

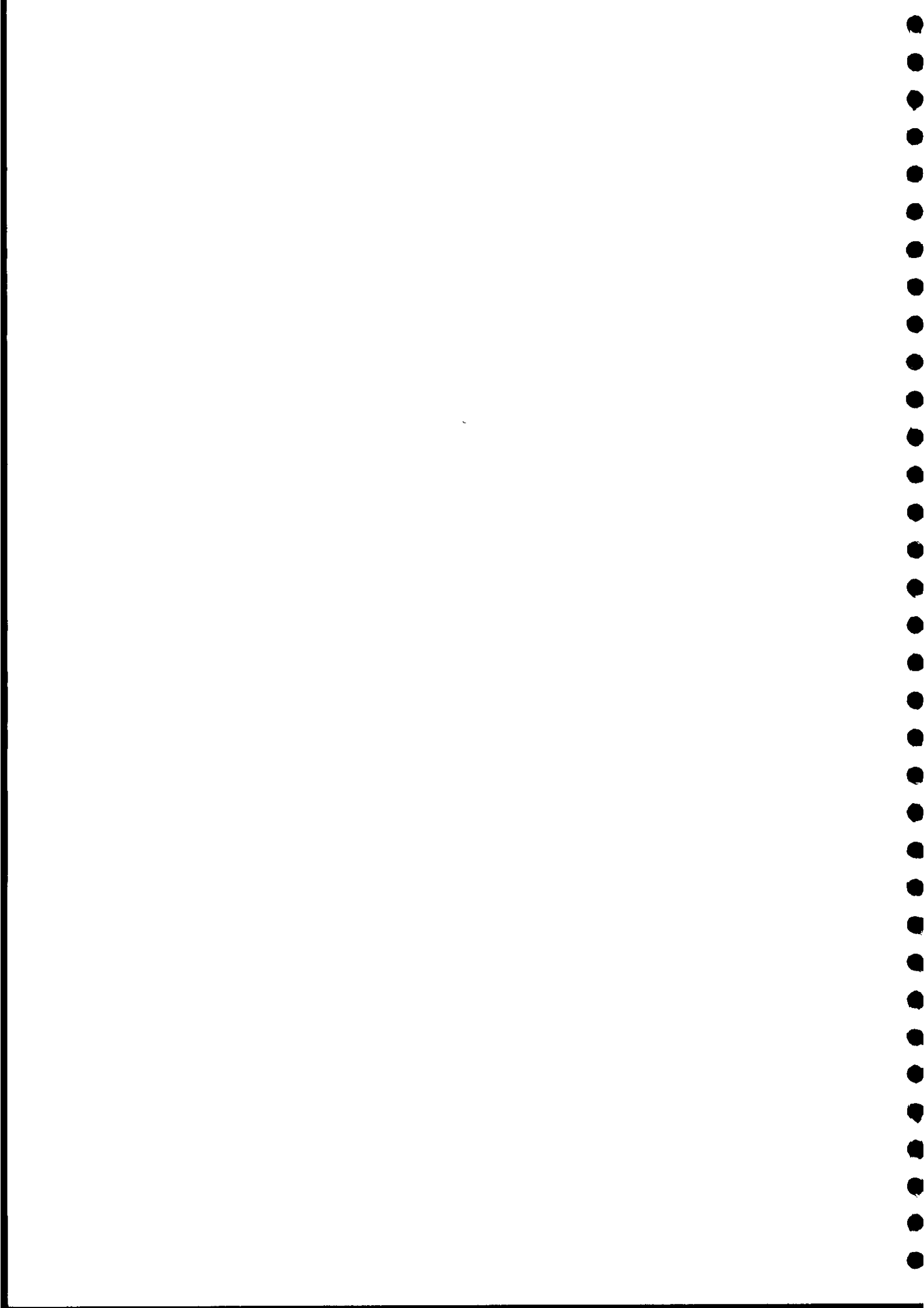
Meiji (UK) Limited

Directors' report and accounts

for the year ended 31 December 2005

Registered number 3498621

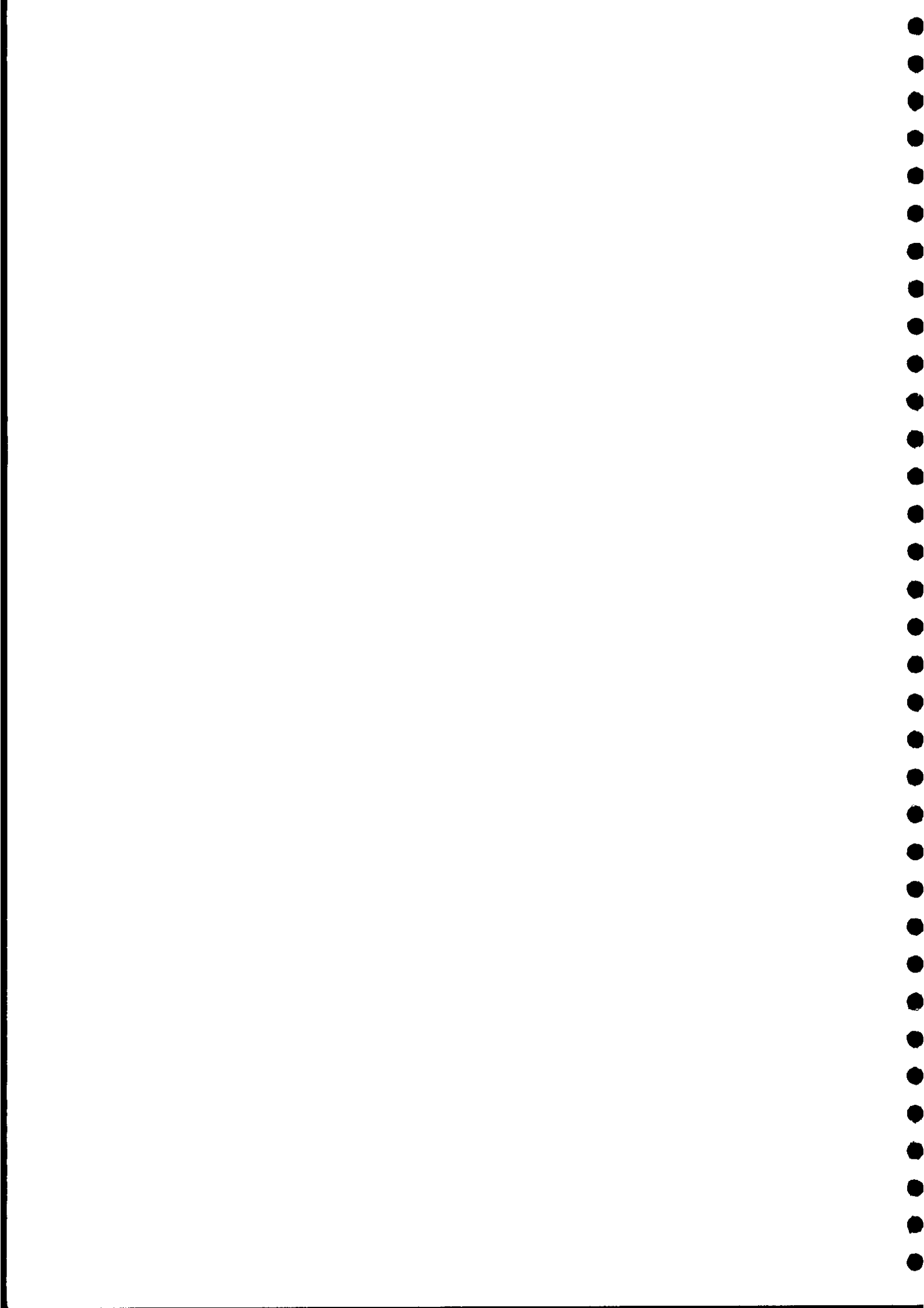




Meiji (UK) Limited

Directors' report and accounts for the year ended 31 December 2005

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Meiji (UK) Limited

Directors' report for the year ended 31 December 2005

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2005.

Principal activity

The Company's principal business activity is the sale (or distribution) of Japanese parts and automated equipment.

Business review

During the year the company expanded its customer base and the directors anticipate that the business will be stable in the forthcoming year.

Results and dividend

The Company made a profit after taxation for the year of £237,268 (2004: profit of £192,874). The profit for the year has been transferred to reserves.

The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2005 (2004: £nil).

Directors and Directors' interests

The Directors of the company during the year were:

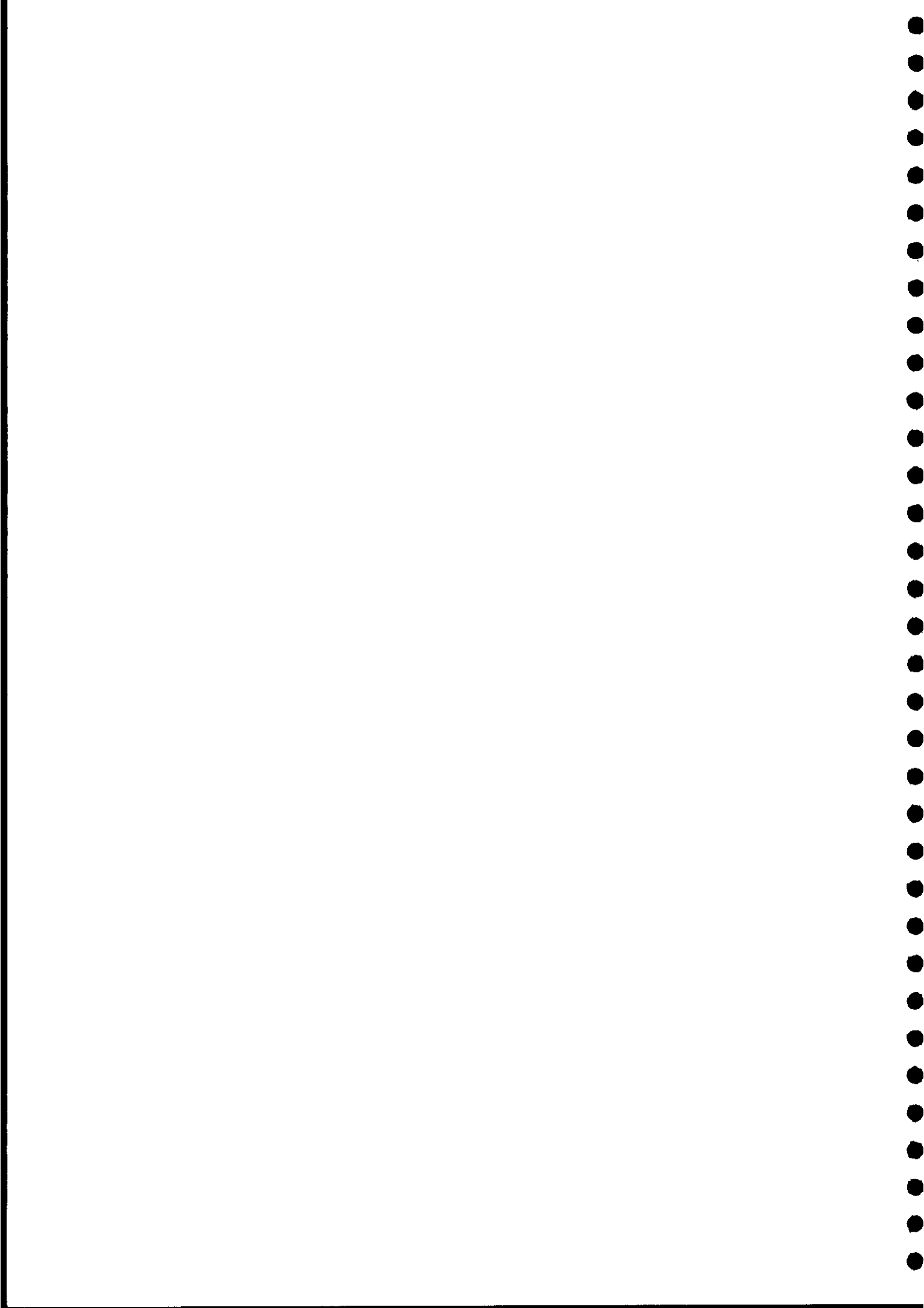
Y Yasui
M Hayashi
T. Abe

None of the directors had any beneficial interest in any contract in which the Company was a party to during the year.

Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 of the Company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgments and estimates have been made in preparing the financial statements for the year ended 31 December 2005 and that applicable accounting standards have been followed.



Meiji (UK) Limited

Directors' report for the year ended 31 December 2005 (continued)

Statement of Directors' responsibilities (continued)

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.

Auditors

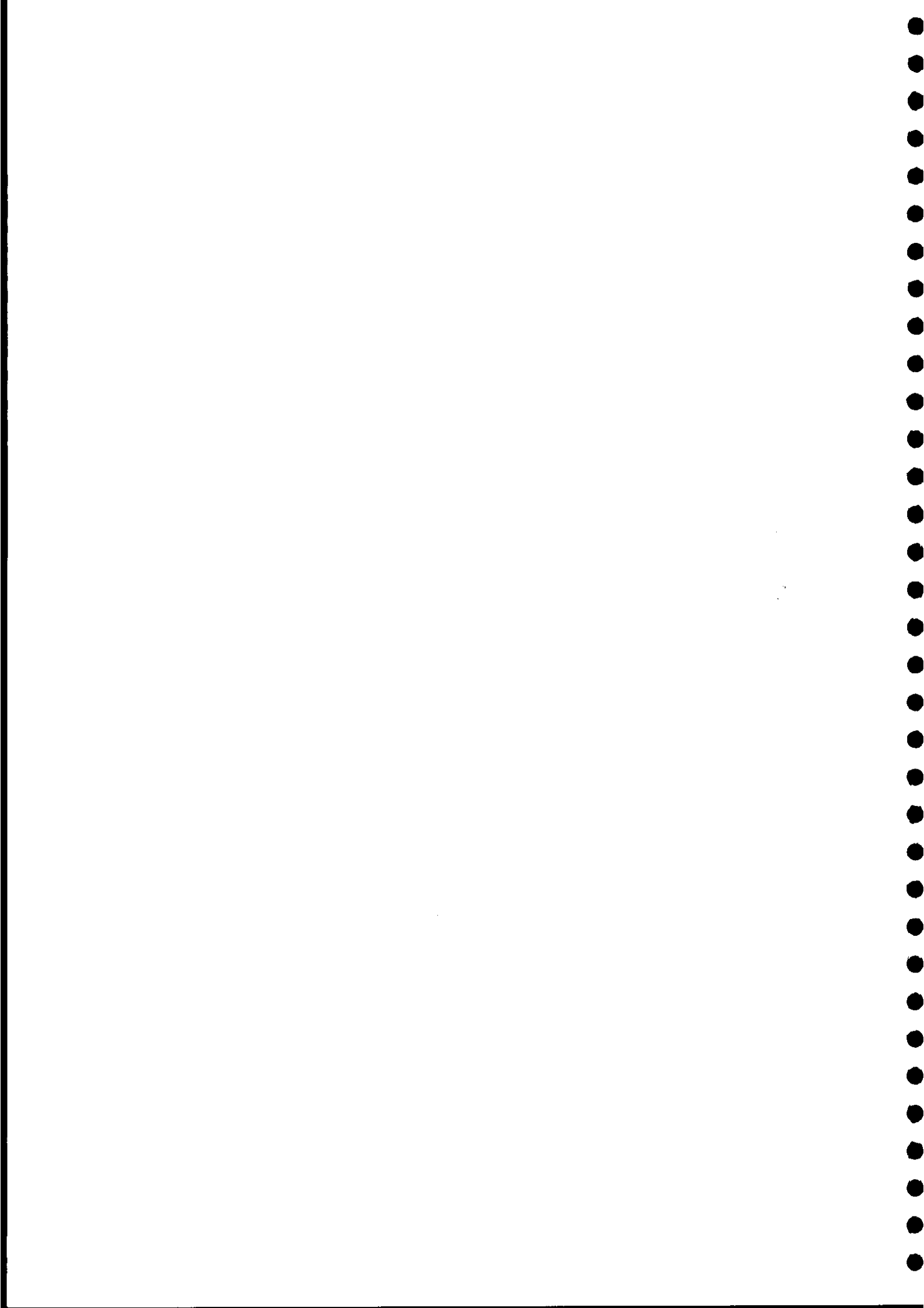
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By Order of the Board



T. Abe
Director

07.07. 2006



Independent auditors' report to the members of Meiji (UK) Limited

We have audited the financial statements of Meiji (UK) Limited for the year ended 31 December 2005 which comprise the Profit and Loss Account, the 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

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.

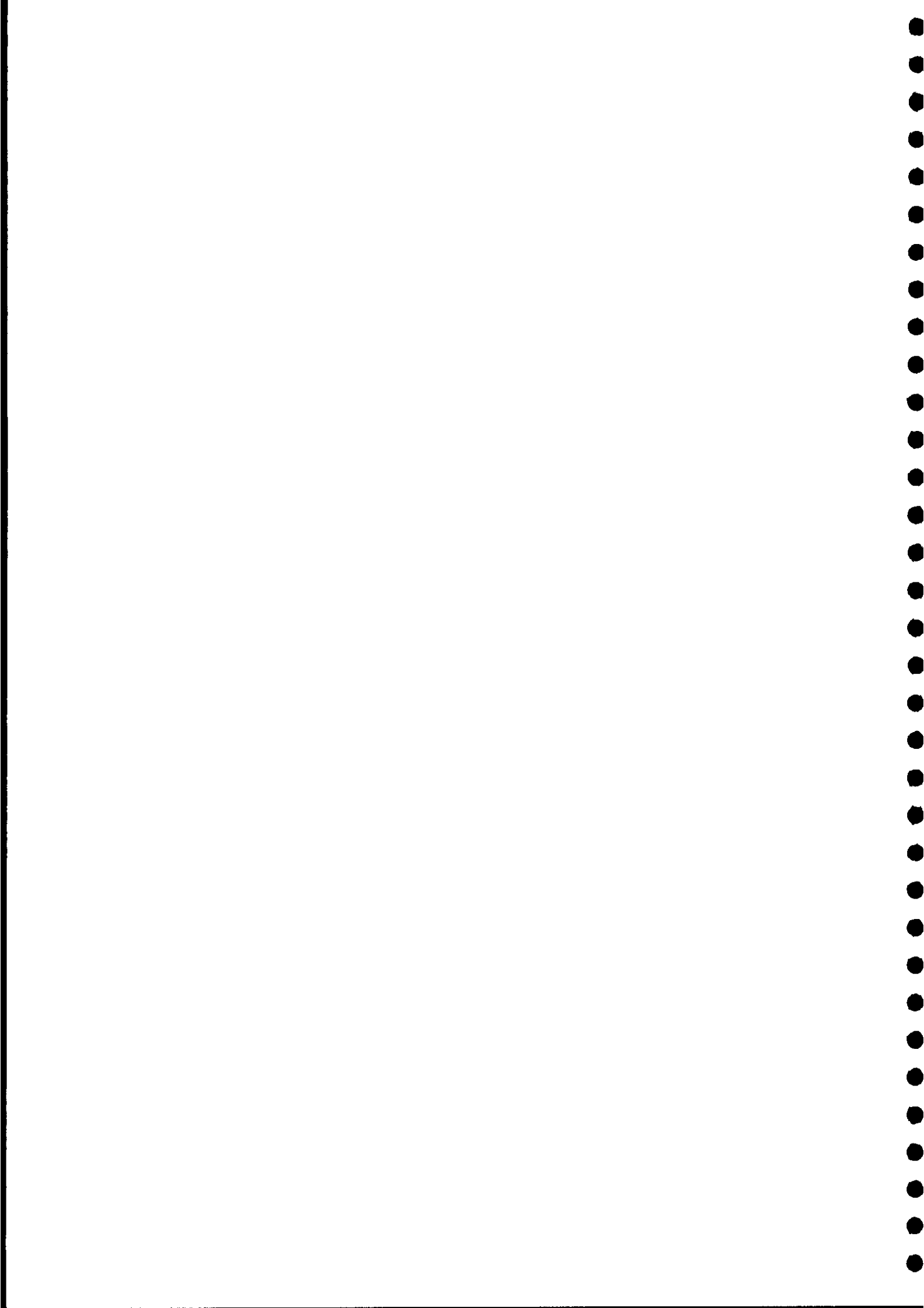
Opinion

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 profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham

12 July 2006



Meiji (UK) Limited

Profit and loss account for the year ended 31 December 2005

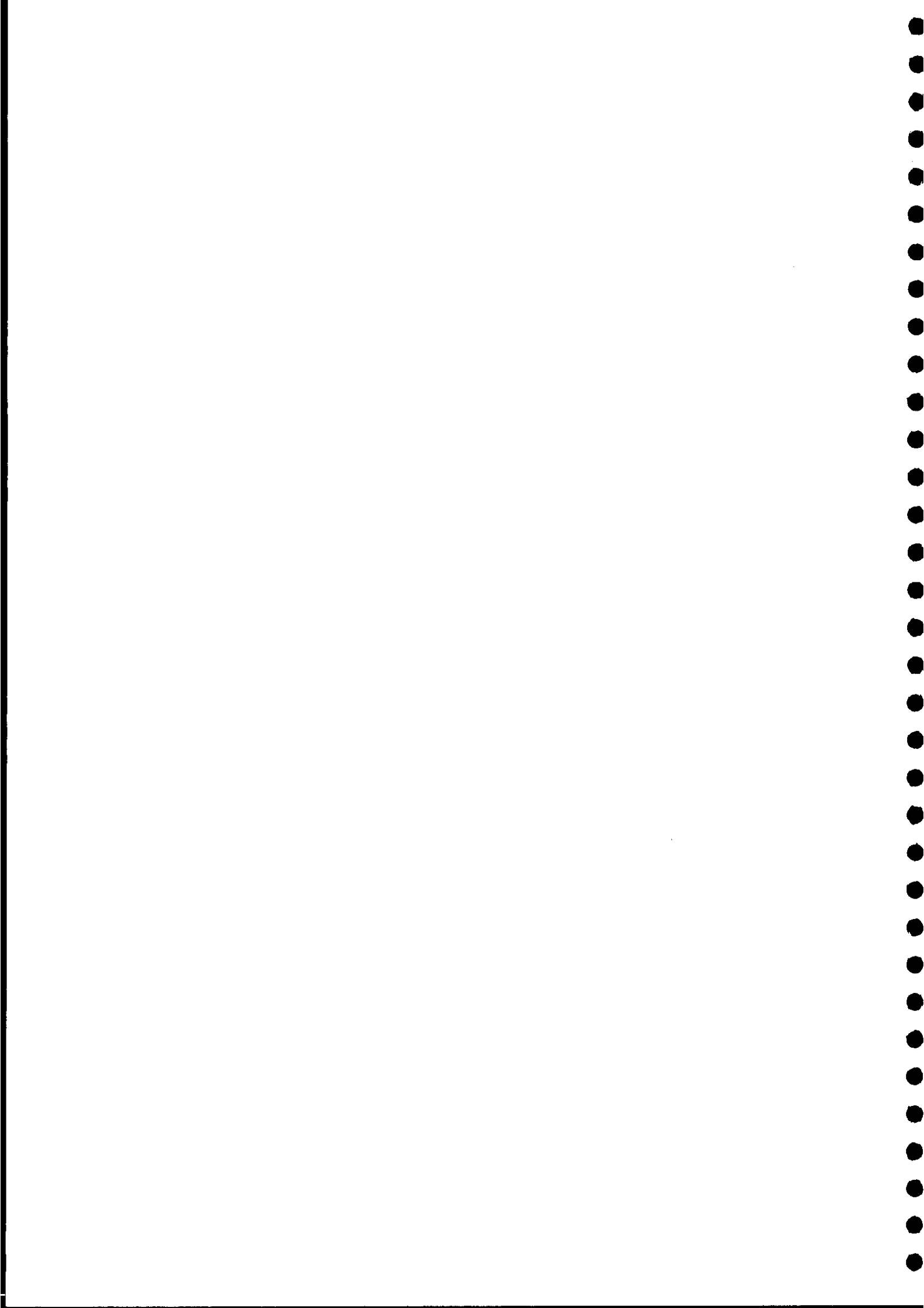
	Notes	2005 £	2004 £
Turnover	2	3,244,573	2,530,123
Cost of sales		(2,493,879)	(1,944,078)
Gross profit		750,694	586,045
Administrative expenses		(432,453)	(313,228)
Operating profit		318,241	272,817
Interest receivable and similar income	6	26,677	20,009
Profit on ordinary activities before taxation	3	344,918	292,826
Taxation on profit on ordinary activities	7	(107,650)	(99,952)
Retained profit for the financial year	15	237,268	192,874

The above results are derived wholly from continuing activities.

The company has no recognised gains and losses other than those including above, and therefore no separate statement of total recognised gains and losses has been presented.

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

The notes on pages 6 to 14 form part of these accounts.



Meiji (UK) Limited

Balance sheet as at 31 December 2005

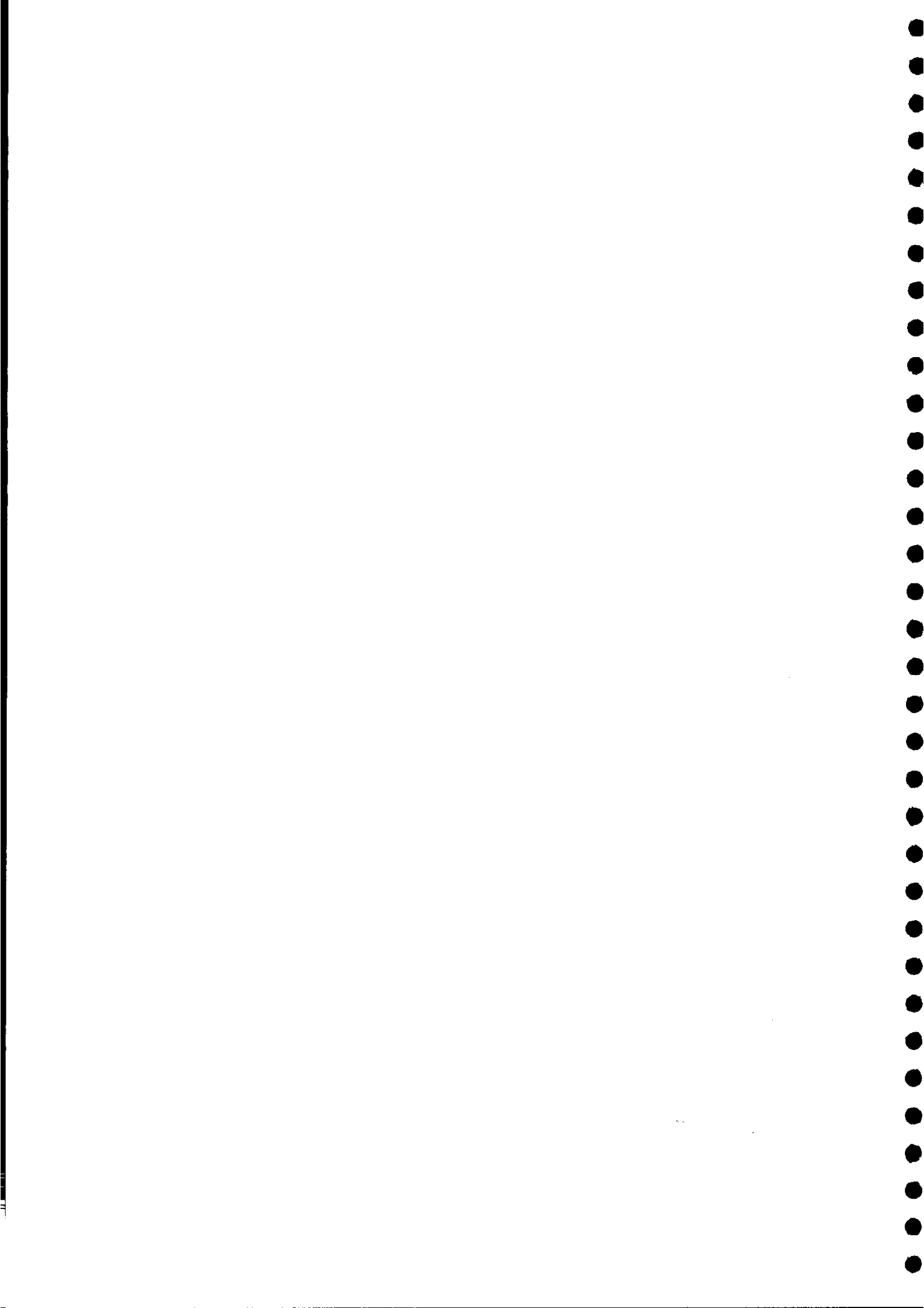
	Notes	2005 £	2004 £
Fixed assets			
Tangible assets	8	87,184	42,958
Current assets			
Stock	9	237,749	65,416
Debtors	10	610,180	339,494
Cash at bank and in hand		711,393	721,540
		1,559,322	1,126,450
Creditors (amounts due falling within one year)	11	(627,570)	(389,256)
Net current assets		931,752	737,194
Total assets less current liabilities		1,018,936	780,152
Provisions for Liabilities and charges	12	(1,516)	-
Net Assets		1,017,420	780,152
Capital and reserves			
Called up share capital	14	200,000	200,000
Profit and loss account	15	817,420	580,152
Equity shareholders' funds	16	1,017,420	780,152

The financial statements on pages 4 to 14 were approved by the board of directors on the date shown below and were signed of its behalf by:



T. Abe
Director

Date
02.07.2006



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005

1 Principal accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. A summary of the significant accounting policies, which have been applied consistently is set out below.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on a straight line basis at rates calculated to write off the cost of tangible fixed assets over their estimated useful economic lives which are:

Office equipment	-	5 years
Motor vehicles	-	3 to 4 years

Operating leases

Rentals incurred under operating leases are charged against profits on a straight line basis over the term of the lease.

Foreign currency balances

Transactions in foreign currencies are translated at the rates ruling at the dates of each transaction, any translation differences arising on transactions are included within the current profit and loss account.

Assets and liabilities denominated in foreign currencies are translated using the rate of exchange prevailing at the balance sheet date.

Stocks

Stocks are stated at the lower of cost and net realisable value.

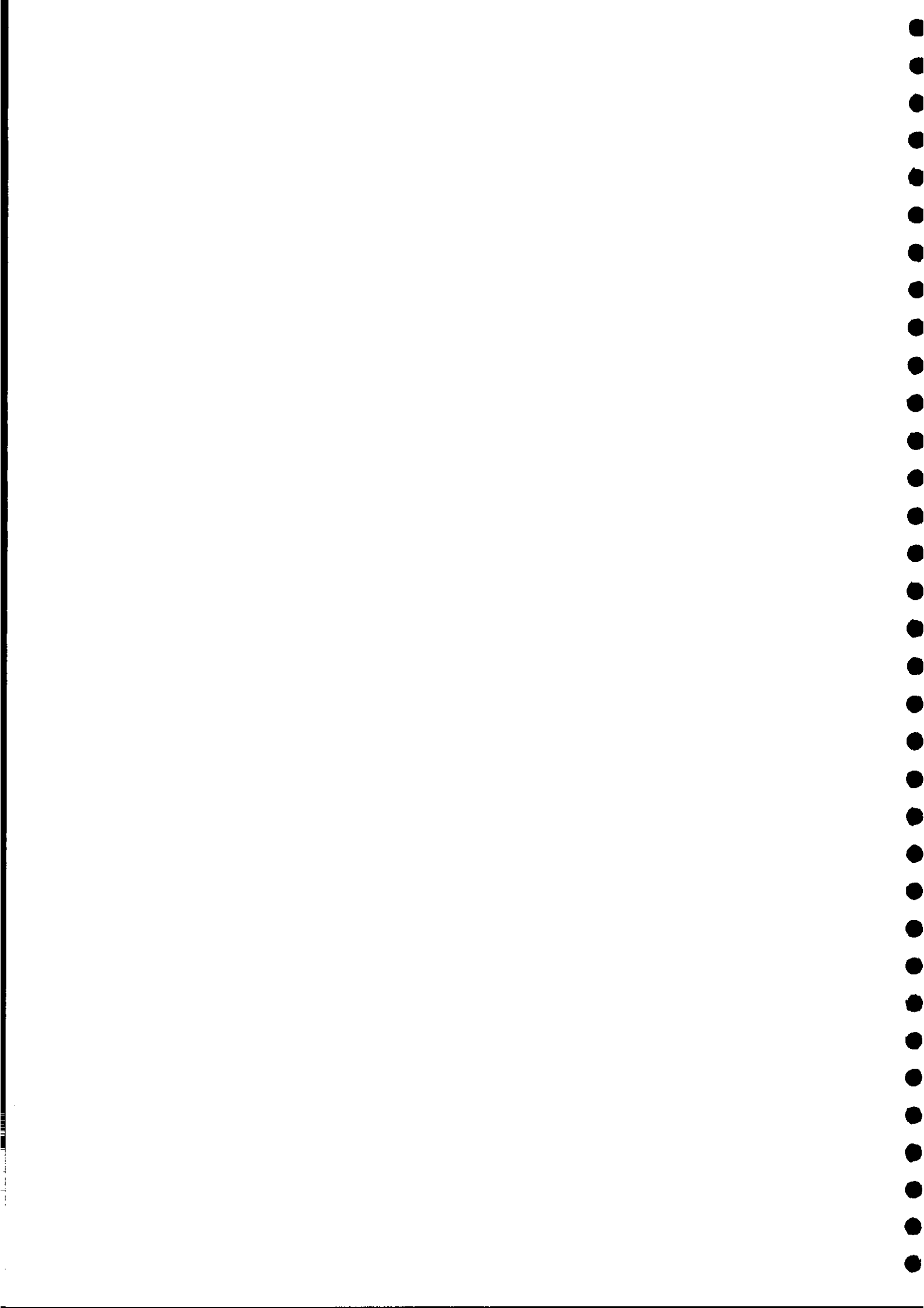
Taxation including deferred taxation

The charge for taxation 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 taxation is provided on all timing differences in accordance with Financial Reporting Standard No. 19 "Deferred tax". Deferred taxation assets are recognised to the extent they are recoverable.

Deferred tax assets and liabilities are not discounted.

Cash flow

The accounts do not include a statement of cash flows because the Company is exempt from the requirements of including such a statement by virtue of FRS 1 (Revised 1996) "Cash Flow Statements".



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

2 Turnover

The analysis of turnover by geographical destination is as follows:

	2005	2004
	£	£
United Kingdom	2,044,081	1,648,599
Rest of Europe	1,074,926	861,914
Rest of World	125,566	19,610
	3,244,573	2,530,123

3 Profit on ordinary activities before taxation

	2005	2004
	£	£
Profit on ordinary activities before taxation is stated after charging the following amounts		
Auditors' remuneration:		
Audit services	13,500	11,400
Non audit services - Taxation services	9,085	4,790
- Company secretarial	-	1,320
- Other	5,200	266
Depreciation	25,638	15,237
Loss on disposal of fixed assets	1,700	2,270
Operating lease charges:		
Land and buildings	23,180	28,883

Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

4 Directors' emoluments

	2005	2004
	£	£
Aggregate emoluments	163,419	151,282

One director was remunerated by the company during the year. Directors' emoluments disclosed above include £45,518 (2004: £43,015) which was paid by the ultimate parent company and not recharged.

The emoluments of two directors were paid by the parent company which makes no recharge. It is not possible to accurately apportion their emoluments in respect of each company. Accordingly, the above details include no emoluments in respect of these directors.

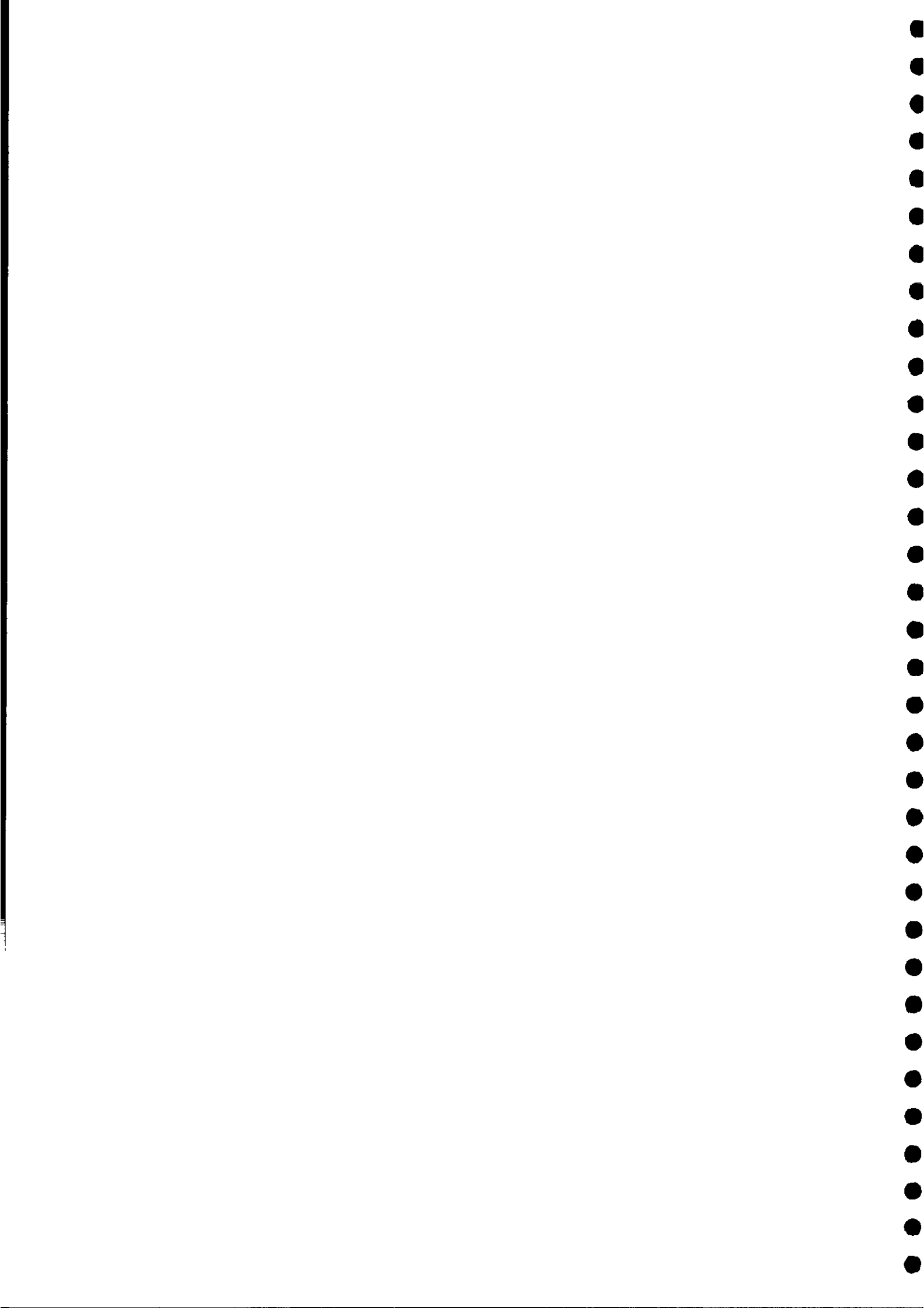
No pension scheme is available to the directors.

5 Staff numbers and costs

	2005	2004
Average number of persons employed	Number	Number
Administration	2	2
Sales	4	4
	6	6
Staff costs during the year (including directors)	£	£
Wages and salaries	254,407	198,639
Social security costs	9,399	7,512
	263,806	206,151

6 Interest receivable and similar income

	2005	2004
	£	£
Bank interest	26,677	20,009



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

7 Taxation

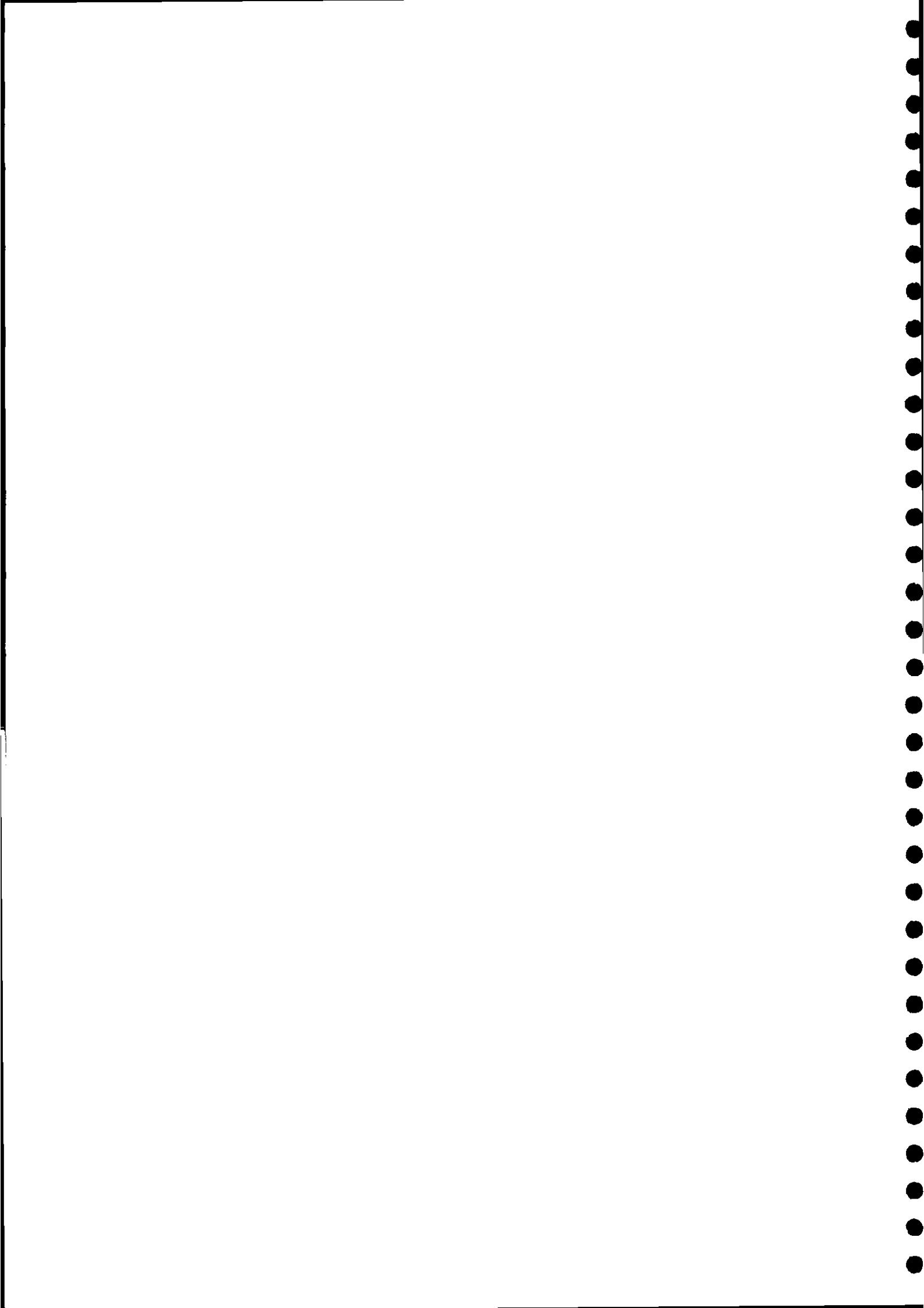
(a) Tax on profit on ordinary activities

	2005	2004
	£	£
Current tax :		
Corporation tax at 30% (2004: 30%) in respect of current year	103,743	89,796
Prior year adjustment	-	11,389
Total current tax	103,743	101,185
Deferred tax :		
Origination and reversal of timing differences	3,907	(1,233)
Tax on profit on ordinary activities	107,650	99,952

(b) Factors affecting tax charge

The difference between the current tax charge on ordinary activities for the year and the tax on the profit on ordinary activities for the year assessed at the standard rate of corporation tax in the UK can be explained as follows:

	2005	2004
	£	£
Profit on ordinary activities before tax	344,918	292,826
Tax on profit on ordinary activities before tax at 30% (2004: 30%)	102,576	87,848
Effects of:		
Permanent differences	3,021	1,271
Accelerated capital allowances	(1,854)	677
Adjustments to tax charge in respect of previous periods	-	11,389
Current tax charge for the period	103,743	101,185



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

7 Taxation (continued)

(c) Deferred tax

Deferred tax relates to:

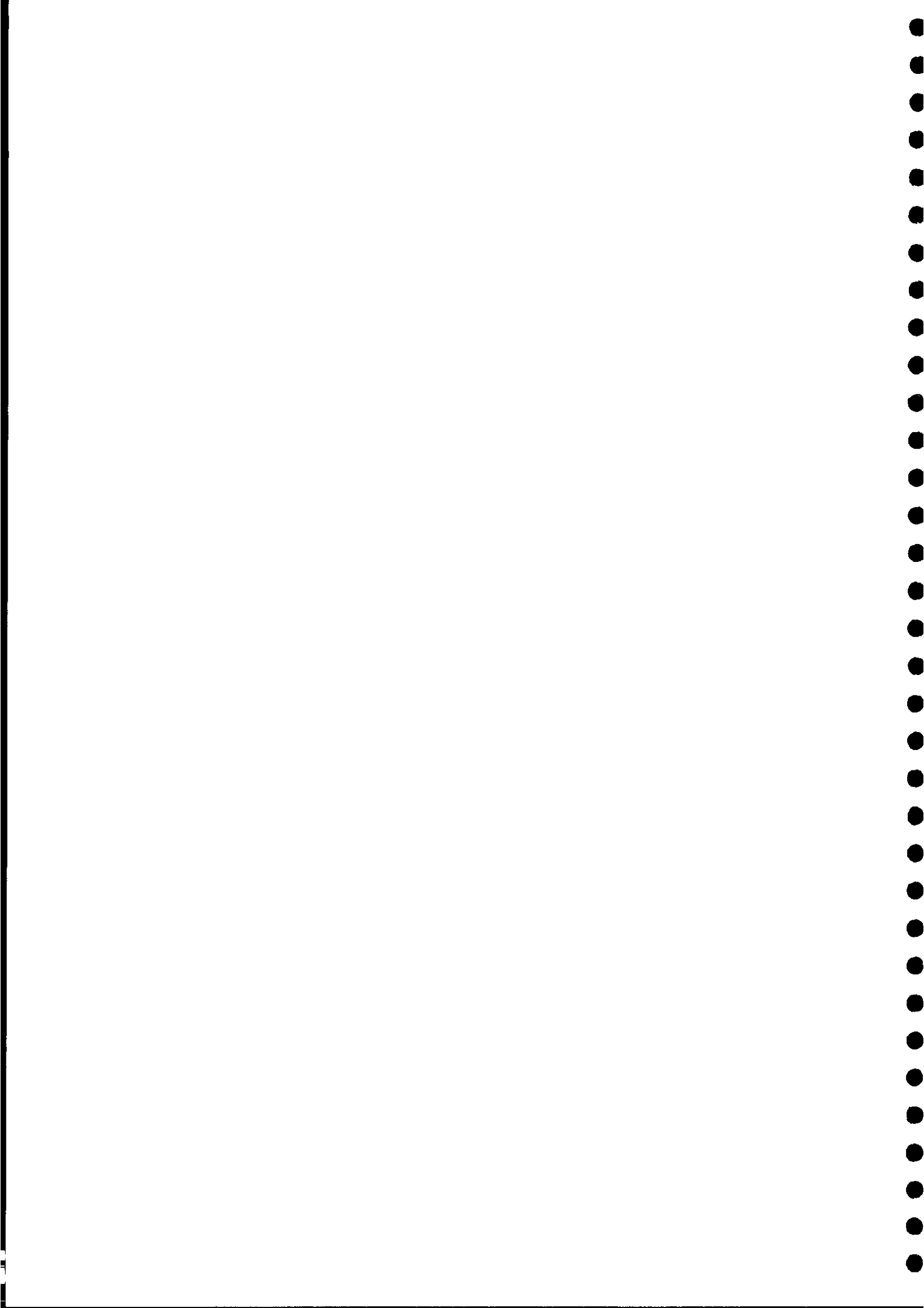
	2005	2004
	£	£
Accelerated capital allowances	(1,516)	2,391
Deferred tax (provision) / asset	(1,516)	2,391

The movement in deferred tax balances during the year is as follows:

	£
Deferred tax asset at 1 January 2005	2,391
Deferred tax charge in profit and loss account for the year	(3,907)
Deferred tax provision at 31 December 2005 (note 13)	(1,516)

8 Tangible fixed assets

	Motor vehicles	Office equipment	Total
	£	£	£
Cost			
At 1 January 2005	60,674	7,053	67,727
Additions	39,223	36,341	75,564
Disposals	(18,000)	-	(18,000)
At 31 December 2005	81,897	43,394	125,291
Depreciation			
At 1 January 2005	20,097	4,672	24,769
Charge for year	19,272	6,366	25,638
Disposals	(12,300)	-	(12,300)
At 31 December 2005	27,069	11,038	38,107
Net book amount			
At 31 December 2005	54,828	32,356	87,184
At 31 December 2004	40,577	2,381	42,958



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

9 Stock

	2005	2004
	£	£
Purchased goods and goods for sale	237,749	65,416

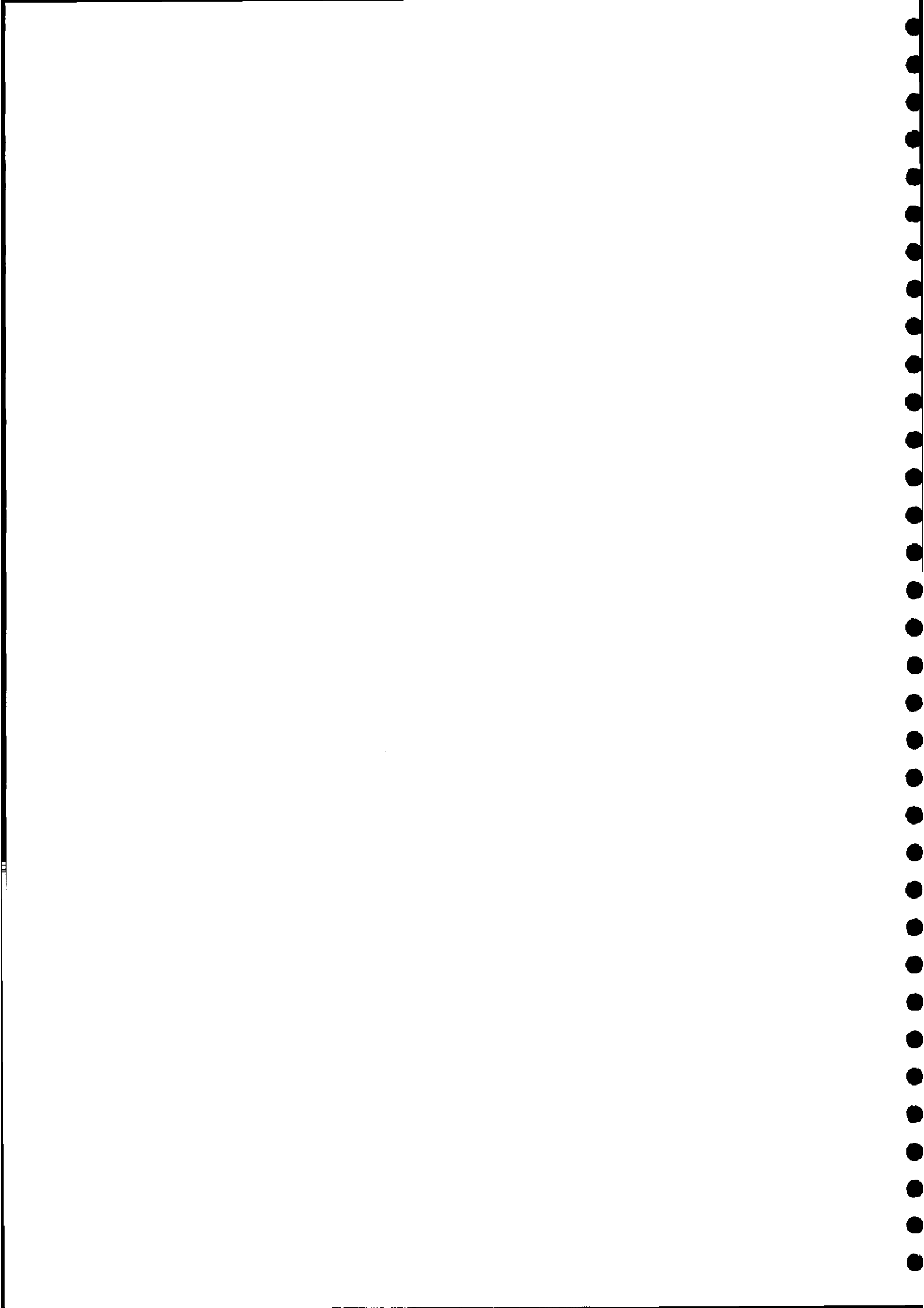
10 Debtors

	2005	2004
	£	£
Amounts falling due within one year		
Trade debtors	574,779	305,250
Amounts owed by ultimate parent company	1,207	4,746
Other debtors	28,856	26,462
Prepayments and accrued income	5,338	645
	610,180	337,103
Amounts falling due after more than one year		
Deferred taxation (note 13)	-	2,391
	610,180	339,494

11 Creditors (amounts falling due within one year)

	2005	2004
	£	£
Trade creditors	57,399	47,784
Amounts owed to ultimate parent company	437,783	225,860
Corporation tax	109,794	89,834
Accruals and deferred income	22,594	25,778
	627,570	389,256

Amounts owed to ultimate parent company are unsecured, interest free and repayable on demand.



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

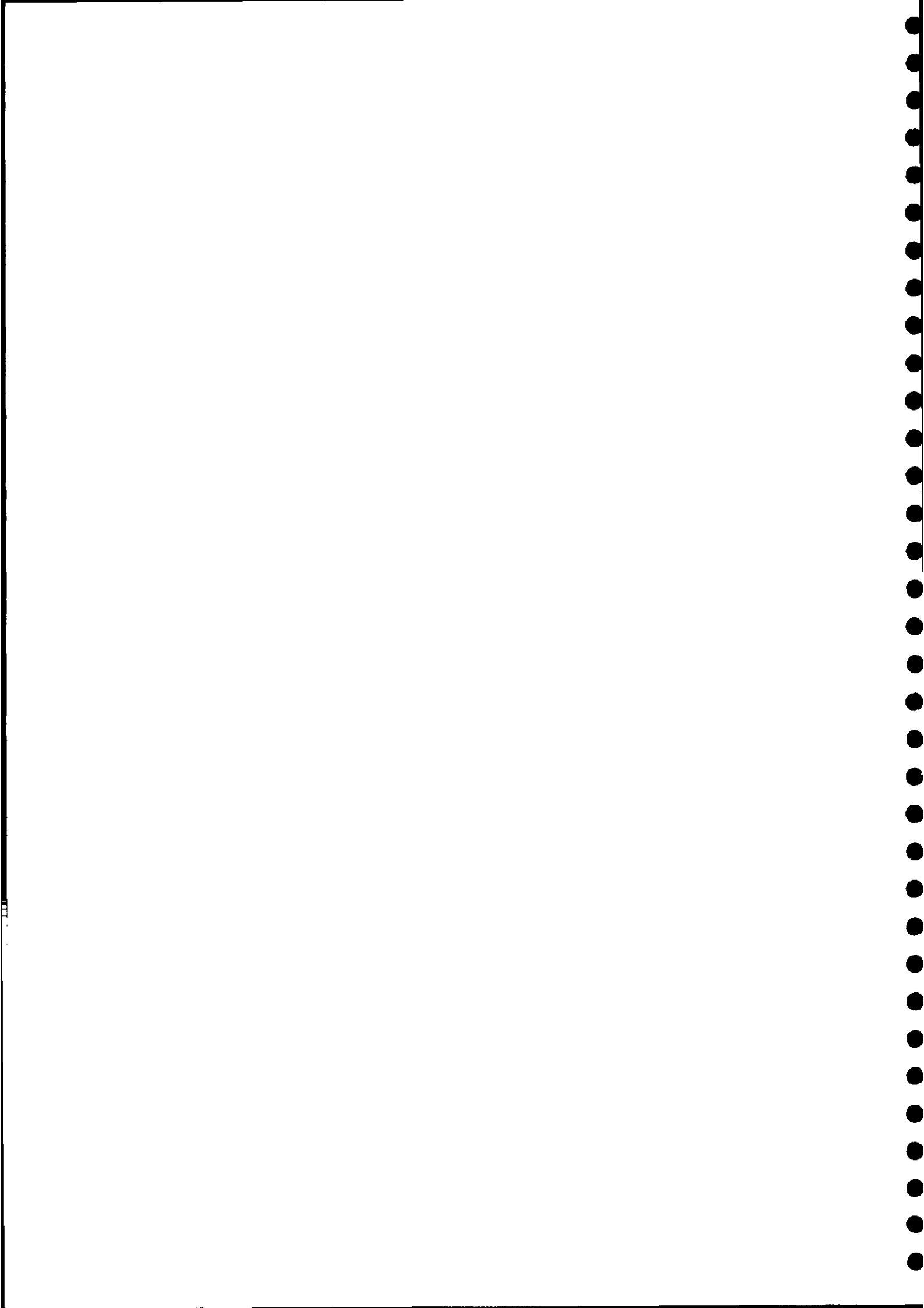
12 Provisions for liabilities and charges

	2005
	£
Deferred tax asset at 1 January 2005	2,391
Provided during year (note 7)	(3,907)
Deferred tax provision at 31 December 2005	(1,516)

13 Deferred taxation

An analysis of deferred tax which represents the full potential (asset) / liability is shown below:

	2005	2004
	£	£
Shortfall / (Excess) of capital allowances over depreciation	1,516	(2,391)



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

14 Called up share capital

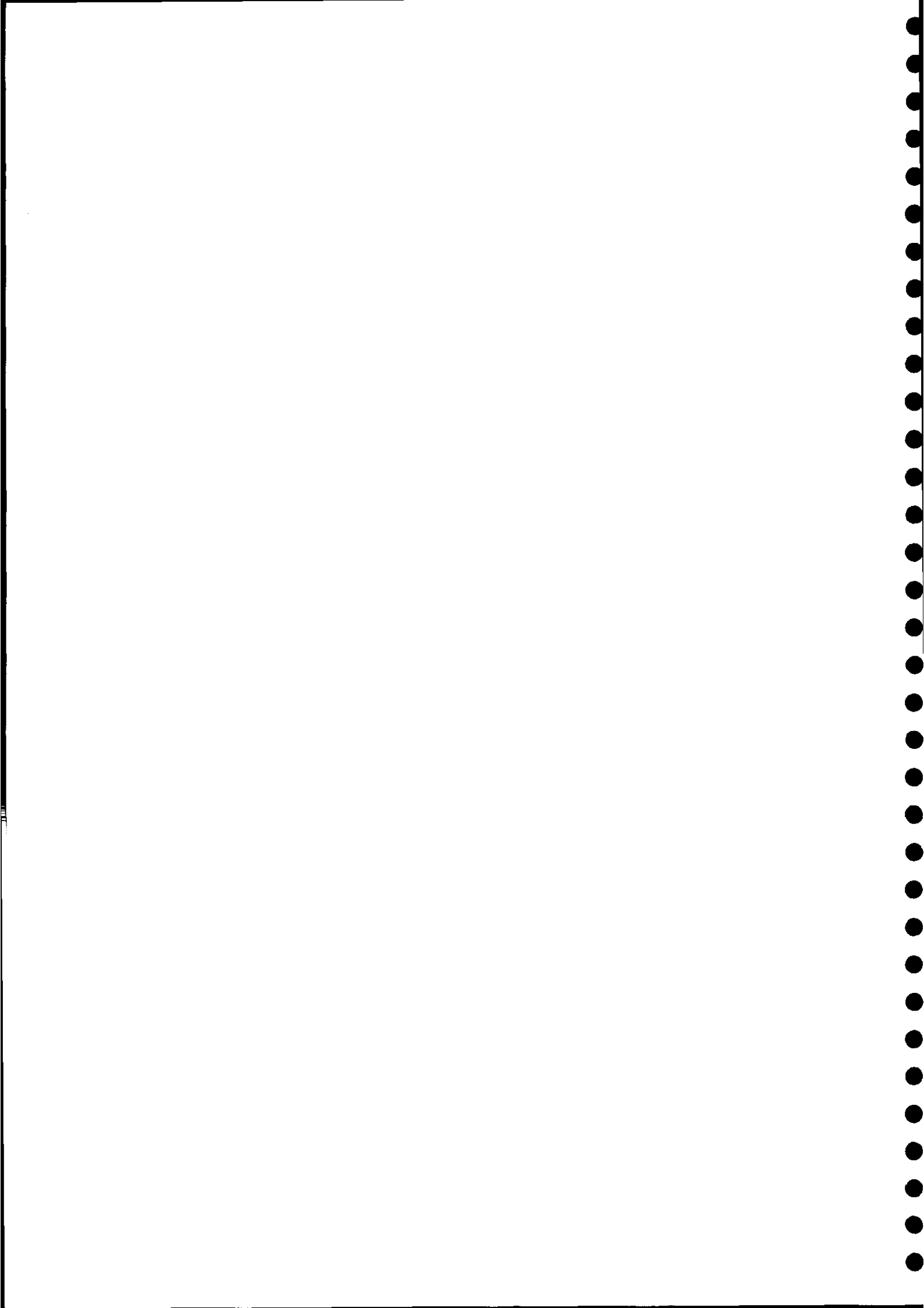
	2005	2004
	£	£
Authorised:		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted, issued and fully paid:		
200,000 ordinary shares of £1 each	200,000	200,000

15 Reserves

	Profit and loss account
	£
At 1 January 2005	580,152
Profit for the year	237,268
At 31 December 2005	817,420

16 Reconciliation of movements in equity shareholder's funds

	2005	2004
	£	£
Opening equity shareholders' funds	780,152	587,278
Profit for the financial year	237,268	192,874
Closing equity shareholders' funds	1,017,420	780,152



Meiji (UK) Limited

Notes to the financial statements for the year ended 31 December 2005 (continued)

17 Operating leases

At 31 December 2005 the company had annual commitments under non-cancellable operating leases expiring as follows:

	Plant and machinery		Land and buildings	
	2005	2004	2005	2004
	£	£	£	£
Within one year	-	-	16,285	6,540

18 Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8 relating to 90% subsidiary undertakings and has not disclosed details of transactions with other undertakings within the Meiji Electrics Industries Co. Ltd group.

19 Parent and ultimate controlling party

The immediate parent company is Meiji Corporation in the U.S., which consolidates Meiji UK Ltd into its accounts.

The ultimate parent company is Meiji Electric Industries Co., Ltd incorporated in Japan, and is the largest group to consolidate these accounts.

A copy of Meiji Corporation Inc group accounts can be obtained from 660 Fango Avenue, Elk Grove Village, Illinois 60007, USA. A copy of Meiji Electrics Industries Co. Ltd group accounts can be obtained from 2-Chome 13-8, Kamijima, Nakamura Ku, Nagoya, Japan.

