

Registered no : 2586929

**BOC Japan Holdings Limited**  
**Annual report**  
**for the year ended 30 September 2001**



**BOC Japan Holdings Limited**

**Annual report**

**for the year ended 30 September 2001**

	Pages
Directors' report	1 – 2
Statement of directors' responsibilities	3
Independent auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

# **BOC Japan Holdings Limited**

## **Directors' report for the year ended 30 September 2001**

The directors present their report and the audited financial statements of the company for the year ended 30 September 2001.

### **Share capital**

On 13 July 2001, 185,845,225 Ordinary shares of £1 each were allotted to The BOC Group plc at par; 171,845,225 being in exchange for the entire issued share capital of BOC Intressenter AB comprising of 100,000 shares of SEK 100 each and 14,000,000 being in exchange for the £14,000,000 Unsecured Debenture Stock of BOC Intressenter AB.

By Ordinary Resolution dated 17 July 2001 the authorised share capital was increased to £450,000,000 by the creation of 150,000,000 Preference shares of £1 each. On 17 July 2001 200,000 Preference shares of £1 each were allotted to BOC Holdings at par for a cash consideration.

### **Principal activities**

The company's principal activity is that of an investment holding company. It is envisaged that this will continue to be the principal activity of the company for the foreseeable future.

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

### **Economic and Monetary Union**

As the company does not trade, the impact of the introduction of the Euro on 1 January 1999 was not significant and the associated costs have been minimal. All costs incurred in relation to EMU have been, and will be, borne by The BOC Group plc, the company's holding company.

### **Dividends**

The directors do not recommend the payment of a dividend for the year ended 30 September 2001 (2000: nil).

# **BOC Japan Holdings Limited**

## **Directors**

The directors of the company during the year were:

Mr G A Chipchase (alternate) (resigned 31 August 2001)  
Mr N Deeming (appointed 16 May 2001)  
Mr A E Isaac  
Mr R Médori  
Mr V K Saith  
Mrs G J Stuart (resigned 15 December 2000)

The directors are not subject to retirement by rotation.

## **Directors' interests**

According to the register kept by the company for the purposes of section 324 of the Companies Act 1985, no director was interested in any shares or debentures of the company at 30 September 2001.

The interests of Mr A E Isaac and Mr R Médori in the shares or debentures of The BOC Group plc, the company's ultimate parent undertaking, are disclosed in that company's accounts. The interests of Mr N Deeming and Mr V K Saith in the shares or debentures of The BOC Group plc are disclosed in the accounts of BOC Holdings, the company's preference shareholder.

## **Auditors**

Pursuant to section 386(1) of the Companies Act 1985 (as inserted by the Companies Act 1989) the members have resolved to dispense with the obligation to appoint auditors annually and PricewaterhouseCoopers shall be deemed to be re-appointed each year.

## **Annual general meeting and laying of accounts**

Pursuant to sections 366A(1) and 252(1) of the Companies Act 1985 (as inserted by the Companies Act 1989) the members have resolved to dispense with the holding of Annual General Meetings and the laying of the Report and Accounts of the company before the members in general meeting.

By order of the Board



C A Hunt  
Secretary

7 December 2001

## **BOC Japan Holdings Limited**

### **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 of the profit or loss of the company for that period. In preparing these 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 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.

The directors confirm that the financial statements comply with the above requirements.

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. The directors 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.

# **BOC Japan Holdings Limited**

## **Independent auditors' report to the members of BOC Japan Holdings Limited**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes on pages 5 to 11, which have been prepared under the historical cost convention and the accounting policies set out in the notes to the financial statements.

### **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 on page 3.

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.

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.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

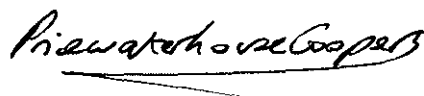
### **Basis of audit opinion**

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 the company's affairs at 30 September 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
Chartered Accountants and Registered Auditors  
London  
7 December 2001

## **BOC Japan Holdings Limited**

### **Profit and loss account for the year ended 30 September 2001**

	<b>Note</b>	<b>2001 £'000</b>	<b>2000 £'000</b>
Interest receivable and other similar income	8	194	-
Interest payable and similar charges	8	(960)	-
<b>Loss on ordinary activities before taxation</b>		<u>(766)</u>	<u>-</u>
Tax on loss on ordinary activities	9	-	-
<b>Loss for the financial year</b>		<u>(766)</u>	<u>-</u>

All of the above relates to continuing operations.

The company has no recognised gains or losses in the year other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented.

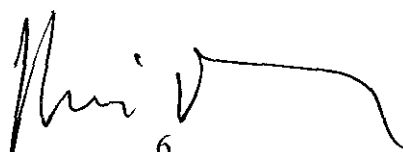
There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

# BOC Japan Holdings Limited

## Balance sheet as at 30 September 2001

	Note	2001 £'000	2000 £'000
<b>Fixed assets</b>			
Investments	10	<u>264,260</u>	<u>41</u>
<b>Current assets</b>			
Debtors	11	397	3
<b>Creditors: amounts falling due within one year:</b>			
- Convertible unsecured loan stock	12	(78,339)	-
- Other	12	<u>(995)</u>	<u>-</u>
<b>Net current (liabilities) / assets</b>		<u>(78,937)</u>	<u>3</u>
<b>Net assets</b>		<u><u>185,323</u></u>	<u><u>44</u></u>
<b>Capital and reserves</b>			
Called up share capital	13	186,089	44
Profit and loss account		<u>(766)</u>	<u>-</u>
<b>Shareholders' funds</b>	14	<u><u>185,323</u></u>	<u><u>44</u></u>
<b>Shareholders' funds comprise:</b>			
Equity shareholders' funds		185,123	44
Non-equity shareholders' funds		<u>200</u>	<u>-</u>
		<u><u>185,323</u></u>	<u><u>44</u></u>

The financial statements on pages 5 to 11 were approved by the board of directors on 7 December 2001 and were signed on its behalf by:



R Médori  
Director



# **BOC Japan Holdings Limited**

## **Notes to the financial statements for the year ended 30 September 2001**

### **1 Accounting policies**

These financial statements have been prepared under the historical cost convention and in accordance with all applicable United Kingdom accounting standards.

### **2 Profit and loss account**

The results for the year are shown on page 5.

### **3 Cash flow statement**

The company is a wholly-owned subsidiary of The BOC Group plc, and is included in the consolidated financial statements of The BOC Group plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard Number 1 (revised 1996).

### **4 Group accounts**

The financial statements contain information about BOC Japan Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, The BOC Group plc, a company registered in England and Wales.

### **5 Directors' emoluments**

The emoluments of the directors are paid by the ultimate parent company, The BOC Group plc, in their roles as managers and directors of the BOC group. Their services to this company and to a number of fellow subsidiaries are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the parent company. Accordingly these financial statements include no emoluments in respect of the directors.

### **6 Auditors remuneration**

The remuneration payable in relation to audit services is included in the aggregate fees disclosed in the consolidated financial statements of The BOC Group plc, the company's ultimate parent company.

### **7 Employee information**

The company had no employees in the year. The company is not charged for the services by employees of other BOC group companies that provide services to the company.

# BOC Japan Holdings Limited

## 8 Interest

	2001 £'000	2000 £'000
<b>Interest receivable and other similar income:</b>		
On loans to group undertakings	194	-
	<u>          </u>	<u>          </u>
<b>Interest payable and similar charges:</b>		
On loans from group undertakings	(960)	-
	<u>          </u>	<u>          </u>

## 9 Tax

Losses have arisen in the year having a tax benefit of £230,000 (2000: £nil). These have been surrendered as group relief to a fellow subsidiary for nil consideration.

## 10 Investments

	Shares in group undertakings £'000	Loans to group undertakings £'000	Total £'000
<b>Cost:</b>			
At 1 October 2000	41	-	41
Additions	250,219	14,000	264,219
<b>At 30 September 2001</b>	<u>250,260</u>	<u>14,000</u>	<u>264,260</u>

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

At 30 September 2001, the company owned the following investments:

Name	Class of shares held	% of nominal value	Country of incorporation
BOC Intressenter AB	SEK100 Ordinary shares	100	Sweden
BOC Japan Limited	¥50,000 Ordinary ¥15M Ordinary capital ¥635,000 Ordinary capital one	100	Japan

## BOC Japan Holdings Limited

### 11 Debtors

	2001 £'000	2000 £'000
<b>Amounts falling due within one year</b>		
Amounts due from group undertakings	397	3
	<u>397</u>	<u>3</u>

Amounts owed by group undertakings are unsecured and have no fixed date of repayment.

### 12 Creditors

	2001 £'000	2000 £'000
<b>Amounts falling due within one year</b>		
Amounts due to group undertaking	(995)	-
Convertible debt issued to parent undertaking	(78,339)	-
	<u>(79,334)</u>	<u>-</u>

The convertible unsecured loan stock may be converted at the option of the note holder into fully paid preference shares of £1 on 17 July 2002, or each 17 July thereafter if the loan note has not previously been redeemed or converted, at the rate of 102 preference shares for every £100 of convertible stock. Full conversion of the outstanding rights will result in the issue of 79,423,840 preference shares. If the option to convert is not exercised, then the note is redeemable from 17 July 2006 onwards at the option of the company or otherwise on 17 July 2011. If the company gives notice of early redemption, the note holder may exercise his option to convert on the terms stated above. The cash amount payable on redemption will be the greater of 9.5% of the Principal Amount or £77,866,510 x X/Y where X is the market value of 100 preference shares of the company (see note 13) on the day of redemption and Y is the market value of 100 preference shares on 17 July 2001, the date of issue of the note.

# BOC Japan Holdings Limited

## 13 Called up share capital

	2001 £'000	2000 £'000
<b>Authorised</b>		
300,000,000 Ordinary shares of £1 each	300,000	1,000
150,000,000 Preference shares of £1 each	150,000	-
	<u>450,000</u>	<u>1,000</u>
	<b>2001 £'000</b>	<b>2000 £'000</b>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each:		
At 1 October 2000	44	44
Allotted on acquisition of BOC Intressenter AB	185,845	-
At 30 September 2001	<u>185,889</u>	<u>44</u>
Preference shares of £1 each:		
At 1 October 2000	-	-
Allotted for cash	200	-
At 30 September 2001	<u>200</u>	<u>-</u>
	<u>186,089</u>	<u>44</u>

On 13 July 2001, 185,845,225 Ordinary shares of £1 each were allotted to The BOC Group plc at par; 171,845,225 being in exchange for the entire issued share capital of BOC Intressenter AB comprising of 100,000 shares of SEK 100 each and 14,000,000 being in exchange for the £14,000,000 Unsecured Debenture Stock of BOC Intressenter AB.

By Ordinary Resolution dated 17 July 2001 the authorised share capital was increased to £450,000,000 by the creation of 150,000,000 Preference shares of £1 each. On 17 July 2001 200,000 Preference shares of £1 each were allotted to BOC Holdings at par for a cash consideration.

The non-redeemable preference shares have the following rights:

- (i) to receive first out of profits a dividend equal to the redemption yield on the 2016 2½% Index Linked Gilt plus 2.3% increased each year in line with the Retail Prices Index for the first 15 years from the date of issue of the initial preference shares of 17 July 2001;
- (ii) after 15 years have elapsed from the first issue of the preference shares, their dividend entitlement will be reset. The revised dividend rate will be such rate that when applied to the Accrued Value gives a fixed dividend per share that ensures that the open market value of the preference shares on their fifteenth anniversary is equal to the accrued value;

## BOC Japan Holdings Limited

### 13 Called up share capital (continued)

- (iii) to attend and vote on any resolution at a general meeting of the company only on the question of abrogating, varying or modifying any of the rights or privileges of their holders; and
- (iv) in a winding up, to receive payment of capital in preference to all other classes of share.

### 14 Reconciliation of movement on shareholders' funds

	2001 £'000	2000 £'000
Shareholders' funds at 1 October	44	44
Loss for the financial year	(766)	-
Nominal value of ordinary shares issued on acquisition of BOC Intressenter AB (note 13)	185,845	-
Nominal value of preference shares issued (note 13)	200	-
	<hr/>	<hr/>
<b>Shareholders' funds at 30 September</b>	<b>185,323</b>	<b>44</b>
	<hr/>	<hr/>

### 15 Related party transactions

In accordance with Financial Reporting Standard Number 8, Related Party Disclosures, the company is exempt from disclosing transactions with entities that are part of the BOC group, or investees of the BOC group qualifying as related parties, as it is a wholly owned subsidiary of a parent publishing consolidated financial statements.

### 16 Ultimate parent company

The immediate and ultimate parent undertaking and controlling party of the company is The BOC Group plc, which is registered in England and Wales.

The BOC Group plc is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of The BOC Group plc's consolidated financial statements can be obtained from the Company Secretary at Chertsey Road, Windlesham, Surrey, GU20 6HJ.