepared under the European Commission's 7th Company law Directive and so the company has taken advantage of the exemption allowed under section 228A of the Companies Act 1985 and has not prepared group accounts.

Research and development expenditure

Expenditure on pure and applied research is written off as incurred.

Operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Government grants

Grants that relate to specific capital expenditure are treated as deferred income which is credited to the profit and loss account over the useful life of the related asset. Other grants are credited to the profit and loss account when received.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. In the case of manufactured products, cost includes all direct expenditure and production overheads based on a normal level of activity. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation and, where appropriate, the cost of conversion from their existing state to a finished condition. Provision is made where necessary for obsolete, slow moving and defective stocks.

Foreign currencies

Foreign currency transactions are recorded in sterling at the exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated to sterling at rates of exchange prevailing at the balance sheet date. Exchange gains or losses are taken to the profit and loss account in the year in which they arise.

Turnover

Turnover, which excludes value-added tax and trade discounts, represents the invoiced value of goods and services supplied. Turnover is recognised on the despatch of finished products to customers.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and/or from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at 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 tax is measured on a non-discounted basis.

Pension scheme arrangements

The company participates in a defined contribution money purchase scheme. The charge against profits represents the contribution payable to the pension schemes in respect of the accounting period.

For the defined benefit scheme assets are measured using closing market values. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The increase in the present value of the liabilities of the defined benefit scheme expected to arise from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time are included in interest payable and similar charges.

Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

2 Turnover

Turnover is derived from one class of business, a geographical split of business is given below:

	2008	2007
	£'000	£'000
UK	**2,496**	2,910
EU	**23,420**	20,171
Rest of Europe	**166**	758
	26,082	23,839

3 Net operating expenses

	2008	2007
	£'000	£'000
Distribution costs	**547**	483
Administrative expenses	**9,052**	9,103
Net operating expenses	**9,599**	9,586

4 Directors' emoluments

There were no emoluments for services to the company paid to the directors during the year.

5 Employee information

The average monthly number of persons (including executive directors) employed by the company during the financial year was:

	2008	2007
Management	**4**	4
Production	**214**	229
Selling	**6**	9
Administration	**14**	14
	238	256

	2008	2007
	£'000	£'000
Staff costs (for the above persons):		
Wages and salaries	**5,407**	5,694
Social security costs	**418**	436
Pension costs (see note 18)	**619**	647
	6,444	6,777

6 Interest receivable and similar income

	2008 £'000	2007 £'000
Interest receivable from group undertakings	**14**	45
Other interest receivable	**25**	36
Pension income (Note 18)	**138**	131
	177	212

7 Interest payable and similar charges

	2008 £'000	2007 £'000
On bank loans, overdrafts and other loans	**351**	699

8 Profit on ordinary activities before taxation

	2008 £'000	2007 £'000
Profit on ordinary activities before taxation is stated after charging:		
Depreciation of tangible owned fixed assets	**1,413**	1,892
Auditors' remuneration in respect of:		
Audit services	**28**	28
Non audit services	**9**	9
Audit services to the Bemis Swansea Limited Pension Plan	**12**	12
Operating lease charges	**8**	7
and crediting:		
Amortisation of government grants	**(137)**	(138)

9 Tax charge on profit on ordinary activities

	2008 £'000	2007 £'000
Corporation tax		
Tax on profit for the year	**1,110**	435
Adjustment in respect of previous periods	**(35)**	(145)
	1,075	290
Deferred taxation		
Origination and reversal of timing differences	**84**	(72)
On pension scheme	**117**	(11)
Tax on profits on ordinary activities	**1,276**	207

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (28%). The differences are explained below:

	2008 £'000	2007 £'000
Profit on ordinary activities before tax	**4,526**	2,215
Profit on ordinary activities multiplied by standard rate in the UK 28% (2007: 30%)	**1,268**	665
Effects of:		
Expenses not deductible for tax purposes	**6**	7
Accelerated capital allowances and other timing differences	**(66)**	(198)
Pension cost relief in excess of net pension charge	**(117)**	11
Group relief claimed not paid	**-**	(50)
Adjustments to tax charge in respect of previous periods	**(35)**	(145)
Tax at marginal rates	**19**	-
Current tax charge for the period	**1,075**	290

10 Tangible fixed assets

	Long leasehold land and buildings £'000	Assets under construction £'000	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
Cost					
At 1 January 2008	3,700	936	21,091	660	26,387
Additions	-	119	13	3	135
Disposals	-	-	(13)	-	(13)
Transfers	83	(1,055)	972	-	-
At 31 December 2008	**3,783**	**-**	**22,063**	**663**	**26,509**
Depreciation					
At 1 January 2008	532	-	9,121	583	10,236
Charge for year	110	-	1,270	33	1,413
At 31 December 2008	**642**	**-**	**10,391**	**616**	**11,649**
Net book value					
At 31 December 2008	**3,141**	**-**	**11,672**	**47**	**14,860**
At 31 December 2007	3,168	936	11,970	77	16,151

Included in the cost of land and buildings is land at a cost of £378,000 (2007: £378,000).

11 Fixed asset investments

Interest in group undertakings	Equity estimate £'000	Loans £'000	Total £'000
Cost and written down value:			
At 1 January 2008	5	-	5
Loans to subsidiary	-	231	231
At 31 December 2008	5	231	236

Name of undertaking	Country of registration	Description of shares held	Proportion of nominal value of issued shares held
Bemis Packaging Espana SL	Spain	Ordinary shares of 3,020 Euros	100%

The aggregate amount of the company's non-consolidated subsidiary capital and reserves as at 31 December 2008 and 31 December 2007 and its profit before tax for the years ended 31 December 2008 and 31 December 2007 are as follows:

	31 December 2008		31 December 2007	
	Capital and reserves £'000	**Loss before tax £'000**	Capital and reserves £'000	Loss before tax £'000
Bemis Packaging Espana SL	**(269)**	**(17)**	(191)	(78)

12 Stocks

	2008 £'000	2007 £'000
Raw materials and consumables	**690**	393
Work in progress	**1,180**	1,183
Finished goods and goods for resale	**937**	1,153
	2,807	2,729

13 Debtors

	2008 £'000	2007 £'000
Amounts falling due within one year		
Trade debtors	**2,920**	3,176
Amounts owed by group undertakings	**2,028**	1,673
Amounts owed by subsidiary undertaking	**553**	712
Other debtors	**327**	126
Other taxation receivable	**-**	4
Prepayments and accrued income	**142**	53
	5,970	5,744

14 Creditors: amounts falling due within one year

	2008 £'000	2007 £'000
Bank loan (see note 15)	**3,251**	6,008
Trade creditors	**1,140**	1,021
Amounts owed to group undertakings	**1,377**	511
Amounts owed to subsidiary undertaking	**8**	52
Corporation tax	**745**	169
Other taxation and social security payable	**130**	137
Other creditors and accruals	**576**	559
	7,227	8,457

The bank loan secured by a fixed and floating charge over the assets of the company.

The loan represents the amounts drawn on a bank facility operated by the company's ultimate parent company.

15 Creditors: amounts falling due after more than one year

	2008 £'000	2007 £'000
Bank loan	**-**	2,500

16 Provisions for liabilities and charges

	Deferred taxation (see below) £'000
At 1 January 2008	1,332
Profit and loss account	84
At 31 December 2008	**1,416**

Deferred taxation provided in the financial statements is as follows:

	Amount provided 2008 £'000	Amount provided 2007 £'000
Tax effect of timing differences because of:		
Excess of tax allowances over depreciation	**1,446**	1,379
Other timing differences	**(30)**	(47)
	1,416	1,332

17 Accruals and deferred income

Accruals and deferred income represent deferred Government grants, the movements in which during the year have been as follows:

	£000
At 1 January 2008	1,320
Released to profit and loss account	(137)
At 31 December 2008	**1,183**

18 Pension costs

The company operates a defined contribution stakeholder pension scheme and a defined benefit plan as disclosed below. The contribution to the stakeholder plan in the year was £10,000 (2007: £12,000).

Bemis Swansea Limited Pension Plan

The company and employees contribute to a defined benefit scheme held in an independent trust. The valuation of the fund and the pension cost are assessed with the advice of a qualified actuary, using the projected unit method. A full actuarial valuation was carried out as at 6 April 2006.

In accordance with the requirements of Financial Reporting Standard No. 17, a qualified independent actuary updated the results of the valuation, based on information supplied by the scheme administrators, in order to ascertain the valuation of the scheme at 31 December 2008. The projected unit method has been used.

The major assumptions used by the actuary were:

	2008 %	2007 %	2006 %	2005 %	2004 %
Discount rate	**6.0**	5.15	5.0	4.75	5.4
Rate of increase in salaries	**4.1**	4.3	3.8	3.8	4.3
Rate of increase in pensions in payment (pre 5 April 2005)	**3.1**	3.3	2.8	2.8	2.8
Rate of increase in pensions in payment (post 5 April 2005)	**2.25**	2.25	2.0	2.0	N/a
Inflation assumption	**3.1**	3.3	2.8	2.8	2.8
Increase to deferred benefits during deferment	**3.1**	3.3	2.8	2.8	2.8

18 Pension costs (continued)

The assets in the scheme and the expected rate of return were:

	Long-term rate of return expected at 31 Dec 2008 %	Valuation at 31 Dec 2008 £'000	Long-term rate of return expected at 31 Dec 2007 %	Valuation at 31 Dec 2007 £'000	Long-term rate of return expected at 31 Dec 2006 %	Valuation at 31 Dec 2006 £'000
Equities	8.4	6,768	8.06	9,174	7.5	9,056
Bonds	4.9	6,759	3.69	5,461	4.5	5,160
Property	8.4	153	8.06	307	7.5	244
Cash	3.0	677	5.58	460	5.0	136
		14,357		**15,402**		**14,596**

	2008 £'000	2007 £'000	2006 £'000
Total market value of assets	**14,357**	15,402	14,596
Present value of scheme liabilities	**(15,440)**	(15,832)	(16,071)
Deficit in the scheme	**(1,083)**	(430)	(1,475)
Deferred taxation	**303**	129	443
Net pension liability	**(780)**	(301)	(1,032)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	2008	2007
Retiring today		
Males	**21.1**	21.0
Females	**24.0**	23.9
Retiring in 20 years		
Males	**22.2**	22.1
Females	**25.0**	24.9

The following amounts have been recognised in the year to 31 December 2008 under the requirements of FRS 17.

	2008 £'000	2007 £'000
Operating profit		
Current service cost	**609**	635

	2008 £'000	2007 £'000
Other finance income		
Expected return on pension scheme assets	**1,055**	943
Interest on pension scheme liabilities	**(917)**	(812)
Net return	**138**	131

Statement of total recognised gains and losses (STRGL)

	2008 £'000	2007 £'000
Actual return less expected return on assets	**(2,704)**	(322)
Changes in assumptions underlying the present value of scheme liabilities	**1,665**	1,404
Actuarial (loss)/gain recognised in STRGL	**(1,039)**	1,082

18 Pension costs (continued)

Analysis of the movement in the present volume of scheme liabilities

	2008 £'000	2007 £'000
Scheme assets at the beginning of the year	**15,832**	16,071
Current service cost	**609**	635
Interest cost	**917**	812
Contributions by scheme participants	**135**	150
Actuarial gains and losses	**(1,665)**	(1,404)
Benefits paid	**(388)**	(432)
Scheme assets at the end of the year	**15,440**	15,832

Analysis of the movement in the market value of the scheme assets

	2008 £'000	2007 £'000
Scheme assets at the beginning of the year	**15,402**	14,596
Expected rate of return on scheme assets	**1,055**	943
Actuarial losses	**(2,704)**	(322)
Contribution by the employer	**857**	467
Contribution by scheme participants	**135**	150
Benefits paid	**(388)**	(432)
Scheme assets at the end of the year	**14,357**	15,402

The company has considered the impact of FRS17 in respect of the company, its employees and pensioners. The company believes that it is a strong position to manage this scheme to the satisfaction and benefit of all shareholders.

Average contributions made for the year as a percentage of pensionable pay were as follows:

	2008 %	2007 %
Employer	**O\s**	O\s
Employee	**O\s**	O\s

Details of experience gains and losses for the year to 31 December 2008

	2008 £'000	2007 £'000	2006 £'000	2005 £'000	2004 £'000
Difference between the expected and actual return on scheme assets:					
Amount	**(2,704)**	(322)	253	1,443	52
Percentage of scheme assets	**(19)%**	(2)%	2%	11%	0.5%
Experience gains and losses on scheme liabilities:					
Amount	-	-	447	-	111
Percentage of the present value of the scheme liabilities	-	-	3%	-	1%
Total amount recognised in statement of total recognised gains and losses:					
Amount	**(1,039)**	1,082	224	(51)	163
Percentage of the present value of the scheme liabilities	**(7)%**	7%	1%	-	1%

19 Share capital

Authorised	2008 000	2007 000
10,000,000 ordinary shares of £1 each	**10,000**	10,000
10,000,000 5% fixed rate cumulative preference shares of £1 each	**10,000**	10,000
	20,000	20,000

Allotted, called up and fully paid	£000	£000
6,899,407 (2007:6 ,899,407) ordinary shares of £1 each	**6,899**	6,899

20 Profit and loss account

	£'000
At 1 January 2008	4,270
Profit for the financial year	3,250
Pension movement in STRGL	(748)
At 31 December 2008	**6,772**

21 Reconciliation of movements in shareholders' funds

	2008 £'000	2007 £'000
Profit before dividend	**3,250**	2,008
Movements relating to pension scheme in STRGL	**(748)**	757
Opening shareholders' funds	**11,169**	8,404
Closing shareholders' funds	**13,671**	11,169

22 Capital commitments

The directors have neither contracted for nor authorised any capital expenditure that needs to be provided in the financial statements.

23 Financial commitments

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	2008 £'000	2007 £'000
Expiring within one year	**-**	2
Expiring between two and five years inclusive	**8**	5
	8	7

24 Transactions with related parties

The company has taken advantage of the exemptions available under Financial Reporting Standard No. 8 and has not disclosed transactions with companies that are part of the Bemis Company Inc group of companies.

25 Ultimate and immediate parent companies and controlling party

The directors consider Bemis Company Inc, a company incorporated in the United States of America, to be the ultimate parent company and controlling party. The immediate parent company is Curwood Inc, a company also registered in the United States of America.

Copies of the ultimate parent's consolidated financial statements may be obtained from the Secretary, 2225 9th Street, Suite 2300, Minneapolis MN55402.