Grace Construction Products Limited

(Registered Number: 00614807)

Directors' Report and Financial Statements

Year Ended 31 December 2011

Grace Construction Products Limited

Directors' Report for the Year Ended 31 December 2011

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2011

Principal activities

The company's principal activities are the manufacture and sale of waterproofing and fireproofing products to the construction industry and the manufacture of concrete and cement additives

Review of business and future developments

The company experienced a reduction in its sales levels due to competitive market conditions Gross margin was lower during the year as a result of lower sales levels

Principal risks and uncertainties

In the opinion of the directors, the principal risks and uncertainties relates to competition from other manufacturers, employee retention and customer payments

Competition from other manufacturers

Management hold regular meetings where the business and competition are discussed including potential business gains and losses The company offers quality products, availability and customer service thus gaining a competitive edge

Employee retention

The company has already implemented generous incentive schemes, which have proved to be excellent tools towards attracting new recruits and the success of the employee retention policy

Customers

Grace Construction Products Limited carries out frequent reviews of the customer base through regular credit checks and export sales are made through letters of credit to avoid any potential defaults on their payments

Key performance indicators

The company's directors analyse the business using four key performance indicators, which are turnover, gross margins, pre-tax profit and cash The decrease in turnover during the year, compared to the previous year was substantially due to market conditions Gross margins declined by £31,000 as a result of reduced sales Overall cash balances have decreased as a result of the trading and working capital movements

Results and dividends

The company's loss for the financial year was £1,096,000 (2010 loss £2,187,000), which will be deducted from reserves The directors do not recommend the payment of a dividend (2010 Nil)

Directors' Report for the Year Ended 31 December 2011 (Continued)

Directors

The following have been directors during the year and up to the date of signing these financial statements unless otherwise stated below

David Michael
Andrew Kelly
David Goodall (resigned 31 January 2011)
Graham Moorfield
Jens Ebinghause (appointed 1 September 2011)
Richard Finn (appointed 1 September 2011)
Alexander Nielsen (appointed 1 September 2011)
Peter Pleier (appointed 1 September 2011)

Research and development

The company undertakes research and development for various products and has access to research carried out by its ultimate parent company WR Grace & Co

Employment of disabled persons

It is the policy of the company to consider the skills and aptitudes of disabled persons fully and fairly at all times in recruitment, career development, training and promotion In pursuing this policy, and having special concern for employees who become disabled, all practical measures are taken to ensure that disabled persons are placed in jobs suited to their individual circumstances

Information to employees

The company holds regular meetings with representatives of employees to discuss and consult on matters of mutual interest

Donations

The company has made no charitable donations during the year (2010 £nil) The company made no political donations during the year (2010 £nil)

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with United Kingdom

Statement of directors' responsibilities (Continued)

Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006 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

Disclosure of information to auditors

Each of the persons who are a director at the date of approval of this report confirms that

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) the director has taken all the steps that ought to have been taken as a director in order to make oneself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

Independent auditors'

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting in accordance with section 487 of the Companies Act 2006

On behalf of the board

David Michael
Director
Date 21/12/12

Grace Construction Products Limited

Independent Auditors' Report to the Members of Grace Construction Products Limited

We have audited the financial statements of Grace Construction Products Limited for the year ended 31 December 2011, which comprise the profit and loss account, the balance sheet and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors
As explained more fully in the statement of directors' responsibilities set out on pages 2 and 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, 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

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we will consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Steven Formoy

Steven Formoy (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
Date 21 December 2012

Grace Construction Products Limited

Profit and Loss Account for the Year Ended 31 December 2011

	Note	2011 £'000	2010 £'000
Turnover	2	**29,661**	30,072
Cost of sales		**(22,336)**	(22,716)
Gross profit		**7,325**	7,356
Distribution costs		**(4,424)**	(5,386)
Administrative expenses		**(4,658)**	(4,623)
Operating loss	3	**(1,757)**	(2,653)
Interest receivable and similar income	6	**58**	74
Interest payable and similar charges	7	**(6)**	-
Loss on ordinary activities before taxation		**(1,705)**	(2,579)
Tax credit on loss on ordinary activities	8	**609**	392
Loss for the financial year	16,17	**(1,096)**	(2,187)

All amounts relate to continuing operations

The company has no recognised gains or losses during the years other than those included in the results 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 activities before taxation and the loss for the financial years stated above and their historical cost equivalents

Grace Construction Products Limited

Registered Number: 00614807
Balance Sheet as at 31 December 2011

	Note	2011 £'000	2010 £'000
Fixed assets			
Intangible assets	9	-	3
Tangible assets	10	1,283	1,225
		1,283	1,228
Current assets			
Stock	11	2,250	2,760
Debtors (including £5,663,000 (2010 £ 5,095,000) due after one year)	12	17,552	15,703
Cash at bank and in hand		967	2,981
		20,769	21,444
Current liabilities			
Creditors – amounts falling due within one year	13	(10,624)	(10,175)
Net current assets		10,145	11,269
Total assets less current liabilities		11,428	12,497
Provision for liabilities	14	(59)	(32)
Net assets		11,369	12,465
Capital and reserves			
Called up share capital	15	13,525	13,525
Share premium account	16	832	832
Profit and loss account (deficit)	16	(2,988)	(1,892)
Total shareholders' funds	17	11,369	12,465

The financial statements on pages 5 to 18 were approved by the board of directors on 21 December 2012 and were signed on its behalf by

David Michael
Director

Grace Construction Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2011

1 Accounting policies

(a) Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom The principal accounting policies, which have been applied consistently throughout the year, are set out below

(b) Fixed assets

(i) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical purchase cost attributable to bringing the asset to its working condition for its intended use less accumulated depreciation Depreciation is calculated to write off cost less the estimated residual value of tangible fixed assets by instalments over their estimated useful economic life

Depreciation is charged to the profit and loss account on a straight line basis at the following annual rates

Leasehold buildings	The shorter of 2% or remaining life of lease
Plant and machinery	5% to 25%

(ii) Intangible fixed assets

Intangible fixed assets represent patents and purchased goodwill stated at cost less amortisation Purchased goodwill represents the excess of consideration paid over the estimated useful economic life of the assets acquired Amortisation is provided on a straight line basis to write off cost over estimated useful life of 20 years, being the period expected to benefit The directors carry out an annual impairment review

(c) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost (using first-in, first-out methodology), and net realisable value Cost includes expenditure directly incurred in bringing stocks and work in progress to their current condition together with an appropriate proportion of production overhead expenditure

Provision is made for obsolete, slow moving and defective stocks

(d) Dilapidation provision

The provisions are made for the estimated costs of dilapidation repairs The provision is over the period of a tenancy based on the yearly obligation arising from the extent of the wear and tear taking place each year

1 Accounting policies (Continued)

(e) 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 as recoverable and therefore 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 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 an undiscounted basis

(f) Turnover

Turnover comprises the amount receivable for goods supplied, excluding value added tax and net of trade discounts Turnover is recognised on delivery of goods to the customer

(g) Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the balance sheet or at the agreed contractual rate Transactions in foreign currencies are converted to sterling at the rate ruling at the date of the transaction All differences on exchange are taken to the profit and loss account in the period in which they arise

(h) Operating leases

Annual rentals are charged to the profit and loss account on a straight line basis over the term of the lease

(i) Pensions

The company participates in a multi-employer defined benefit pension scheme for the benefit of the majority of its employees, the assets of which are held separately from those of the company in independently administered funds As the company is unable to identify its share of the assets and liabilities of the group scheme, it accounts for contributions as if they were to a defined contribution pension scheme in accordance with Financial Reporting Standard 17

(j) Research and development

Research and development expenditure is written off to the profit and loss account as it is incurred

Grace Construction Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2011 (continued)

1 Accounting policies (Continued)

(k) Cash pooling

The company, along with other European members of the Grace group, is party to a cash pooling arrangement with Deutsche Bank whereby each members' local bank accounts are zero balanced each day by transfer to or from Grace Construction Products N V a fellow group company, in order to more efficiently manage the overall European cash resources through the treasury department of this company This arrangement commenced during the year ended 31 December 2011 See note 12

2 Turnover

All turnover arose in the United Kingdom Analysis of turnover by geographical destination is set out below

	2011 £'000	2010 £'000
United Kingdom	**23,273**	26,528
Europe	**6,134**	3,313
Other	**254**	231
	29,661	30,072

3 Operating loss

		2011 £'000	2010 £'000
Operating loss is stated after charging/(crediting):			
Staff costs including directors' emoluments (note 4)			
Wages and salaries		**4,872**	6,526
Social security costs		**487**	592
Other pension costs (note 19)		**709**	2,056
Staff costs total		**6,068**	9,174
Depreciation of tangible fixed assets		**247**	251
Amortisation of intangible fixed assets		**3**	194
Profit on disposal of fixed assets		**-**	(171)
Foreign exchange loss		**81**	17
Operating lease rental	- land and buildings	**274**	274
	- other	**434**	978
Auditors' remuneration	- audit services	**54**	55

Grace Construction Products Limited

Notes to the Fınancial Statements for the Year Ended 31 December 2011 (contınued)

4 Directors' emoluments

	2011 £'000	2010 £'000
Aggregate emoluments (excludıng defined benefit pensıon scheme contrıbutıons)	**390**	534

Retırement benefıts are accruıng to 4 dırectors (2010 4) under a defıned benefıt scheme

	2011 £'000	2010 £'000
Hıghest paıd dırector		
Aggregate emoluments and benefits	**152**	192
Defined benefit pensıon schemes:		
Accrued pensıon at end of year	**61**	172

Three (2010 three) of the dırectors are prımarıly employed by other companıes ın the Group and remunerated by those companıes for theır servıces to the group as a whole No recharge has been made to the company (2010 nıl)

5 Employees

The average monthly number of persons ıncludıng dırectors employed durıng the year by category was

	2011 Number	2010 Number
Clerıcal and Admınıstratıve Staff	**9**	11
Dıstrıbutıon Staff	**75**	81
Other (manufacturıng)	**4**	4
	88	96

6 Interest receivable and similar income

	2011 £'000	2010 £'000
Interest receıvable on bank deposıts	**-**	6
Interest receıvable on loans owed by group undertakıngs	**58**	68
	58	74

Grace Construction Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2011 (continued)

7 Interest payable and similar charges

	2011 £'000	2010 £'000
Interest payable on bank overdraft	**6**	-

8 Tax on loss on ordinary activities

	2011 £'000	2010 £'000
(a) Analysis of charge in the year		
Current tax		
UK corporation tax on profits of the year	**(863)**	(1,191)
Total current tax credit	**(863)**	(1,191)
Deferred tax		
Origination and reversal of timing differences	**254**	799
Total deferred tax (note 14)	**254**	799
Tax credit on loss on ordinary activities	**(609)**	(392)

The tax credit assessed for the year is higher (2010 higher) than the standard rate of corporation tax in the UK 26 50% (2010 28%) The differences are explained below

(b) Factors affecting tax charge for the year

	2011 £'000	2010 £'000
Loss on ordinary activities before taxation	**(1,705)**	(2,579)
Loss on ordinary activities multiplied by standard rate of UK corporation tax of 26 50% (2010 28%)	**(477)**	(723)
Effects of.		
Expenses not deductible for tax purposes	**(316)**	(181)
Release of the provision for dilapidation	**8**	(359)
Depreciation in excess of capital allowances	**(78)**	72
Current tax credit for the year	**(863)**	(1,191)

Grace Construction Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2011 (continued)

8 Tax on loss on ordinary activities (continued)

The Finance Act 2011 reduced the corporation tax rate from 28% to 26% with effect from April 2011 In the Finance Bill 2012, the Government announced a reduction in the main rate of corporation tax from 26% to 24% effective from 1 April 2012 The 24% tax rate was substantively enacted on 26 March 2012 This rate reduction has not therefore been reflected in the financial statements

The Government intends to enact further reductions in the main tax rate of 1% each year, down to 23% effective from 1 April 2013 and to 22% by 1 April 2014 As these tax rates were not substantively enacted at the balance sheet date, the rate reduction is not yet reflected in these financial statements in accordance with FRS 21, as it is a non-adjusting event occurring after the reporting period

9 Intangible assets

	Patents £'000	Goodwill £'000	Total £'000
Cost			
At 1 January 2011 and 31 December 2011	254	3,215	3,469
Accumulated amortisation			
At 1 January 2011	254	3,212	3,466
Charge for the year	-	3	3
At 31 December 2011	**254**	**3,215**	**3,469**
Net book value			
At 31 December 2011	**-**	**-**	**-**
At 31 December 2010	-	3	3

Grace Construction Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2011 (continued)

10 Tangible assets

	Leasehold buildings £'000	Plant and machinery £'000	Total £'000
Cost			
At 1 January 2011	264	4,338	4,602
Additions	187	118	305
At 31 December 2011	**451**	**4,456**	**4,907**
Accumulated depreciation			
At 1 January 2011	60	3,317	3,377
Charge for the year	15	232	247
At 31 December 2011	**75**	**3,549**	**3,624**
Net book value			
At 31 December 2011	**376**	**907**	**1,283**
At 31 December 2010	204	1,021	1,225

All leaseholds as at 31 December 2011 are short leasehold

11 Stocks

	2011 £'000	2010 £'000
Raw materials and consumables	**157**	183
Work in progress	**118**	174
Finished goods and goods for resale	**1,975**	2,403
	2,250	2,760

12 Debtors

	2011 £'000	2010 £'000
Trade debtors	**4,553**	**3,254**
Amounts owed by group undertakings	**4,889**	**3,998**
Loans owed by group undertakings due after one year	**5,663**	**5,095**
Deferred tax	**183**	**437**
Other debtors	**2,241**	**2,771**
Prepayments	**23**	**148**
	17,552	**15,703**

12 Debtors (continued)

Amounts owed by group undertakings are interest free, unsecured and do not have fixed repayment terms

Loans owed by group undertakings are unsecured and have no fixed repayment date, but the company has confirmed that no amounts will be requested for repayment in the next 12 months from the balance sheet date Interest is charged at 1 5% above LIBOR

Included within the amounts owed by group undertakings is a cash pooling balance of £1,560,433 (2010 £nil) As disclosed in note 1, the company is subject to a cash pooling arrangement with Deutsche Bank whereby its bank accounts are zero balanced each day by transfer to or from Grace N V Amounts held within this cash pooling arrangement attributable to Grace Construction Products Limited are immediately accessible and repayable to the company on demand and accrue interest

13 Creditors - amounts falling due within one year

	2011 £'000	2010 £'000
Trade creditors	1,137	1,298
Amounts owed to group undertakings	7,244	3,847
Other taxation and social security	930	1,974
Other creditors and accrued expenses	1,313	3,056
	10,624	10,175

Loans and amounts owed to group undertakings are unsecured, interest free and are repayable on demand

14 Provisions for liabilities

The movement in provisions for liabilities is as follows

	Dilapidation Provision £'000	Deferred tax Provision £'000	Total £'000
At 1 January 2011	32	-	32
Profit and loss account	27	254	281
Transferred to debtors as deferred tax asset	-	(254)	(254)
At 31 December 2011	**59**	**-**	**59**

14 Provisions for liabilities (continued)

The dilapidation provision represents estimated dilapidation costs to be incurred on leasehold properties Under the lease agreements of these properties the company is liable for the rectification costs associated with dilapidation over the life of the lease The provision is calculated on management's best estimates of the obligation arising from the extent of the wear and tear taking place each year

15 Called up share capital

	2011 £'000	2010 £'000
Authorised - 15,000,000 ordinary shares of £1 each	**15,000**	15,000
Allotted and fully paid - 13,525,000 ordinary shares of £1 each	**13,525**	13,525

16 Reserves

	Share Premium Account £'000	Profit and loss Account (deficit) £'000
At 1 January 2011	832	(1,892)
Loss for the financial year	-	(1,096)
At 31 December 2011	**832**	(2,988)

17 Reconciliation of movement in shareholders' funds

	2011 £'000	2010 £'000
Opening shareholders' funds	12,465	14,652
Loss for the financial year	(1,096)	(2,187)
Closing shareholders' funds	11,369	12,465

Grace Construction Products Limited

Notes to the Financial Statements for the Year Ended 31 December 2011 (continued)

18 Lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases for assets expiring as follows

	Land and buildings		Other leases	
	2011	2010	**2011**	2010
	£'000	£'000	**£'000**	£'000
Within 1 year	**1**	29	**39**	35
Between 2 - 5 years	**10**	10	**49**	53
Over 5 years	**227**	227	**-**	-
	238	266	**88**	88

19 Pension commitments

The Grace UK Pension Plan

The company participates in the Grace UK Pension Plan ("the Plan"), which is a defined benefit plan The Plan is a multi-employer scheme However, the Plan has been accounted for on a defined contribution basis because the employer is unable to identify its share of the underlying assets and liabilities of the Plan because the underlying contribution rate is set at a common level and does not reflect the underlying characteristics of the workforce of the company

Although the Plan is "defined benefit" in nature, under the provisions of FRS 17, the pension cost charged to the profit and loss has been determined as the actual contributions paid over the financial year, i e as if it were on a "defined contribution" basis

The Plan is a funded pension scheme providing benefits based on final pensionable salary The assets of the Plan are held separately from those of the company and a qualified actuary, on the basis of triennial valuations using the projected unit method, determines contributions to the Plan

The most recent formal valuation of the Plan prepared for the Trustees as at 31 March 2010 showed a funding surplus at that date of £1 6 million The next formal valuation of the Plan is due as at 31 March 2013

The surplus in the Plan at 31 December 2011, calculated on a basis consistent with the requirements of FRS 17, was £16 9 million (2010 surplus of £9 7 million) The market value of the Plan's assets at 31 December 2011 was £154 3 million (2010 £137 3 million), while the actuarial value of the Plan's liabilities totalled £137 4 million (2010 £127 6 million) This information is extracted from the updated actuarial valuation provided to the company as at 31st December 2011

19 Pension commitments (continued)

The assumptions which have the most significant effect on the FRS 17 consistent valuation as of 31 December 2011 were

	2011	2010
Rate of increase in salaries	**4 10%**	4 60%
Rate of increase of pensions in payment		
Between April 1997 and April 2006	**3 10%**	3 60%
After 2006	**2.50%**	2 50%
Rate of increase in deferred pensions	**2 10%**	2 90%
Discount rate	**4 60%**	5 30%
Inflation assumption	**3 10%**	3 60%
Administration expenses	**3 50% of liabilities**	3 5% of liabilities
Mortality	**S1NA tables adjusted CMIB 2009 Projections based on year of birth with 1.500% minimum improvement per annum**	PMA92 (Year of Birth) mc

During 2011 the company paid ongoing contributions of 21 9% of Plan Salaries until 30 June 2011 and 23 9% thereafter However, this is inclusive of the contribution due from members of 7% of Plan Salary, although those contributions are now made by way of a salary sacrifice arrangement The company meets non-investment expenses as they fall due

The company also pays contributions on a defined contribution basis relating to member additional voluntary contributions

The Pension Charge for 2011 was £708,984 (2010 £2,055,708), corresponding to the actual contributions paid by Grace Construction Products Limited This includes an amount of £179,892 (2010 £49,262), which relates to Additional Voluntary Contributions made Pension costs prepaid or outstanding at year-end were nil This information is extracted from the updated actuarial valuation provided to the company as at 31st December 2011

20 Related party transactions

As the company is a wholly owned subsidiary of WR Grace & Co, which prepares publicly available consolidated financial statements, the company has taken advantage of the disclosure exemption under Financial Reporting Standard Number 8 "Related Party Disclosures" in relation to transactions and balances with other wholly owned companies within the WR Grace & Co Group

21 Cash flow statement

As the company is a wholly owned subsidiary of WR Grace & Co, the company has taken advantage of the disclosure exemption under Financial Reporting Standard Number 1 "Cash Flow Statements" (Revised 1996) not to produce a cash flow statement as it is included in the consolidated financial statements of that company, which are publicly available

22 Ultimate parent undertaking and controlling party

The immediate parent undertaking is W R Grace Limited

The ultimate parent undertaking and controlling party is W R Grace & Co, incorporated in the United States of America

The only consolidated financial statements prepared and of which the company is a member is that of the ultimate holding company Copies of the ultimate holding company's financial statement are publically available and can be obtained at the address below

Name	W R Grace & Co
Country of incorporation	United States of America
Address from which copies of the group accounts are publicly available	7500 Grace Drive Columbia Maryland 21044 USA