

Linden Germany B Limited

Company registration number: 2987262

Report and Accounts
for the year ended 31 December 2005



Linden Germany B Limited

Report of the directors for the year ended 31 December 2005

Directors:

C.R.Day
S.J.Edwards
M.R.Wilson

Auditors

The Auditors PricewaterhouseCoopers LLP have expressed their willingness to continue in office. A resolution will be proposed at the Annual General Meeting to re-appoint them and to authorise the Directors to set their remuneration.

Responsibilities of directors for the preparation of financial statements

The following statement, which should be read in conjunction with the auditors' report set out on page 3, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements.

The directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The directors consider that in preparing the financial statements the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985

The directors are also responsible for ensuring that reasonable procedures are being followed for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Principal activity

The principal activity of the Company, which is a member of the Reckitt Benckiser group of companies, is the holding of an investment in an overseas undertaking of the group. The directors do not foresee any change in this activity during 2006.

Results for the year and movement on reserves

The accounts for 2005 show a loss of £231,000 (2004 - profit of £5,391,000) which has been deducted from reserves (2004 – added to reserves).

Linden Germany B Limited

Report of the directors for the year ended 31 December 2005 (continued)

Interests of directors

No director had a notifiable interest in the shares of the Company at the beginning or at the end of the financial year, according to the register kept in accordance with s325 of the Companies Act 1985.

As permitted by statutory instrument, the register does not include any interest of those directors who are also directors of a holding company. Directors whose interests are disclosed in a holding company are given below:

C.R.Day – interests disclosed in Reckitt Benckiser plc

M.R.Wilson – interests disclosed in Reckitt Benckiser Investments Limited

S.J.Edwards – interests disclosed in Reckitt Benckiser Investments Limited

On behalf of the Board



E. Richardson
Secretary

30 JUNE 2006

Linden Germany B Limited

Independent auditors' report to the members of Linden Germany B Limited

We have audited the financial statements of Linden Germany B Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of movements in shareholders' funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 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

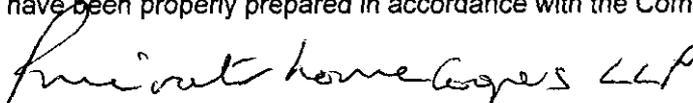
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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 2005 and of its loss and for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

30 June 2006

Linden Germany B Limited

Profit and loss account for the year ended 31 December 2005

	Notes	2005 £000	2004 £000
Administrative (expense)/income		(231)	5,864
Operating (loss)/profit	1	<u>(231)</u>	<u>5,864</u>
Interest payable and similar charges	2	0	(676)
(Loss)/Profit on ordinary activities before taxation		<u>(231)</u>	<u>5,188</u>
Tax credit/(charge) on profit/(loss) on ordinary activities	3	0	203
(Loss)/Profit on ordinary activities after taxation & (Loss)/Profit for the year	4	<u>(231)</u>	<u>5,391</u>

Note:

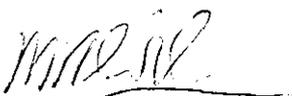
1. The Company had no recognised gains or losses other than stated in the profit and loss account for the year and therefore a statement of total recognised gains and losses has not been prepared.
2. The results for the year derive entirely from continuing operations.

Linden Germany B Limited

Balance sheet
as at 31 December 2005

	Notes	2005 £000	2004 £000
Fixed Assets			
Investments	5	<u>18,001</u>	<u>18,232</u>
Current assets			
Debtors due within one year	6	203	203
Net current assets		<u>203</u>	<u>203</u>
Total assets less current liabilities and Net assets		<u>18,204</u>	<u>18,435</u>
Capital and Reserves			
Called up share capital	7	6,000	6,000
Share Premium		56,384	56,384
Profit and loss account	4	<u>(44,180)</u>	<u>(43,949)</u>
Total shareholders' funds (equity interests)		<u>18,204</u>	<u>18,435</u>

On behalf of the Board



M.R. Wilson
Director

30.6.06

Linden Germany B Limited

Reconciliation of movements in shareholders' funds (deficit)

	Share Capital £000	Share Premium £000	Profit & Loss Account £000	Total £000
At 1st January 2004	5,000	0	(49,340)	(44,340)
Profit for the year ended 31 December 2004	0	0	5,391	5,391
Shares issued in the year	1,000	56,384	0	57,384
At 31st December 2004	6,000	56,384	(43,949)	18,435
Loss for the year ended 31 December 2005	0	0	(231)	(231)
At 31st December 2005	6,000	56,384	(44,180)	18,204

Linden Germany B Limited

Notes to the accounts

Accounting policies

Accounting convention:

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

Investments:

Investment in fixed assets is reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be appropriate. The carrying amount is reviewed against the value of net assets of the investment converted at the year end foreign exchange closing rate.

Interest:

Interest payable is charged to the profit and loss account as incurred and interest receivable is credited as it falls due.

Taxation:

The tax charge is based on the profit for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax liabilities are provided for in full and deferred tax assets are recognised to the extent that they are considered recoverable.

Financial Notes	2005 £000	2004 £000
1. <u>Operating (loss)/profit is stated after (charging)/crediting the following:</u>		
(Impairment)/Revaluation of investment	(231)	5,864
2. <u>Interest payable and similar charges</u>		
On loans from ultimate parent undertaking	0	676
3. <u>Tax credit/(charge) on profit/(loss) on ordinary activities</u>		
UK corporation tax charge at 30.00% (2004 - 30.00%)	0	203

The current tax charge for the year is lower (2004 - lower) than the standard rate of corporation tax in the UK (30%)

The differences are explained below:

Profit/(Loss) on ordinary activities before tax	(231)	5,188
Tax at standard rate of UK corporation tax of 30% (2004 - 30%)	(69)	1,556
Effects of:		
Other permanent differences	69	(1,759)
Total current tax (as above)	(0)	(203)

The tax charge is expected to be impacted by items in the nature of those listed above for the foreseeable future.

Linden Germany B Limited

Notes to the accounts

Financial notes (continued)

	2005	2004
	£000	£000
4. <u>Profit and loss account</u>		
At beginning of year	(43,949)	(49,340)
(Loss)/profit for the year	(231)	5,391
At balance sheet date	<u>(44,180)</u>	<u>(43,949)</u>
5. <u>Investments</u>		
Cost:		
At beginning of year and at balance sheet date	<u>48,017</u>	<u>48,017</u>
Impairment in Value:		
At beginning of year	(29,785)	(35,649)
Written (off)/back during the year	(231)	5,864
At balance sheet date	<u>(30,016)</u>	<u>(29,785)</u>
Net book amounts:		
At beginning of year	<u>18,232</u>	<u>12,368</u>
At balance sheet date	<u>18,001</u>	<u>18,232</u>

The holding in a group undertaking, which is involved in the manufacture and distribution of household goods, at 31 December 2005 was as follows:

	Country of incorporation	Class of Share	% Held
Reckitt & Colman Sagrotan GmbH & Co. KG	Germany	Ordinary	50

6. Debtors due within one year

Amounts owed by group undertakings:

Ultimate parent undertaking	<u>203</u>	<u>203</u>
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7. Called up share capital

	2005	2004	2005	2004
	Number of Shares	Number of Shares	£000	£000
Allotted and fully paid:				
Equity capital:				
Ordinary shares of £1 each	<u>6,000,000</u>	<u>5,000,000</u>	<u>6,000</u>	<u>5,000</u>
Authorised share capital:				
Ordinary shares of £1 each	<u>6,000,000</u>	<u>5,000,000</u>	<u>6,000</u>	<u>5,000</u>

Linden Germany B Limited

Notes to the accounts

Financial notes (continued)

8. Directors and staff

During the year the Company had 3 directors resident in the UK, none of whom received any emoluments in respect of services to the Company (2004 - 3 directors - none with emoluments).

The Company had no employees during the year and consequently did not incur any expenditure in respect of wages and salaries, social security costs or other pension costs.

During the year, 2 directors exercised options over Reckitt Benckiser plc shares (2004 - 2 directors). Details of directors' interests, who are also directors of other companies in the group, are disclosed in the financial statements of the following group companies:

C.R.Day	- Reckitt Benckiser plc
S.J.Edwards	- Reckitt Benckiser Investments Limited
M.R.Wilson	- Reckitt Benckiser Investments Limited

9. Cash flow statement

Reckitt Benckiser plc has included a cash flow statement in its 2005 group financial statements. Therefore, as permitted by Financial Reporting Standard No. 1 (revised 1996) 'Cash Flow Statements', the directors have not produced a cash flow statement.

10. Ultimate parent company

The ultimate parent company is Reckitt Benckiser plc, a company registered in England and Wales into whose group accounts the Company's accounts have been consolidated. Copies of the group accounts of Reckitt Benckiser plc can be obtained from 103 - 105 Bath Road Slough, Berkshire, SL1 3UH.

The immediate parent of the Company is Reckitt Benckiser (UK) Limited.

11. Auditors' remuneration

The auditors' remuneration is met by the ultimate parent company Reckitt Benckiser plc.

12. Related party transactions

The Company is a wholly owned subsidiary of the Reckitt Benckiser Group. The Company has taken advantage of the exemption within Financial Reporting Standard No.8 not to disclose related party transactions with other members of the Reckitt Benckiser Group.