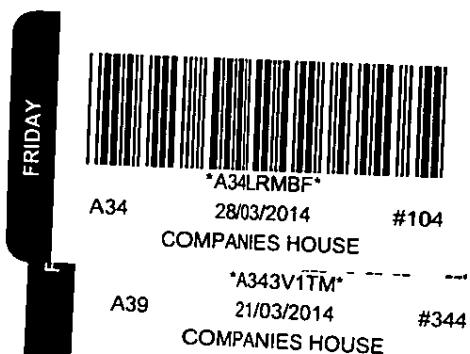


PENTAIR THERMAL MANAGEMENT UK LIMITED

(formerly Tyco Thermal Controls (UK) Limited)

Report and Financial Statements

For the 15 months ended 31 December 2012



PENTAIR THERMAL MANAGEMENT UK LTD

2012 REPORT AND FINANCIAL STATEMENTS

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PENTAIR THERMAL MANAGEMENT UK LIMITED

2012 REPORT AND FINANCIAL STATEMENTS

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

S Lemmens
C Vermeulen
A Hampton
C Olin
T Toffolo
M Boardman

SECRETARY

S Grundy

REGISTERED OFFICE

Victoria Road
Leeds
LS11 5UG

BANKERS

Barclays Bank PLC
PO Box 729
I Capability Green
Luton
LU1 3US

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds

PENTAIR THERMAL MANAGEMENT UK LIMITED

DIRECTORS' REPORT

The directors present their report on the affairs of the company, together with the audited financial statements for the 15 month period from 1 October 2011 to 31 December 2012

CHANGE OF NAME

The company changed its name from Tyco Thermal Control (UK) Limited to Pentair Thermal Management UK Limited by passing a special resolution on 20 December 2012

PRINCIPAL ACTIVITY

The company is involved in the project design, material supply and project execution for major oil and petrochemical developments both in the UK and the rest of the world. The company also designs, manufactures, markets and sells an extensive range of systems and products. These range from heating and wiring cables, self-regulating heating cables, leak detection cables, measurement and monitoring systems and related products, and are sold to the Building, Infrastructure, Industrial, Nuclear, Aerospace and Power Generation markets worldwide.

BUSINESS REVIEW AND FUTURE DEVELOPEMNTS

On 28 September 2012 the Flow Control segment of Tyco International Ltd split from that entity and became the standalone entity Tyco Flow Control International Ltd. This entity then changed its name to Pentair Ltd following a reverse acquisition of Pentair Inc. Pentair Thermal Management UK Limited now operates as part of the Thermal Management global business unit in the Pentair Ltd group.

The company changed its accounting reference date from 30 September 2012 to 31 December 2012 to fall in line with the year end of Pentair Ltd.

FAIR REVIEW OF THE BUSINESS

Sales continued to be impacted as a result of the global recession in some of the company's key markets. Nonetheless, as shown in the company's profit and loss account on page 8, there was an annualised increase in sales of 3.0% for the 15 month period to £24.5m (2011 12 month period £19.0m). Sales into the UK market at £15.6m for the 15 month period (2011 12 month period £10.9m) recorded an annualised increase on the previous period as some recovery was seen in the domestic market place for the company products. Sales into the main European markets decreased significantly in the period, due to withdrawal from certain markets following the Group sale of the Thermocouple Products business in Germany which forms part of the Thermal Management global business unit, although sales in emerging eastern European markets reported some growth with total sales into the region of £1.9m for the 15 month period (2011 12 month period £3.6m). Sales into Middle East and India decreased to £2.5m for the 15 month period (2011 12 month period £2.9m) primarily due a management decision to withdraw, for part of the current period, from the Indian market. Sales into North and South America recorded substantial growth with sales at £2.1m for the 15 month period (2011 12 month period £0.7m). This growth was generated primarily by sales into the Aerospace and Power Generation markets. During the period sales into Asia and Australian markets also grew with sales of £2.0m for the 15 month period (2011 12 month period £0.8m) primarily due to a major project in UAE.

Potential significant increases in key raw material prices, copper in particular, and energy costs continue to place pressure on product costs in what remains a challenging marketplace. As a result of strong controls over other operating costs such as Sales, Marketing and support functions, the company has been able to control overall costs and remain competitive. Consequently overall margins were maintained at previous levels with increases being seen in margins on niche products.

The company recorded another period of satisfactory performance benefiting from its diverse product range and presence in global markets, combined with stringent costs control, which resulted in operating profit for the 15 month period improving significantly to £3.5m (2011 12 month period £2.2m).

As shown on page 9, the company retains a very strong Balance Sheet with good cash flow performance. The company continues to be cash generative.

The profit for the 15 month period of £3.4m (2011 12 month period profit of £2.0m) has been added to reserves.

The directors do not however recommend a dividend (2011 £4.0m, 40.3p per ordinary share).

Net assets increased in the period from £11.3m to £14.7m, the movement being the retained profit that was transferred to reserves during the period.

PENTAIR THERMAL MANAGEMENT UK LIMITED

DIRECTORS' REPORT

FAIR REVIEW OF THE BUSINESS (continued)

The Pentair Ltd group manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Thermal Management division of Pentair Ltd, which includes the company, is discussed in the group's Annual Report which does not form part of this Report.

Taking account of the satisfactory performance in the period and the future outlook, as outlined in the going concern discussion below, the directors consider the prospects of the business to be reasonable.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The company does not use derivative financial instruments for speculative purposes.

Credit risk

The company's principal financial assets are bank balances and cash, and trade and other receivables.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Cash flow risk

The company's sales are either in Sterling, USD or Euros so it has exposure to movements in foreign exchange rates. Forward exchange and spot rate contracts are taken out when considered necessary to assist in managing the company's risk.

Liquidity risk

The company is financed by interest bearing loans from its parent and has no third party debt. There is no third party interest rate exposure.

GOING CONCERN

A full and detailed review on the future financial position of the company was made by the directors, covering a period of at least 12 months from the date of approval of the financial statements. The review considered the possible impact on the company's performance of the continuing uncertainties in the global economy. The directors considered both the risks and also the opportunities which may be faced by the company in both its traditional UK and European export markets and also in emerging and Asia and Middle East markets. The directors' review considered the impact of this on revenue, costs and the company's overall profitability and financial strength. It is anticipated that trading conditions in both the UK and export markets will continue to be challenging although there is some expectation of growth. The directors expect that an acceptable level of sales growth is achievable in future periods. In order to achieve this in such a difficult trading environment competitive pricing will be key to securing revenue growth whilst competitive purchasing and strong control of operating costs will ensure that margin levels are acceptable.

Revenue from traditional Distribution products in the UK market is expected to remain at current levels, while sales into the Middle East and India for these products are expected to increase year on year due to the company's re-entry into the Indian market. Sales of other Distribution products and in particular underfloor heating products, which has seen good growth in recent years, are expected to continue to grow benefiting from new marketing and selling initiatives.

PENTAIR THERMAL MANAGEMENT UK LIMITED

DIRECTORS' REPORT

GOING CONCERN (continued)

The company's expectation is that the project based Industrial Solutions business will continue to grow although at a slower rate than that experienced in recent years due to the reduction in the number of large projects being undertaken throughout the world. Engineered Speciality product sales are anticipated to grow significantly in coming years following the purchase of new machinery resulting in increased capacity and reduction of product cost. This growth will be further enhanced by additional sales resource aimed at expanding the customer base of these niche products.

Control of costs will be a primary objective of all parts of the company. Raw materials prices, copper in particular due to continuing high demand throughout the world, are expected to continue to increase. In order to reduce the impact of these non-controllable increases in raw materials the company will engage in competitive purchasing and the continuation of the current effective controls on operating costs. Strict control of these costs and the benefits that will be gained in terms of manufacturing efficiencies from the investment in new machinery will assist in maintaining gross margins at current levels with the expectation that certain products will generate improved margin.

Trading conditions in all of the company's markets and for the majority of products will remain difficult with price pressure coming from strong competition.

The company will continue to focus on providing excellent customer service, supported by dedicated technical expertise that will support all of our products in our key markets. The company's diverse and excellent product range will provide a sound base for the stability of the company, and provide the platform for continued growth of the company in the future. A further core objective will be to ensure that the continued commitment to the development of new products and applications will protect the company's position as market leader for many of its products throughout the world.

The directors' expectation is that based on the review that they have undertaken that the company will retain a very strong balance sheet and continue to be cash generative.

In conclusion the directors are of the opinion that the company has a strong base for future success when all of the considered factors and objectives have been taken into account.

The company is a member of the group cash pooling arrangements. The directors have given their consideration to any risk that this may represent to the company's ability to access funds on demand. Based on the current position of the group cash pool the directors do not consider this a risk.

The Directors have also made suitable enquiries, where possible, with regard to the future prospects of the wider group and the potential impact on the company.

The Directors are of the opinion, based on the review they have undertaken, 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 financial statements.

DIRECTORS INDEMNITIES

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

SUPPLIER PAYMENT POLICY

The company's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Trade creditors of the company at 31 December 2012 were equivalent to 33 days (2011: 34 days' purchases, based on the average daily amount invoiced by suppliers during the period).

DISABLED EMPLOYEES

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group and the company that the training, career development and promotion of disabled persons will, as far as possible, be identical to that of other employees.

PENTAIR THERMAL MANAGEMENT UK LIMITED

DIRECTORS' REPORT

EMPLOYEE CONSULTATION

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through quarterly formal meetings, informal departmental meetings, company electronic magazines and websites. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests. In addition, all eligible employees are entitled to participate in an annual bonus scheme which is determined, amongst other factors, by the overall profitability of the company.

DIRECTORS AND THEIR INTERESTS

The directors who served during the period and up to the date of this report were as follows

S Lemmens
C Vermeulen
A Hampton
C Olin
T Toffolo (appointed 29 May 2013)
M Boardman (appointed 29 May 2013)

No director has a beneficial interest in the shares of the company or other subsidiaries of the ultimate parent company and no contracts exist other than service agreements with the company or other subsidiaries of the ultimate parent company in which the directors have an interest.

AUDITOR

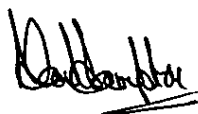
Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware, and
- (2) each of the directors has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



A Hampton
Director

25 March 2014

PENTAIR THERMAL MANAGEMENT UK LIMITED

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). 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 judgments 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, 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 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.

PENTAIR THERMAL MANAGEMENT UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENTAIR THERMAL MANAGEMENT UK LIMITED

We have audited the financial statements of Pentair Thermal Management UK Limited for the 15 month period ended 31 December 2012, which comprise of the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. 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).

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 Statement of Directors' Responsibilities, 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.

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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we 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 2012 and of its profit for the 15 month period 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.



Simon Manning ACA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Leeds, United Kingdom

26 March 2014

PENTAIR THERMAL MANAGEMENT UK LIMITED

PROFIT AND LOSS ACCOUNT

Period ended 31 December 2012

		15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
	Note		
TURNOVER	2	24,487	19,015
Net operating expenses	4	(20,978)	(16,859)
OPERATING PROFIT	5	3,509	2,156
Net interest payable	6	(44)	(91)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,465	2,065
Tax on profit ordinary activities	7	(42)	(113)
PROFIT FOR THE PERIOD	14	3,423	1,952

The company has no recognised gains or losses in either period other than the results shown above, and therefore no separate statement of total recognised gains and losses has been presented

All results derive from continuing operations

The accompanying notes are an integral part of this profit and loss account

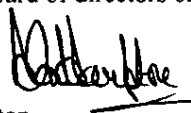
PENTAIR THERMAL MANAGEMENT UK LIMITED

BALANCE SHEET

As at 31 December 2012

	Note	2012 £'000	2011 £'000
FIXED ASSETS			
Tangible assets	8	<u>229</u>	<u>156</u>
CURRENT ASSETS			
Stock	9	425	679
Debtors	10	20,866	17,499
Cash at bank and in hand		<u>10</u>	<u>276</u>
		21,301	18,454
CREDITORS: Amounts falling due within one year	11	<u>(6,827)</u>	<u>(7,330)</u>
NET CURRENT ASSETS		<u>14,474</u>	<u>11,124</u>
NET ASSETS		<u>14,703</u>	<u>11,280</u>
CAPITAL AND RESERVES			
Called up share capital	13	9,924	9,924
Profit and loss account	14	4,695	1,272
Share option reserve	14	<u>84</u>	<u>84</u>
SHAREHOLDER'S FUNDS	16	<u>14,703</u>	<u>11,280</u>

The financial statements of Pentair Thermal Management UK Limited, company number 03710607, were approved by the board of directors on 25 March 2014 and signed on its behalf by


A Hampton
Director

The accompanying notes are an integral part of this balance sheet

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared 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 adopted are described below. They have all been applied consistently throughout the current and preceding period.

The company changed its accounting reference date from 30 September 2012 to 31 December 2012 to fall in line with the year end of Pentair Ltd.

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Pentair Ltd and is included in the consolidated financial statements of Pentair Ltd, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996).

The company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Pentair Ltd group or investees of the Pentair Ltd group.

Going concern

A full and detailed review on the future financial position of the company was made by the directors, covering a period of at least 12 months from the date of approval of the financial statements. The review considered the possible impact on the company's performance of the continuing uncertainties in the global economy. The directors considered both the risks and also the opportunities which may be faced by the company in both its traditional UK and European export markets and also in emerging and Asia and Middle East markets. The directors' review considered the impact of this on revenue, costs and the company's overall profitability and financial strength. It is anticipated that trading conditions in both the UK and export markets will continue to be challenging although there is some expectation of growth. The directors expect that an acceptable level of sales growth is achievable in future periods. In order to achieve this in such a difficult trading environment competitive pricing will be key to securing revenue growth whilst competitive purchasing and strong control of operating costs will ensure that margin levels are acceptable.

Revenue from traditional Distribution products in the UK market is expected to remain at current levels while sales into the Middle East and India for these products are expected to increase year on year due to the company's re-entry into the Indian market. Sales of other Distribution products and in particular underfloor heating products, which has seen good growth in recent years, are expected to continue to grow benefiting from new marketing and selling initiatives.

The company's expectation is that the project based Industrial Solutions business will continue to grow although at a slower rate than that experienced in recent years due to the reduction in the number of large projects being undertaken throughout the world. Engineered Speciality product sales are anticipated to grow significantly in coming years following the purchase of new machinery resulting in increased capacity and reduction of product cost. This growth will be further enhanced by additional sales resource aimed at expanding the customer base of these niche products.

Control of costs will be a primary objective of all parts of the company. Raw materials prices, copper in particular due to continuing high demand throughout the world, are expected to continue to increase. In order to reduce the impact of these non-controllable increases in raw materials the company will engage in competitive purchasing and the continuation of the current effective controls on operating costs. Strict control of these costs and the benefits that will be gained in terms of manufacturing efficiencies from the investment in new machinery will assist in maintaining gross margins at current levels with the expectation that certain products will generate improved margin.

Trading conditions in all of the company's markets and for the majority of products will remain difficult with price pressure coming from strong competition.

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

1. ACCOUNTING POLICIES (CONTINUED)

Going concern (continued)

The company will continue to focus on providing excellent customer service, supported by dedicated technical expertise that will support all of our products in our key markets. The company's diverse and excellent product range will provide a sound base for the stability of the company and provide the platform for continued growth of the company in the future. A further core objective will be to ensure that the continued commitment to the development of new products and applications will protect the company's position as market leader for many of its products throughout the world.

The directors' expectation is that based on the review that they have undertaken that the company will retain a very strong balance sheet and continue to be cash generative.

In conclusion the directors are of the opinion that the company has a strong base for future success when all of the considered factors and objectives have been taken into account.

The company is a member of the group cash pooling arrangements. The directors have given their consideration to any risk that this may represent to the company's ability to access funds on demand. Based on the current position of the group cash pool the directors do not consider this a risk.

The Directors have also made suitable enquiries, where possible, with regard to the future prospects of the wider group and the potential impact on the company.

The directors are of the opinion, based on the review they have undertaken, 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 financial statements.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date, or if hedged, at the forward contract rate.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All gains and losses arising are charged directly to the profit and loss account.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, together with any incidental expenses of acquisition, less accumulated depreciation and provision for impairment. Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful life, as follows:

Asset class	Depreciation method and rate
Plant and machinery	between 5% and 33% straight line
Computer equipment	between 20% and 33% straight line
Fixtures and Fittings	between 10% and 20% straight line

Leases

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

Stocks

Stocks are valued on a first-in first-out basis at the lower of cost and net realisable value. Costs include all appropriate production overheads in bringing each product to its present location and condition. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

1. ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

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. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, 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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Share based payments

Pentair Ltd ("the group") issues equity-settled and cash-settled share based payments to certain employees. The company has applied the requirements of FRS 20 "Share based payments" in accounting for its share based payments. In both the current and prior period the share based payments are not material and the directors have determined that no further disclosures in relation to share based payments are necessary.

Equity-settled share based payments are measured at fair value at the date of the grant. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. Fair value is measured by use of the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on managements' best estimate, for the effect of non-transferability, exercise restrictions and behavioural considerations.

A liability equal to the portion of the goods and services received is recognised at the current fair value determined at each balance sheet date for cash-settled share based payments.

Turnover

Turnover is recognised at the point that the goods sold arrive with the customer or when the risks and rewards of ownership are transferred as determined by the specific incoterms on each sale. Revenue is stated net of value added tax and trade discounts.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

Pension scheme arrangements

Since 9 March 2001, the company has operated a defined contribution scheme. Pension contributions for this scheme are charged to profit and loss account as incurred.

Long-term contracts

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work done less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account. Cumulative costs incurred net of amounts transferred to cost of sales, less provision for contingencies and anticipated future losses on contracts, are included as long-term contract balances in stock.

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

2 TURNOVER

Turnover which is stated net of value added tax, represents amounts invoiced to third parties. The turnover is attributable to one continuing activity, as explained in the directors' report.

The split of turnover by geographical market is as follows:

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
United Kingdom	15,621	10,936
Rest of Europe	1,896	3,568
North and South America	2,118	685
Middle East and India	2,483	2,875
Asia and Australia	2,013	821
Africa	356	130
	<u>24,487</u>	<u>19,015</u>

3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The emoluments of the directors were as follows:

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Aggregate emoluments and benefits	101	75
Pension contributions	3	3
	<u>104</u>	<u>78</u>

Only one of the directors received emoluments from the company for services provided as a director of the company. The emoluments of the other directors, in both the current and prior period, are paid by other group entities located outside the United Kingdom. The company does not receive recharges for these directors as it is not possible to make an accurate apportionment of their emoluments in respect of services to the company.

	2012 No.	2011 No.
Average number of persons employed		
Production	7	7
Selling and distribution and administration	67	67
	<u>74</u>	<u>74</u>

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (CONTINUED)

Staff costs during the period (including directors)	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Wages and salaries	4,981	3,450
Social security costs	462	308
Redundancy	31	58
Other pension costs	190	115
	<u>5,664</u>	<u>3,931</u>

4. NET OPERATING EXPENSES

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Change in stocks of finished goods and work in progress	(254)	(75)
Raw materials and consumables	14,964	11,962
Other external charges	174	143
Staff costs (note 3)	5,664	3,931
Depreciation of tangible fixed assets	104	129
Other operating charges	326	769
	<u>20,978</u>	<u>16,859</u>

5. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Deprecation of tangible fixed assets	104	129
Operating lease rentals		
- Land and buildings	100	100
- Plant and machinery	38	10
Foreign exchange losses/(gains)	21	(38)
	<u></u>	<u></u>

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

5. OPERATING PROFIT (CONTINUED)

The analysis of auditor's remuneration is as follows

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Fees payable to the company's auditor for the audit of the company's financial statements	35	30
Fees payable to the company's auditor for the US GAAP audit of the company's financial statements	25	-
Total audit fees	<u>60</u>	<u>30</u>

6 NET INTEREST PAYABLE

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Interest receivable on group cash pool	(76)	-
Interest payable on loan from a group company	120	91
Net interest payable	<u>44</u>	<u>91</u>

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Current tax		
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax (note 12)	<u>42</u>	<u>113</u>
Tax on profit on ordinary activities	<u>42</u>	<u>113</u>

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

7 TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The differences between the total current tax shown above and the amount calculated by applying the average standard rate of UK corporation tax to the profit before tax is as follows

	15 month period ending 31 December 2012 £'000	12 month period ending 30 September 2011 £'000
Profit on ordinary activities before taxation	3,465	2,065
Tax on profit on ordinary activities at average standard UK corporation tax rate of 25% (2011 27%)	866	558
Effects of		
Expenses not deductible for tax purposes	3	7
Accelerated capital allowances and other timing differences	(30)	(27)
Group relief received	(839)	(538)
Total current tax	-	-

Factors that may affect future tax charges

The Finance Act 2012, which was enacted on 17 July 2012, provides for a reduction in the main rate of UK corporation tax from 26% to 24% effective from April 2012 and a further reduction to 23% effective from 1 April 2013

The UK Government has also indicated that it intends to enact further reductions in the main tax rate to 21% from 1 April 2014 and 20% from 1 April 2015. These changes in the main rate have not been substantively enacted at the Balance Sheet date, and, therefore are not included in these financial statements

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

8. TANGIBLE FIXED ASSETS

Cost	Plant and machinery £'000	Computer equipment £'000	Fixtures and Fittings £'000	Total £'000
At 1 October 2011	542	99	308	949
Additions	157	15	5	177
31 December 2012	699	114	313	1,126
Depreciation				
At 1 October 2011	425	94	274	793
Charge for period	73	8	23	104
31 December 2012	498	102	297	897
Net book value				
At 31 December 2012	201	12	16	229
At 30 September 2011	117	5	34	156

9. STOCKS

	2012 £'000	2011 £'000
Raw materials and consumables	195	195
Work in progress	15	22
Finished goods	215	462
	425	679

In the opinion of the directors there is no material difference between the balance sheet value of stocks and their replacement cost

10. DEBTORS

Amounts falling due within one year:	2012 £'000	2011 £'000
Trade debtors	2,823	3,199
Amounts recoverable on contracts	259	171
Amounts owed by fellow subsidiary undertakings	17,060	13,415
Prepayments and accrued income	588	536
Deferred tax assets (note 12)	136	178
	20,866	17,499

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £'000	2011 £'000
Trade creditors	634	971
Amounts owed to fellow subsidiary undertakings	339	368
Amounts owed to parent undertaking	5,000	5,000
Other taxation and social security	476	478
Accruals	277	487
Other creditors including payments received on account	101	27
	<u>6,827</u>	<u>7,330</u>

The amounts owed to parent undertakings are unsecured, have no fixed repayment date and carry interest rates of 3 months GBP LIBOR + 1.0%. The loan is revolving and renewed every 24 months

12. DEFERRED TAX ASSET

	£'000
At 1 October 2011	178
Charged to profit and loss account	(42)
	<u>136</u>
At 31 December 2012 (note 10)	<u>136</u>

	2012 £'000	2011 £'000
Deferred taxation assets provided in the financial statements comprises		
Difference between accumulated depreciation and capital allowances	<u>136</u>	<u>178</u>

There are no unprovided deferred tax amounts in either the current or preceding period

13. CALLED UP SHARE CAPITAL

	2012 £'000	2011 £'000
Authorised		
25,000,000 ordinary shares of £1 each (2011 25,000,000)	<u>25,000</u>	<u>25,000</u>
Allotted and fully paid		
9,924,000 ordinary shares of £1 each (2011 9,924,000)	<u>9,924</u>	<u>9,924</u>

Brennan Associates

A1 Golf Driving Range, Rowley Lane, Arkley, Hertfordshire, EN5 3HW
Tax Advisors and Accountants



Our Ref MOB001/JFB
Your Ref 05307508
Date 26 March 2014

Registrar of Companies
Companies House
Crown Way
CARDIFF
CF14 3UZ

Dear Sirs

MOBIA LIMITED

We enclose on behalf of the above company Abbreviated Accounts for the year ended 30 June 2013 for filing

Yours faithfully

Brennan Associates

John F Brennan ATT
Tel 07594 500 578
Email brennanassociates@btinternet.com john.brennan@brennan-associates.net



PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

14. RESERVES

	Share option reserve £'000	Profit and loss account £'000	Total £'000
At 1 October 2011	84	1,272	1,356
Profit for the financial period	-	3,423	3,423
At 31 December 2012	84	4,695	4,779

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2012 £'000	2011 £'000
Opening shareholder's funds	11,280	13,328
Profit for the period	3,423	1,952
Dividend	-	(4,000)
Closing shareholder's funds	14,703	11,280

A dividend of £nil (2011 40 3p per share) has been paid in the period

16. FINANCIAL COMMITMENTS

Operating leases

At 31 December 2012 the company had the following annual commitments under non-cancellable operating leases expiring as follows

	2012		2011	
	Land and buildings £'000	Plant and machinery £'000	Land and buildings £'000	Plant and machinery £'000
Within one year	-	23	-	28
Between two and five years	-	6	-	5
After five years	80	-	80	-
	80	29	80	33

17. 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. The total pension costs for the period were £190,000 (2011 £115,000).

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning related parties that are other wholly owned companies in the same group.

PENTAIR THERMAL MANAGEMENT UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 31 December 2012

19. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of Pentair Flow Control (UK) Limited (formerly Tyco Flow Control (UK) Limited), a company registered in England. Copies of the financial statements of Pentair Flow Control (UK) Limited are available from Companies House, Crown Way, Cardiff, CR4 3UZ.

The ultimate parent company, controlling party and only group for which consolidated financial statements are prepared is Pentair Ltd, a company incorporated in Switzerland. Copies of the group financial statements may be obtained from the Company Secretary, Pentair Ltd, Freier Platz 10, 8200 Schaffhausen, Switzerland.