

COMPANY REGISTRATION NUMBER 02762953

**MEGGITT INVESTMENTS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 2008**

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**MEGGITT INVESTMENTS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2008**

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**MEGGITT INVESTMENTS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>The board of directors</b>	M L Young P E Green
<b>Company secretary</b>	M L Thomas
<b>Registered office</b>	Atlantic House Aviation Park West Bournemouth International Airport Christchurch Dorset BH23 6EW
<b>Auditor</b>	PricewaterhouseCoopers LLP Chartered Accountants & Registered Auditors 9 Greyfriars Road Reading Berkshire RG1 1JG

# **MEGGITT INVESTMENTS LIMITED**

## **THE DIRECTORS' REPORT**

### **YEAR ENDED 31 DECEMBER 2008**

The directors present their report and the financial statements of the company for the year ended 31 December 2008. The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company is an intermediate parent company owning property and shares in certain subsidiaries of Meggitt PLC, its ultimate parent company. The directors consider that a return to profitability in 2009 is unlikely.

#### **GOING CONCERN**

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Meggitt PLC.

#### **RESULTS AND DIVIDENDS**

The loss for the year, after taxation, amounted to £3,176,000 (2007: loss £3,166,000). The directors have not recommended a dividend (2007: £nil).

#### **DIRECTORS**

The directors who served the company during the year and up to the date of signing the financial statements were as follows:

M L Young  
P E Green

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 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 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.

# MEGGITT INVESTMENTS LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

### AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS

The company has dispensed with the requirement to appoint auditors annually under s386 of the Companies Act 1985. Each of the persons who is a director at the date of approval of these financial statements confirms that in so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of directors on 1 June 2009 and signed by order of the board:

A handwritten signature in black ink, appearing to read 'M L Thomas', written in a cursive style.

M L THOMAS  
Company Secretary

# **MEGGITT INVESTMENTS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF MEGGITT INVESTMENTS LIMITED**

**YEAR ENDED 31 DECEMBER 2008**

We have audited the financial statements of Meggitt Investments Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, Balance Sheet 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 Annual Report and 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 member 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' report, the Officers and Professional Advisers and all of the other information listed on the contents page. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **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 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.

# MEGGITT INVESTMENTS LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF MEGGITT INVESTMENTS LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2008

### 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 loss 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 & Registered Auditors  
Reading

2 June 2009

# MEGGITT INVESTMENTS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2008

	Note	2008 £000	2007 £000
<b>OPERATING PROFIT</b>		—	—
Interest receivable and similar income	4	—	30
Amounts written off investments	5	(2,500)	(2,500)
Interest payable and similar charges	6	(670)	(670)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(3,170)</u>	<u>(3,140)</u>
Tax on loss on ordinary activities	7	(6)	(26)
<b>LOSS FOR THE FINANCIAL YEAR</b>	13	<u>(3,176)</u>	<u>(3,166)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the loss on ordinary activity before taxation and the loss for the financial year stated above and their historical cost equivalents.

The notes on pages 8 to 12 form part of these financial statements.



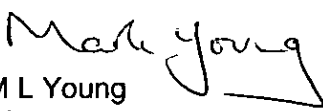
# MEGGITT INVESTMENTS LIMITED

## BALANCE SHEET

31 DECEMBER 2008

	Note	2008 £000	2007 £000
<b>FIXED ASSETS</b>			
Investments	8	—	—
<b>CURRENT ASSETS</b>			
Debtors	9	289	1,899
<b>CREDITORS: Amounts falling due within one year</b>	10	(15,698)	(14,132)
<b>NET CURRENT LIABILITIES</b>		(15,409)	(12,233)
<b>NET LIABILITIES</b>		(15,409)	(12,233)
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	12	7,703	7,703
Profit and loss account deficit	13	(23,112)	(19,936)
<b>TOTAL SHAREHOLDER'S DEFICIT</b>	14	(15,409)	(12,233)

The financial statements on pages 6 to 12 were approved by the board of directors on 1 June 2009, and were signed on its behalf by:

  
M L Young  
Director

The notes on pages 8 to 12 form part of these financial statements.

**MEGGITT INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2008**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable United Kingdom accounting standards. The principal accounting policies, which have been consistently applied throughout the year, are set out below.

**Cash flow statement**

As a wholly owned subsidiary of Meggitt PLC, a UK registered company, the Company has taken advantage of the exemption under the terms of FRS 1 (Revised 1996) 'Cash Flow Statements', from the requirement to produce a cash flow statement on the grounds that the Company is included in Meggitt PLC group accounts which are publicly available. A consolidated cash flow statement is included in the Meggitt PLC group accounts.

**Going concern**

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Meggitt PLC.

**Investments**

Investments held as fixed assets are stated at cost less provision for impairment in value arising from an annual review.

**Group accounts**

The company is a wholly-owned subsidiary of Meggitt PLC and is included in the consolidated financial statements of Meggitt PLC which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 228 of the Companies Act 1985. Accordingly the information presented in the financial statements relates to the company as an individual entity.

**2. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

Audit fees are borne by Meggitt PLC, which makes no recharge to the Company, as it is not possible to make an accurate apportionment of the fees in respect of each of the subsidiaries.

**3. PARTICULARS OF EMPLOYEES**

The Company paid no directors' emoluments during the financial year (2007: £nil). All of the directors are employees of Meggitt PLC and are remunerated by that company for their services to the group as a whole. The directors do not receive any remuneration in their capacity as directors of the Company.

The Company had no employees during the year (2007: nil).

One of the directors exercised options in the shares of the ultimate holding company, Meggitt PLC, during the year (2007: one).

**MEGGITT INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2008**

**4. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Interest from group undertakings	<u>—</u>	<u>30</u>

**5. AMOUNTS WRITTEN OFF INVESTMENTS**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Amount written off investments	<u><b>2,500</b></u>	<u><b>2,500</b></u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Other similar charges payable	<u><b>670</b></u>	<u><b>670</b></u>

**7. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of tax charge in the year**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Current tax:		
UK Corporation tax based on the results for the year at 28.50% (2007 - 30%)	<u><b>6</b></u>	<u><b>26</b></u>
Total current tax	<u><b>6</b></u>	<u><b>26</b></u>

There is no recognised or unrecognised deferred tax.

**(b) Factors affecting current tax charge**

The tax assessed on the loss on ordinary activities for the year is higher than (2007: higher) the standard rate of corporation tax in the UK of 28.50% (2007 - 30%).

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Loss on ordinary activities before taxation	<u><b>(3,170)</b></u>	<u><b>(3,140)</b></u>
Loss on ordinary activities multiplied by the standard rate in the UK of 28.50% (2007 - 30%)	<u><b>(903)</b></u>	<u><b>(942)</b></u>
Permanent differences	<u><b>909</b></u>	<u><b>968</b></u>
Total current tax (note 7(a))	<u><b>6</b></u>	<u><b>26</b></u>

**MEGGITT INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2008**

**7. TAXATION ON ORDINARY ACTIVITIES** *(continued)*

**(c) Factors that may affect future tax charges**

The standard rate of Corporation Tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 28.5% and will be taxed at 28% in the future.

**8. INVESTMENTS**

	Shares in group companies £000
<b>COST</b>	
At 1 January 2008	19,640
Additions	<u>2,500</u>
At 31 December 2008	<u><u>22,140</u></u>
<b>AMOUNTS WRITTEN OFF</b>	
At 1 January 2008	19,640
Written off in year	<u>2,500</u>
At 31 December 2008	<u><u>22,140</u></u>
<b>NET BOOK VALUE</b>	
At 31 December 2008	-
At 31 December 2007	<u>-</u>

In order to fund continuing losses, on 19 December 2008 the company invested in a further 2,500,000 ordinary shares of £1 in its subsidiary Wallaby Grip Limited through a Group loan of £2,500,000 at an interest rate of 1% over LIBOR. The further investment has been fully provided for.

The following is a listing of direct subsidiary companies at 31 December 2008:

King Tool International Limited  
The Rotameter Manufacturing Co Limited  
Meggitt (Shapwick) Limited  
Wallaby Grip Limited

The ordinary shares of all subsidiaries are wholly owned by Meggitt Investments Limited. All companies are incorporated in England and Wales.

**MEGGITT INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2008**

**9. DEBTORS**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by group undertakings	<u>289</u>	<u>1,899</u>

The bank account of the company is in the name of 'Meggitt PLC - Re Meggitt Investments Limited'. The legal title to this account rests with Meggitt PLC and thus rather than show a cash or overdraft balance at the year end it is shown as an inter-company trading balance. Amounts owed by group undertakings are interest bearing, unsecured and have no fixed date for repayment.

**10. CREDITORS: Amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	<b>15,692</b>	<b>14,106</b>
Corporation tax	<u>6</u>	<u>26</u>
	<u><b>15,698</b></u>	<u><b>14,132</b></u>

Amounts owed to group undertakings are interest bearing, unsecured and have no fixed date for repayment.

**11. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Meggitt PLC, whose accounts are publicly available.

**12. SHARE CAPITAL**

**Authorised share capital:**

	<b>2008</b>	<b>2007</b>
	<b>£000</b>	<b>£000</b>
100,000,000 Ordinary shares of £1 each	<u><b>100,000</b></u>	<u><b>100,000</b></u>

**Allotted, called up and fully paid:**

	<b>2008</b>	<b>£000</b>	<b>2007</b>	<b>£000</b>
	<b>No.</b>		<b>No.</b>	
Ordinary shares of £1 each	<u><b>7,703,244</b></u>	<u><b>7,703</b></u>	<u><b>7,703,244</b></u>	<u><b>7,703</b></u>

**MEGGITT INVESTMENTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2008**

**13. RESERVES**

	Profit and loss account £000
Balance at 1 January 2008	(19,936)
Loss for the year	<u>(3,176)</u>
Balance at 31 December 2008	<u>(23,112)</u>

**14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

	2008 £000	2007 £000
Loss for the financial year	(3,176)	(3,166)
Opening shareholder's deficit	<u>(12,233)</u>	<u>(9,067)</u>
Closing shareholder's deficit	<u>(15,409)</u>	<u>(12,233)</u>

**15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent undertaking is Meggitt Properties PLC and the ultimate parent undertaking and controlling party is Meggitt PLC. Both companies are registered in England and Wales. Copies of the group financial statements of Meggitt PLC are publicly available from Meggitt PLC, Atlantic House, Aviation Park West, Bournemouth International Airport, Christchurch, Dorset BH23 6EW.