

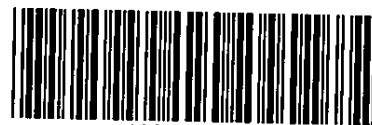
United Drug Medical Limited

Directors' report and
financial statements

Year ended 30 September 2012

Registered number 2090807 (England and Wales)

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United Drug Medical Limited

Directors' report and financial statements

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United Drug Medical Limited

Directors and other information

Directors

B McGrane
P Dempsey

Secretary

K Geoghegan

Registered office

Ashfield House
Resolution Road
Ashby-de-la-Zouch
Leicestershire
LE65 1HW

Bankers

Natwest Bank
63 Piccadilly
London
W1J 0AJ

Solicitors

DAC Beachcroft LLP
100 Fetter Lane
London
EC4A 1BN

Eversheds LLP
1 Wood Street
London
EC2V 7WS

Pinsent Masons LLP
30 Crown Place
London
EC2A 4ES

Auditor

KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

United Drug Medical Limited

Directors' report

The directors present their annual report and financial statements of the company for the year ended 30 September 2012

Principal activity and business review

On 1 October 2011, the company acquired the trade, assets and liabilities of its subsidiary companies, Mantis Surgical Limited and Pyramed Limited. The employees of these businesses also transferred to United Drug Medical Limited.

The principal activity of the company in the year under review was that of wholesale and retail distribution of orthopaedic and other health care products. The directors intend to continue to develop the activities of the company, having already established a number of new trading divisions in the current year.

Results and dividends

The results for the year are set out in the profit and loss account on page 7 and the related notes.

The directors do not recommend the payment of a dividend (2011: £nil).

Risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Economic risk

The risk of increased inflation having an adverse impact on the company is managed through strict cost controls.

Competition risk

The directors of the company manage competition risk through close attention to customer requirements and ensuring services provided by the company satisfy such requirements.

Financial risk

The company operates financial risk management policies to manage credit, interest rate and other financial risks. The primary objective of the company's policies is to minimise financial risk at a reasonable cost.

Directors

The directors who held office during the year were as follows:

B McGrane
P Dempsey

United Drug Medical Limited

Directors' report *(continued)*

Political and charitable donations

The company did not make any political or charitable donations during the year (2011 £nil)

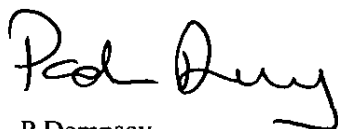
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office

On behalf of the Board



P Dempsey
Director

17 December 2012

United Drug Medical Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

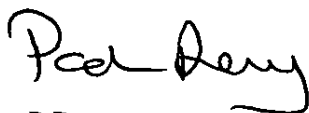
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

In preparing these financial statements, the directors are required to.

- select suitable accounting policies and then apply them consistently,
- make judgements and 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, 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

On behalf of the Board



P Dempsey
Director

17 December 2012



KPMG
Chartered Accountants
1 Stokes Place
St. Stephens Green
Dublin 2
Ireland

Independent auditor's report to the members of United Drug Medical Limited

We have audited the financial statements of United Drug Medical Limited for the year ended 30 September 2012 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 UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the directors' responsibilities statement set out on page 4, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

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 30 September 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006



Independent auditor's report to the members of United Drug Medical Limited
(continued)

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

R. McCarthy

Ryan McCarthy (Senior Statutory Auditor)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

17 December 2012

United Drug Medical Limited

Profit and loss account

for the year ended 30 September 2012

	<i>Notes</i>	2012 £	2011 £
Turnover – continuing operations	2	19,225,270	4,765,793
Cost of sales		(10,344,167)	(2,116,525)
Gross profit		8,881,103	2,649,268
Net operating costs		(8,093,539)	(2,428,796)
Operating profit – continuing operations		787,564	220,472
Interest receivable	5	-	26
Profit on ordinary activities before taxation	6	787,564	220,498
Tax on profit on ordinary activities	7	(292,274)	(112,889)
Profit for the financial year	16	495,290	107,609

The company had no recognised gains or losses in the current financial year or the preceding financial year other than those dealt with in the profit and loss account

The notes on pages 9 to 23 form part of these financial statements

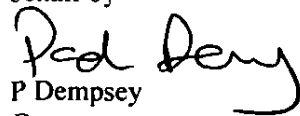
United Drug Medical Limited

Balance sheet

as at 30 September 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	9	1,142,411		762,373	
Investments	10	15,944,916		15,944,916	
Current assets					
Stock	11	7,940,099		2,927,496	
Debtors	12	5,042,842		4,481,118	
Cash at bank and in hand		576,799		388,525	
		<u>13,559,740</u>		<u>7,797,139</u>	
Creditors: amounts falling due within one year	13	<u>(13,003,028)</u>		<u>(5,169,969)</u>	
Net current assets		<u>556,712</u>		<u>2,627,170</u>	
Total assets less current liabilities		<u>17,644,039</u>		<u>19,334,459</u>	
Creditors: amounts falling due after one year	14	<u>(10,300,000)</u>		<u>(12,500,000)</u>	
Net assets		<u>7,344,039</u>		<u>6,834,459</u>	
Capital and reserves					
Called up share capital	15	50,000		50,000	
Profit and loss account	16	7,217,894		6,722,604	
Capital contribution reserve	17	76,145		61,855	
Shareholders' funds	18	<u>7,344,039</u>		<u>6,834,459</u>	

These financial statements were approved by the board of directors on 17 December 2012 and signed on its behalf by


P Dempsey
Director

Company Registered Number 2090807

The notes on pages 9 to 23 form part of these financial statements.

United Drug Medical Limited

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement under FRS 1 on the grounds that it is a wholly owned subsidiary undertaking of United Drug plc. The cash flows of the company are included in the published consolidated financial statements of United Drug plc.

Consolidation

The company is a wholly owned subsidiary of a company established under the law of a member state of the European Community and it is therefore exempt from the requirement to prepare consolidated financial statements by virtue of the Companies Act 2006. Consequently these financial statements deal with the results of the company as a single entity.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report on page 2. The company is in a strong net asset position with adequate cash balances.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the company's financial statements.

Turnover

Turnover represents the net invoiced value (excluding value added tax) of goods delivered and provided to customers and is stated after deducting returns and allowances.

United Drug Medical Limited

Notes (continued)

1 Accounting policies (continued)

Taxation

The charge for taxation is based on the profit/loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

A net deferred tax asset is regarded 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 from which the future reversal of the 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 a non-discounted basis

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged to the profit and loss account

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or at a contracted rate. Monetary assets and liabilities denominated in foreign currencies are translated using the rates of exchange ruling at the balance sheet date or by reference to fixed rates of exchange under related forward contracts, where such contracts exist. All exchange differences are included in the profit and loss account

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter

Leasehold property	5% straight line
Furniture and fittings	10%-20% straight line
Motor vehicles	33% straight line
Office equipment	20%-33% straight line

United Drug Medical Limited

Notes (continued)

1 Accounting policies (continued)

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the capital repayments outstanding. Outstanding future lease obligations in respect of such assets are included in creditors.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Stock

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost consists of invoice price. Net realisable value is the actual or estimated selling price, less all costs to be incurred in marketing, selling and distribution.

Equity-settled share based payment transactions

The company's ultimate parent, United Drug plc, operates share option schemes which allow employees to acquire shares in United Drug plc. They are all equity-settled arrangements under FRS 20, *Share-based payments*. Where United Drug plc grants options over its shares to employees of this company, the fair value of share entitlements granted is recognised as an employee expense in the profit and loss account with a corresponding increase in a capital contribution reserve. The fair value is determined by an external valuer using a binomial model. Share entitlements granted by United Drug plc are subject to certain non-market based vesting conditions. Non-market vesting conditions are not taken into account when estimating the fair value of entitlements as at the grant date. The expense for the share entitlements shown in the profit and loss account is based on the fair value of the total number of entitlements expected to vest and is allocated to accounting periods on a straight line basis over the vesting period. The cumulative charge to the profit and loss account is only reversed where entitlements do not vest because all non-market performance conditions have not been met or where an employee in receipt of share entitlements leaves the company before the end of the vesting period.

2 Turnover

	2012 £	2011 £
Turnover analysed by geographical market is as follows:		
United Kingdom	19,225,270	4,765,793

All turnover derives from the sale of orthopaedic and other healthcare products. On 1 October 2011 the company acquired the trade and assets of its subsidiary companies.

United Drug Medical Limited

Notes (continued)

3 Staff costs and numbers

The average monthly number of employees (including directors) during the year was as follows

Administration	29	8
Sales representatives	64	10
	<u>93</u>	<u>18</u>

The aggregate payroll costs of these persons were as follows

	2012 £	2011 £
Wages and salaries	4,763,607	863,960
Social security costs	531,592	109,151
Other pension costs	80,646	26,470
Share-based payment expense	14,290	1,055
	<u>5,390,135</u>	<u>1,000,636</u>

4 Directors' emoluments

2012 £	2011 £
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The directors of the company received the following emoluments

Directors' emoluments (including pension contributions)	206,104	-
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One director (2011 nil) is accruing benefits under the company's defined contribution scheme. The directors of the company did not receive any emoluments for services provided in their capacity as directors of the company in the prior year.

5 Interest receivable

	2012 £	2011 £
Interest arising from cash deposits and investments	-	26

United Drug Medical Limited

Notes (continued)

6 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following

	2012 £	2011 £
Depreciation	282,804	185,846
Auditor's remuneration	60,000	27,979
Operating leases	482,471	371,359
	<u> </u>	<u> </u>

7 Taxation

(a) Analysis of charge in year

	2012 £	2011 £
<i>UK corporation tax</i>		
Current tax for the year	245,670	150,648
Adjustments in respect of prior years	(12,242)	1,084
	<u> </u>	<u> </u>
	233,428	151,732
	<u> </u>	<u> </u>
<i>Deferred tax</i>		
Origination/reversal of timing differences	222	(40,150)
Adjustments in respect of prior years	57,909	(1,872)
Impact of the reduction in tax rates	715	3,179
	<u> </u>	<u> </u>
	58,846	(38,843)
	<u> </u>	<u> </u>
Total tax charge	<u>292,274</u>	<u>112,889</u>

United Drug Medical Limited

Notes (continued)

7 Taxation (continued)

(b) Factors affecting current tax charge for year

The current tax charge for the year is higher (2011 higher) than the standard rate of corporation tax in the UK 25 % (2010 27%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	787,564	220,498
Current tax at 25 % (2011 27%)	196,891	59,534
<i>Effects of</i>		
Expenses not deductible for corporation tax purposes	52,004	61,340
Depreciation in excess of capital allowances	(3,475)	29,489
Adjustments in respect of prior years	(12,242)	1,084
Short term timing differences	250	285
Current tax charge for the year	233,428	151,732

(c) Factors affecting future tax charges

The main rate of UK corporation tax reduced to 24% with effect from 1 April 2012 and will as a consequence of substantially enacted provisions reduce to 23% with effect from 1 April 2013 It is expected that the fall in the main corporation tax rate will result in a reduction of the company's future current tax charge

United Drug Medical Limited

Notes (continued)

8 Transfer of trade, assets and liabilities

On 1 October 2011, the company acquired the business trade, assets and liabilities of its subsidiary undertakings, Pyramed Limited and Mantis Surgical Limited. The assets and liabilities transferred were as follows.

	Book Value £	Adjustments £	Fair Value £
Tangible assets	83,209	-	83,209
Stock	2,382,723	-	2,382,723
Debtors	1,681,351	-	1,681,351
Cash	870,511	-	870,511
Creditors	(1,291,486)	-	(1,291,486)
	<u> </u>	<u> </u>	<u> </u>
Net assets transferred	3,726,308	-	3,726,308
	<u> </u>	<u> </u>	<u> </u>
<i>Satisfied by</i>			
Amounts due from United Drug Medical Limited			3,726,308
			<u> </u>

United Drug Medical Limited

Notes (continued)

9 Tangible fixed assets

	Leasehold property £	Motor vehicles £	Fixtures fittings & office equipment £	Total £
Cost				
At 1 October 2011	495,332	36,738	1,223,049	1,755,119
Additions	-	-	662,842	662,842
At 30 September 2012	495,332	36,738	1,885,891	2,417,961
Depreciation				
At 1 October 2011	238,822	26,329	727,595	992,746
Charge for year	54,200	7,347	221,257	282,804
At 30 September 2012	293,022	33,676	948,852	1,275,550
Net book value				
At 30 September 2012	202,310	3,062	937,039	1,142,411
At 30 September 2011	256,510	10,409	495,454	762,373

10 Fixed asset investments

Shares in subsidiary undertakings

	2012 £	2011 £
Cost		
At beginning of year	15,944,916	-
Acquired during year	-	15,944,916
At end of year	15,944,916	15,944,916

United Drug Medical Limited

Notes (continued)

10 Fixed asset investments (continued)

The following are the company's subsidiary undertakings at 30 September 2012

Company Name	Country of Incorporation	Principal activity	Holding of ordinary shares
New Splint Limited	United Kingdom	Dormant	100%
Mantis Surgical Limited	United Kingdom	Dormant	100%
Pyramed Limited	United Kingdom	Dormant	100%

11 Stocks

	2012 £	2011 £
Stock for resale	6,588,819	1,778,421
Stock on permanent and temporary loan	1,351,280	1,149,075
	7,940,099	2,927,496

The estimated replacement cost of stock does not differ significantly from the amounts shown above.

United Drug Medical Limited

Notes (continued)

12 Debtors

	2012 £	2011 £
Trade debtors	3,400,079	606,054
Other debtors	494	-
Prepayments and accrued income	571,752	87,451
Amounts due from group undertakings	1,057,077	3,472,899
Deferred tax asset	7,796	66,641
Corporation tax	5,644	248,073
	<u>5,042,842</u>	<u>4,481,118</u>

Deferred tax has been recognised in full and relates to:

	2012 £	2011 £
Difference between accumulated depreciation and capital allowances	5,622	51,178
Other timing differences	2,174	15,463
	<u>7,796</u>	<u>66,641</u>

13 Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	2,368,305	720,166
VAT	615,015	113,150
Other taxes and social security	203,955	90,266
Accruals and deferred income	1,370,221	104,869
Amounts owed to group undertakings	8,445,532	4,141,518
	<u>13,003,028</u>	<u>5,169,969</u>

14 Creditors: amounts falling due after more than one year

	2012 £	2011 £
Amounts owed to group undertakings	10,300,000	12,500,000

Amounts owed to group undertakings are unsecured, interest free and without any specific repayment terms

United Drug Medical Limited

Notes (continued)

15 Called up share capital

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
50,000 ordinary shares of £1 each	50,000	50,000

16 Profit and loss account

	2012 £	2011 £
At beginning of year	6,722,604	6,614,995
Profit for the financial year	495,290	107,609
At end of year	7,217,894	6,722,604

17 Capital contribution reserve

	2012 £	2011 £
Opening capital contribution reserve	61,855	60,800
Capital contribution during the year (see note 20)	14,290	1,055
Closing capital contribution reserve	76,145	61,855

18 Reconciliation of movement in shareholders' funds

	2012 £	2011 £
Opening shareholders' funds	6,834,459	6,725,795
Total recognised gains and losses for the financial year	495,290	107,609
Movement in capital contribution reserve (see note 20)	14,290	1,055
Closing shareholders' funds	7,344,039	6,834,459

United Drug Medical Limited

Notes (continued)

19 Commitments

The company had annual commitments under non-cancellable operating leases as follows

	2012 £	2012 £	2011 £	2011 £
	Land & buildings	Other	Land & buildings	Other
<i>Operating leases which expire</i>				
Within one year	-	57,891	-	5,795
Between two to five years	-	139,705	-	60,048
Greater than five years	319,000	-	305,000	-
	<u>319,000</u>	<u>197,596</u>	<u>305,000</u>	<u>65,843</u>

20 Share-based payment

United Drug plc operates an Executive Share Option Plan (ESOP) which was established during 2010. Under the ESOP share options may be granted to management which may entitle them to purchase shares in United Drug plc so as to provide an incentive to perform strongly over an extended period and to encourage alignment of their interests with those of shareholders. The terms of share options granted under the ESOP are set out in the United Drug plc annual report for the year ended 30 September 2012, which is publically available. During the year 3,192,350 (2011: nil) share options were granted under the ESOP

The terms of the former Executive Share Option Scheme (ESOS) are also set out in the United Drug plc annual report for the year ended 30 September 2012

The measurement requirements of IFRS 2 Share-based Payment, have been implemented in respect of share options that were granted after 7 November 2002

The total expense for share options recognised in the profit and loss account is

	2012 £'000	2011 £'000
Share based payment	<u>14</u>	<u>1</u>

United Drug Medical Limited

Notes (continued)

20 Share-based payment (continued)

A summary of the details in respect of share options granted under the ESOP during the year to employees providing services to United Drug plc or subsidiary companies, including persons providing services to this company, is set out below

	2012	2011
Grant Date	17 November 2011	-
Fair value at grant date	€0.43	-
Share price at grant date	€2.08	-
Exercise price	€2.09	-
Expected volatility	32.2%	-
Expected life	6.3 years	-
Expected dividend yield	4.3%	-
Risk-free interest rate	2.2%	-
Valuation mode	Binomial	-
Performance period	3 years	-
Vesting period	3 years	-

The number and weighted average exercise price of outstanding share options are as follows:

	Weighted average exercise price 2012 €	Number of share options 2012 '000	Weighted average exercise price 2011 €	Number of share options 2011 '000
Outstanding at beginning of year	2.78	10,522	2.82	13,545
Forfeited during the year	2.77	(368)	3.12	(1,209)
Exercised during the year	1.91	(905)	1.85	(881)
Lapsed during the year	1.95	(2,028)	3.83	(933)
Granted during the year	2.30	3,192	-	-
Outstanding at end of year	2.81	10,413	2.78	10,522
Exercisable at end of year	2.81	2,791	2.58	3,731

During the year the Remuneration Committee determined that the performance target for Basic Tier share options granted on 11 June 2009 (2011: 17 June 2008) had not been satisfied and that such share options had lapsed

The weighted average share price at the date of exercise of share options during the year was €2.20 (2011: €2.30). The weighted average remaining contractual life for the share options outstanding at 30 September 2012 was 4.28 years (2011: 4.83 years).

United Drug Medical Limited

Notes (continued)

20 Share-based payment (continued)

At 30 September 2012, the range of exercise prices of outstanding share options was from €1.99 to €4.06 (2011: €1.90 to €4.06)

Analysis of share options outstanding at year end

Share options by exercise price

Exercise Price €	Number of share options 2012 '000	Number of share options 2011 '000
1.90	-	910
1.95	-	2,098
1.99	726	756
2.09	3,152	-
2.32	1,346	1,438
2.83	1,100	1,100
3.32	1,000	1,000
3.48	1,245	1,245
3.83	630	690
4.06	1,214	1,285
	10,413	10,522

21 Group membership

The company is a wholly owned subsidiary undertaking of United Drug (UK) Holdings Limited, a company registered and operating in the United Kingdom whose ultimate parent undertaking is United Drug plc, a public limited company incorporated and operating in the Republic of Ireland

The only group in which the results of the company are consolidated is that headed by United Drug plc. The consolidated financial statements of United Drug plc are available to the public and may be obtained from

The Company Secretary
United Drug plc
United Drug House
Magna Drive
Magna Business Park
Citywest Road
Dublin 24

United Drug Medical Limited

Notes *(continued)*

22 Related party transactions

As the company is a wholly owned subsidiary of United Drug (UK) Holdings Limited and the company's voting rights are controlled within the group headed by United Drug plc, the company has taken advantage of the exemption in FRS 8 not to disclose transactions or balances with wholly owned subsidiaries which form part of the group

23 Guarantees

The company has guaranteed certain bank loans, loan notes and other bank facilities of United Drug plc and subsidiaries (the group) by way of composite cross guarantees. At 30 September 2012, the total amount of group borrowings and facilities guaranteed amounted to €287.8m (2011: €231.3m)