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HAREWOOD INVESTMENTS NO.5 LIMITED

FINANCIAL STATEMENTS

For the period ended 31 December 2007

COMPANY INFORMATION

Registered address	M&C Corporate Services Limited PO box 309GT Ugland House South Church Street George Town Cayman Islands
Directors	N E Brick N A Robinson
Secretary	K A Schrod
Auditors	Deloitte & Touche LLP Hill House 1 Little New Street London EC4A 3TR United Kingdom

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HAREWOOD INVESTMENTS NO.5 LIMITED

DIRECTORS' REPORT

The Directors present their report and the financial statements of Harewood Investments No 5 Limited ('the Company') for the period ended 31 December 2007

Principal activity and review of the business

The Company is a wholly owned subsidiary of BNP PUK Holding Limited. The ultimate parent undertaking is BNP Paribas S A.

The Company was incorporated on 13 December 2005 to undertake investing activities and is incorporated in the Cayman Islands.

The Company recorded a profit for the financial year of £608,000 on operating profit of £3,409,000 representing a substantial increase over the prior year's profit of £236,000 on operating profit of £3,295,000. The retained profit for the year was transferred to reserves. No dividend has been proposed, a prior year dividend of £1,000 was paid.

During the period the Company earned interest income of £9,358,000 and incurred interest expense of £5,961,000 on its financial assets and liabilities.

During the prior period the Company issued 1,500,000 ordinary shares for a contribution of £210,000,000. The ordinary shares require the Company to pay a fixed rate dividend of 3.11% per annum calculated on the subscription price and a termination dividend of £100 per share. Under the terms of the fixed rate and termination dividends the Company does not have unconditional right to avoid delivering cash or another financial asset to settle its contractual obligations. Consequently in relation to the share issue a financial liability of £150,000,000 was recognised as described in Note 10. The proceeds from the issue of shares was utilised through placing £209,000,000 on deposit with other group companies and purchasing debt securities.

The Company matured its financial liability of £150,000,000 in tandem with its deposit of £209,000,000, held with other group companies. This has resulted in excess cash of £60,000,000, which was then placed on deposit with the ultimate parent undertaking.

Financial risk management

Financial risk factors

The Company's activities potentially expose it to a variety of financial risks: market risk, credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

(a) Foreign exchange risk

The Company is not exposed to foreign exchange risk as all its assets and liabilities are denominated in the Company's functional currency of sterling.

(b) Price risk

The Company is exposed to securities price risk because of investments in debt securities and classified on the balance sheet as available-for-sale financial assets. The Company is not exposed to commodity price risk.

(c) Credit risk

The Company has a significant concentration of credit risk with other group companies. The Company has further exposure to credit risk on its investments in debt securities. These are limited to high credit quality securities with an aggregate market value not exceeding £1,000,000.

(d) Liquidity risk

Other group companies will provide liquidity to the Company as and when cash is required.

(e) Cash flow and fair value interest rate risk

The Company is exposed to fair value interest rate risk from its fixed rate dividends. The Company is further exposed to fair value interest rate risk from its investment in fixed rate debt securities. The Company is exposed to cash flow interest rate risk from its floating rate cash balances. It is the opinion of the Directors that the cash flow and fair value interest rate risk arising from these investments is insufficient to require hedging.

HAREWOOD INVESTMENTS NO 5 LIMITED

DIRECTORS' REPORT

Future developments

It is the Directors belief that no significant developments are likely and that the company will continue to act as an investment company

Share capital

Ordinary shares

During the prior period, the Company issued 1,500,000 ordinary shares of £1 each on the 13 December 2005 at a subscription price of £140 per share. This represented ordinary share capital of £1,500,000 and share premium of £208,500,000. The shares were acquired by BNP Paribas Luxembourg. As described in Note 10 under the terms of the ordinary shares the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligations. Consequently the issue of ordinary shares resulted in a financial liability being recognised at its fair value of £150,000,000. The equity share capital has been determined after deducting the fair value of the financial liability.

Charitable and political donations

During the year there were no charitable or political contributions made by the Company (2006 nil)

Employees

The company had no employees during the year ended 31 December 2007 (2006 None)

Directors and their interests

The Directors who held office during the period were

N E Brick
N A Robinson
N A L Williams (resigned 18 February 2008)

Approved by the Board of Directors and signed on their behalf

By Order of the Board



N BRICK
Director/Secretary

16 July 2008

HAREWOOD INVESTMENTS NO.5 LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and the profit and loss of the Company for that period. In preparing those financial statements, the Directors are required to

- Select suitable accounting policies and apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State whether the accounts comply with IFRS, and
- 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 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 Law. They have general responsibility for taking such steps as is reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HAREWOOD INVESTMENTS NO.5 LIMITED**

We have audited the financial statements of Harewood Investments No 5 Limited (the "Company") for the period ended 31 December 2007 which comprise the income statement, the balance sheet, the cashflow statement, the statement of changes in equity and related notes 1 to 16 which have been prepared in accordance with the accounting policies set out therein

This report is made solely to the members of the Company, as a body in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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 and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors

The Directors' responsibilities for preparing the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with International Standards on Auditing (UK and Ireland). We report to you our opinion as to whether the financial statements are properly prepared in accordance with the stated accounting policies

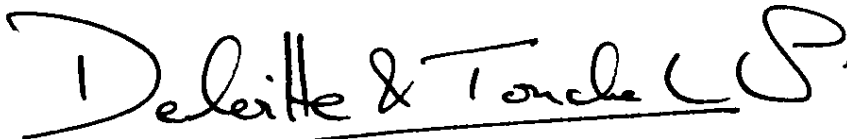
Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK & 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 adopted by the Directors are appropriate to the particular circumstances of the Company and have been 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 on the basis of the accounting policies adopted

Opinion

In our opinion the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Company's affairs as at 31 December 2007 and of its profit for the year then ended



Deloitte & Touche LLP
Chartered Accountants
London, United Kingdom

16 July 2008

HAREWOOD INVESTMENTS NO.5 LIMITED

INCOME STATEMENT

For the year ended 31 December 2007

	Notes	Year end 31 Dec 2007 £000	Period 13 Dec 2005 to 31 Dec 2006 £000
Interest receivable and similar income	3	9,358	10,198
Interest payable	4	(5,961)	(6,871)
Administrative income /expense		12	(32)
Profit before taxation	5	3,409	3,295
Taxation	6	(2,801)	(3,059)
Profit for the period		608	236


The results for both the current year and the prior period (13 December 2005 to 31 December 2006) are derived wholly from continuing operations

HAREWOOD INVESTMENTS NO.5 LIMITED

BALANCE SHEET
At 31 December 2007

	Notes	Year end 31 Dec 2007 £000	Period 13 Dec 2005 to 31 Dec 2006 £000
ASSETS			
Current assets			
Available-for-sale financial assets	7	949	877
Other receivables	8	292	499
Cash and cash equivalents	9	60,957	211,488
		62,198	212,864
LIABILITIES			
Current liabilities			
Borrowings	10	-	(150,000)
Other payables	11	(1,356)	(2,631)
		(1,356)	(152,631)
Net current assets		60,842	60,233
NET ASSETS		60,842	60,233
SHAREHOLDERS' EQUITY			
Ordinary shares	12	1,500	1,500
Share Premium	12	58,500	58,500
Available for sale reserves		(1)	(2)
Retained earnings		843	235
TOTAL EQUITY		60,842	60,233

Approved by the Board of Directors and authorised on 16 July 2008 and signed on its behalf by


N. ROBINSON
 Director

HAREWOOD INVESTMENTS NO.5 LIMITED**CASH FLOW STATEMENT****For the year ended 31 December 2007**

	Notes	Year ended 31 Dec 2007 £000	Period from 13 Dec 05 to 31 Dec 2006 £000
Cash flows from operating activities			
Cash generated from operations	13	(5)	(3)
Interest received		9,565	9,699
Interest paid		(6,262)	(6,567)
Tax paid		(3,758)	(761)
Net cash generated by operating activities		(460)	2,368
Cash flows from investing activities			
Redemption of AFS assets		1,328	-
Purchase of available-for-sale financial assets		(1,399)	(879)
Net cash used in investing activities		(71)	(879)
Cash flows from financing activities			
Redemption of shares		(150,000)	-
Proceeds from issue of ordinary shares		-	210,000
Dividend paid		-	(1)
Net cash generated by financing activities		(150,000)	209,999
Net increase in cash and cash equivalents		(150,531)	211,488
Cash and cash equivalents at 13 December 2006		211,488	-
Cash and cash equivalents at 31 December 2007		60,957	211,488

HAREWOOD INVESTMENTS NO 5 LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2007

	Ordinary shares £000	Share Premium £000	Available for sale reserves £000	Retained earnings £000	Total equity £000
Balance at 13 December 2005	-	-	-	-	-
Profit for the period	-	-	-	236	236
Net loss on available-for-sale financial assets	-	-	(2)	-	(2)
Issue of share capital	1,500	58,500	-	-	60,000
Dividend paid	-	-	-	(1)	(1)
Balance at 31 December 2006	1,500	58,500	(2)	235	60,233
At 1 January 2007	1,500	58,500	(2)	235	60,233
Profit for the period	-	-	-	608	608
Net gain on available-for-sale financial assets	-	-	1	-	1
Balance at 31 December 2007	1,500	58,500	(1)	843	60,842

The available for sale reserve arises from changes in the fair value of available-for-sale financial assets held by the Company, net of taxation, and is not distributable. These gains and losses are recognised in equity until the underlying financial asset is derecognised or impaired at which time the cumulative gain or loss previously recognised in equity is recognised.

HAREWOOD INVESTMENTS NO 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

1. Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied during the current year and prior period presented, unless otherwise stated.

a) Basis of preparation

These financial statements have been prepared in accordance with European Union ('EU') adopted International Financial Reporting Standards ('IFRS'). These comprise standards issued by the International Accounting Standards Board (IASB) and its predecessor as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and its predecessor body. The financial statements have been prepared under the historical cost convention.

In the current year, the Company has adopted IFRS 7 Financial Instruments Disclosures, and the related amendment to IAS 1 Capital Management which is effective for annual reporting periods beginning on or after 1 January 2007. The impact of adoption of IFRS 7 has been to expand the disclosures provided in these financial statements regarding the Company's financial instruments.

At the date of authorisation of these financial statements, although the following relevant Standards and Interpretations were in issue, they were not effective and the Company has not chosen to adopt them early:

- IFRS 8 Operating Segments
- IFRIC 11 IFRS 2 – Group and Treasury Share Transactions
- IFRIC 12 Service Concession Arrangements
- IFRIC 14 IAS 19 – The Limit on a Defined Benefit, Minimum Funding Requirements and their Interaction

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company when the relevant standards apply from their respective effective dates. A summary of the more important accounting policies is set out below.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from these estimates.

Once approved, the Financial Statements cannot be amended without re-presenting them for approval by the Board.

b) Critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements.

c) Accounting Convention

1 Trade date accounting

Purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the asset.

d) Revenue recognition

1 Interest income and expense

Interest income arises from cash and cash equivalents and from interest earning loans and receivables. Interest expense arises from financing activities. Interest income and expense are recognised in the Income statement using the effective interest method.

HAREWOOD INVESTMENTS NO 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

e) Foreign currency translation

i Functional and presentation currency

Items included in the financial statements, are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in sterling, which is the Company's functional and presentation currency.

ii Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

f) Financial instruments

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, payables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

(a) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as 'held for trading' unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest rate method less any impairment. Interest income is recognised by applying the effective interest rate.

(c) Payables

Payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

(d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Available-for-sale financial assets are recognised initially at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Available-for-sale financial assets are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of available-for-sale financial assets, net of taxation, are recognised in equity.

When available-for-sale financial assets are sold, impaired or derecognised, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from the sale of investment securities'. Dividend income from available-for-sale investments is recognised in the income statement within 'other operating income' when the Company's right to receive the dividend is established.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity instruments classified as available-for-sale, a significant or prolonged

HAREWOOD INVESTMENTS NO.5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2007

f) Financial instruments (cont'd)

decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale investments) is based on quoted market prices at the balance sheet date.

g) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdraft. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

h) Share capital, capital contributions and debt instruments

Ordinary shares and capital contributions that evidence a residual interest in the assets of the Company after deducting all of its liabilities are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

i) Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered), using tax rates and laws that have been enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability that at the time of the transaction affects neither the accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that foreseeable future taxable profit will be available against which the temporary differences can be utilised.

j) Dividend distributions

Discretionary dividends distributed to the Company's shareholders are recognised as a liability in the Company's financial statements, in the period in which the dividends are approved by the Company's shareholders.

HAREWOOD INVESTMENTS NO.5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

2 Financial risk management

The Company's activities potentially expose it to a variety of financial risks, credit risk, liquidity risk, foreign exchange risk, price risk and cash flow and fair value interest rate risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The exposures and risk management techniques have not changed significantly from the prior year.

a) Credit risk

The Company takes on exposure to credit risk that a counterparty will cause a financial loss for the Company by failing to discharge an obligation. Credit risk arises on cash and cash equivalents and other receivables due from other group companies and on available-for-sale debt securities issued by third parties. Available-for-sale financial instruments are rated as investment grade by external ratings agencies. Credit risk is monitored by the Directors.

Maximum exposure to credit risk before collateral held or credit enhancements

	2007	2006
	£000	£000
Available-for-sale financial assets	949	877
Other receivables	292	499
Cash and cash equivalents	60,957	211,488
	62,198	212,864

The above table represents a worse case scenario of credit risk exposure for the Company at 31 December 2007 and 2006, without taking into account collateral held or other credit enhancements attached. The exposures set out above are based on the carrying amounts as reported in the balance sheet. The assets mentioned on the table above are not past due or impaired.

b) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Other group companies will provide liquidity to the Company as and when cash is required. The financial liabilities as shown in Note 10 and Note 11 are all repayable on demand consequently no liquidity table is provided.

HAREWOOD INVESTMENTS NO 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

c) Market risk

The Company activities potentially expose it to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency, and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. Exposure to market risk is monitored by the Directors.

(i) Foreign exchange risk

The Company is not exposed to foreign exchange risk as all assets and liabilities are denominated in the Company's functional currency of sterling.

(ii) Interest rate risk

The Company is exposed to fair value interest rate risk from its investment in fixed rate debt Securities. The Company is exposed to cash flow interest rate risk from its investment in floating rate debt securities. The Company is not exposed to interest rate risk on its cash and cash equivalents and its borrowings as these bear interest at fixed rates and are carried at amortised cost. It is the opinion of the Directors that the cash flow and fair value interest rate risk arising from these investments is insufficient to require hedging.

Interest rate risk sensitivity

The sensitivity analyses below have been determined based on the following assumptions:

- the exposure to interest rates is on all financial instruments held at the balance sheet date,
- the stipulated change took place at the beginning of the financial year and held constant throughout the reporting period, and
- instruments that reprice within a period of 6 months are considered variable while those that reprice after 6 months are considered fixed.

Based on historic volatility a 50 basis point increase or decrease is considered a reasonably possible change in interest rates.

The sensitivity analysis shown below is representative of the risks inherent in the Companies financial instruments. The methods and assumptions used to prepare the sensitivity analysis are consistent for both reporting periods.

If interest rates had been 50 basis points higher and all other variables were held constant, the Company's

- profit for the year ended 31 December 2007 would increase by GBP 4,750 (2006 increase by GBP 4,380). This is attributable to the Company's exposure to interest rates on its floating rate debt securities, and
- equity reserves would decrease by an immaterial amount (2006 not materially affected) as a result of the available-for-sale financial assets being at floating rates or maturing in the short term.

A 50 basis point decrease in interest rates would have an inverse effect on profit or loss and equity. The Company's sensitivity to interest rates has remained constant during the current period.

HAREWOOD INVESTMENTS NO.5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

3 Interest receivable and similar income

	2007	2006
	£000	£000
Interest income on available-for-sale financial assets	54	51
Interest income on cash and cash equivalents (Note 14)	9,304	10,147
	9,358	10,198

4 Interest payable

	2007	2006
	£000	£000
Interest payable	5,961	6,871

5 Profit before taxation

a) Services provided by the Company's auditor

Services provided by the Company's auditor consisted of the statutory audit, at a cost of £4,900 (2006 £4,800) which will be borne by the ultimate parent undertaking. There were no non-audit fees paid to the auditors in either the current year or the prior period.

b) Directors' emoluments

The Directors provide services to the Company, the ultimate parent undertaking and a number of fellow subsidiary undertakings. The emoluments of all Directors are paid by the ultimate parent undertaking, therefore they are not disclosed in these financial statements.

c) Number of employees

The Company had no employees during the period to 31 December 2007 (2006 Nil).

HAREWOOD INVESTMENTS NO 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2007

6. Taxation

	2007 £000	2006 £000
Analysis of charge in period		
Current tax — continuing operations	2,801	3,059
Taxation	2,801	3,059

	2007 £000	2006 £000
Tax on items charged to equity		
Current tax charge on available-for-sale financial assets	197	-

The tax for the year is higher than the standard rate of corporation tax in the UK of 30% as detailed below

	2007 £000	2006 £000
Profit on ordinary activities before taxation	3,409	3,295
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	1,023	989
<i>Effects of</i>		
Expenses not deductible for tax purposes	(10)	9
Adjustment for interest paid	1,788	2,061
Profit on ordinary activities before taxation multiplied by the rate of corporation tax in the UK of 30%	2,801	3,059

HAREWOOD INVESTMENTS NO 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2007

7 Available-for-sale financial assets

	Debt securities £000
At 13 December 2005	-
Additions	879
Revaluation deficit transferred to equity	(2)
At 31 December 2006	877
At 1 January 2007	877
Additions	1,399
Maturities	(1,328)
Revaluation surplus transferred to equity	1
At 31 December 2007	949

Debt securities

Debt securities held by the Company as at 31 December, 2007, are a floating rate, 10 March 2008, Leaseplan Finance Floating Rate Note. The instrument is re-valued at the bid price prevailing at the balance sheet date.

The gain on revaluation of £938 was taken to equity and is disclosed in 'Available for sale reserves' in the balance sheet.

8 Other receivables

	2007 £000	2006 £000
Amounts owed by group undertakings (Note 14)	288	470
Coupon receivable on available-for-sale financial assets	4	29
	292	499

Amounts owed by group undertakings represent accrued interest receivable on cash and cash equivalents and are receivable during January 2008.

9 Cash and cash equivalents

	2007 £000	2006 £000
Cash and cash equivalents (Note 14)	60,957	211,488

Cash and cash equivalents have an effective interest rate of 5.24%.

HAREWOOD INVESTMENTS NO.5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2007

10 Borrowings

	2007 £000	2006 £000
Borrowings	-	150,000

In the prior period the Company issued 1,500,000 ordinary shares of £1 at a subscription price of £140 per share. This represented ordinary share capital of £1,500,000 and share premium of £208,500,000. The shares entitle the holder of the dividend rights to a fixed rate cumulative dividend of 3.11% per annum. The shares further entitle the holder of the dividend rights to a termination dividend of £100 per share repayable at the earlier of 15 December 2008 and the receipt of an Acceleration Notice from the holder of at least 50% of the Company's shares or dividend rights.

The termination dividend and the fixed rate dividend rights meet the criteria for a debt instrument under IAS 32 as the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle a contractual obligation.

Consequently upon initial recognition a financial liability has been recognised at its fair value of £150,000,000. The fair value has been determined based upon a recent arms length transaction. The financial liability has an effective interest rate of 4.35% and is repayable on demand.

During the period, the Company, matured its financial liabilities and assets above and invested the excess cash of £60,000,000 by placing a deposit with the ultimate parent undertaking.

11 Other payables

	2007 £000	2006 £000
Accrued interest payables	3	304
Accruals	12	29
Corporation tax payable	1,341	2,298
	1,356	2,631

Accrued interest payable represent interest payable on the over-drawn balances held with the ultimate parent undertaking and is payable during January 2008.

Corporation tax creditors and accruals have no final maturity date and the effective interest rate of the liability is zero.

HAREWOOD INVESTMENTS NO.5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2007

12 Share capital and share premium

	2007 £000	2006 £000
Authorised		
<i>Equity share capital</i>		
1,500,000 ordinary shares of £1 each	1,500	1,500
Issued and fully paid		
<i>Equity share capital</i>		
1,500,000 ordinary shares of £1 each	1,500	1,500
Share Premium		
<i>Equity share premium</i>		
1,500,000 ordinary shares of £1 each — premium of £39 each	58,500	58,500

The authorised share capital of 1,500,000 ordinary shares of £1 each was issued at a subscription price of £140 per share. This represented ordinary share capital of £1,500,000 and share premium of £208,500,000. As described in Note 10 under terms of the ordinary shares the Company does not have an unconditional right to avoid delivering cash or another financial asset to settle its contractual obligations. Consequently the issue of ordinary shares resulted in a financial liability being recognised at its fair value of £150,000,000. The equity share capital has been determined by deducting the fair value of the financial liability from the subscription proceeds.

13 Cash flow from operating activities

Reconciliation of profit for the period to cash generated from operations

	2007 £000	2006 £000
Profit for the period	608	236
Adjustments for		
— interest receivable and similar income	(9,358)	(10,198)
— interest payable	5,961	6,871
— taxation	2,801	3,059
Changes in working capital		
— increase in other payables	(17)	29
Cash generated by operations	(5)	(3)

HAREWOOD INVESTMENTS NO 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2007

14 Related party transactions

Related party transactions that were of a capital nature were as follows

Share capital

There were no transactions of a capital nature during the current year

Prior period

The authorised share capital of 1,500,000 ordinary shares of £1 each was issued on the 13 December 2005 at a subscription price of £140 per share. This represented ordinary share capital of £1,500,000 and share premium of £208,500,000. The shares were acquired by BNP Paribas Luxembourg, fellow subsidiary.

Cash and cash equivalents

The Company maintains current and deposit accounts with the ultimate parent undertaking.

Prior period

On 13 December 2005, the Company placed £209,000,000 on deposit with BNP Paribas S A, the ultimate parent undertaking. The deposit earns interest at a rate of 4.59%. The deposit is repayable on demand and has a final repayment date of 15 December 2008.

Related party transactions during the year that were not of a capital nature were as follows:

Interest receivable from the ultimate parent undertaking amounting to £9,303,453 (2006: £10,147,178) in respect of amounts deposited, with an effective interest rate of 5.24%.

In respect of these transactions, the outstanding balances receivable/(payable) as at 31 December 2007 were as follows:

Nature of transaction	Related party	2007	2006
		£000	£000
Cash and cash equivalents	Ultimate parent undertaking	60,957	211,488
Other receivables	Ultimate parent undertaking	288	470
Group relief creditor	Ultimate parent undertaking	-	10

Costs including key management compensation, audit fees, and services provided by support functions of the ultimate parent undertaking, e.g. (finance, legal and secretarial services) which are incidental to the Company's operations, were borne by BNP Paribas London Branch and no re-charge was made to the Company.

HAREWOOD INVESTMENTS NO 5 LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

15 Capital management

The Company categorises capital as Shareholders' equity and as at 31 December, 2007, the value was £60,842,000 (2006 £60,233,000) Any changes to this total between prior year and current year are as a result of changes in the Company's income statement

The Directors manage this by monitoring capital levels and where appropriate pay dividends to the parent undertaking Additionally, as and when necessary, the Directors will inject new capital by requesting funding from the ultimate parent undertaking

16 Ultimate parent undertaking

The Company's immediate parent undertaking is BNP PUK Holding Limited, a company incorporated in the United Kingdom Copies of the Financial Statements of BNP PUK Holding Limited are available from

10 Harewood Avenue
London
NW1 6AA
United Kingdom

BNP Paribas SA is the main provider of funds, the ultimate parent and controlling party of the group, and is the smallest and largest group to consolidate these financial statements BNP Paribas SA is a company incorporated in France with limited liability

Copies of the group financial statements for BNP Paribas SA can be obtained from

16 boulevard des Italiens
75009 Paris
France