

ABBOTT CAPITAL INDIA LIMITED

Report and Accounts

30 November 2004



Registered Number 4166322 England and Wales

DIRECTORS' REPORT

For the year ended 30 November 2004

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 30 November 2004.

BOARD OF DIRECTORS

The directors who served throughout the year and since the year end, except as noted, were as follows:

M. Haywood (Resigned 30/07/2004)
L. Iglesias-Fernandez
D. Mark (Resigned 13/12/2004)
A. Forrest (Appointed 13/12/2004)

None of the above have any interests in the shares or debentures of group companies required to be disclosed under Schedule 7 of the Companies Act 1985.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activity is that of a holding company.
The broad direction of the company's business will continue for 2005.

RESULTS

The audited accounts for the year ended 30 November 2004 are set out on pages 3 to 7.
The profit after tax for the year was £3,422,000 (2003: £3,871,000).
Interim dividends of £nil (2003: £nil) were paid during the year.
The directors recommend that no further dividend be paid and that the retained profit of £3,422,000 at 30 November 2004 be transferred to reserves.

DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which 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. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Date: 28/9/2005



BY ORDER OF THE BOARD,
D. MARK
Company Secretary.

Queenborough,

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ABBOTT CAPITAL INDIA LIMITED

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We have audited the financial statements of Abbott Capital India Limited for the year ended 30 November 2004 which comprise of the profit and loss account, the balance sheet and the related notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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's members as a body, for our audit work, for this report, or for the opinions that we have formed.

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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 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 transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, 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 of the state of affairs of the company as at 30 November 2004 and of the profit of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

DELOITTE & TOUCHE LLP
Chartered Accountants and Registered Auditors
London

Date: 28/2/05

Profit and Loss Account for the year ended 30 November 2004

	Notes	2004 £000's	2003 £000's
Operating profit		-	-
Income from shares in group undertakings		3,398	3,657
Other expenses	(3)	(51)	(34)
Profit on ordinary activities before finance charges		3,347	3,623
Interest receivable and similar income	(4)	149	23
Interest payable and similar charges	(5)	-	(12)
Profit on ordinary activities before taxation		3,496	3,634
Tax (charge)/credit on profit on ordinary activities	(7)	(74)	237
Profit on ordinary activities after tax		3,422	3,871
Retained profit for the financial year	(11)	<u>3,422</u>	<u>3,871</u>

All transactions are derived from continuing operations.

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

There were no recognised gains or losses in either 2004 or 2003 other than the profit for the financial year.

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Balance Sheet as at 30 November 2004

	Notes	2004 £000's	2003 £000's
FIXED ASSETS			
Investments	(8)	40,145	40,145
CURRENT ASSETS			
Debtors	(9)	8,453	5,022
Cash at bank and in hand		27	36
		8,480	5,058
CREDITORS: amounts falling due within one year		-	-
NET CURRENT ASSETS		8,480	5,058
TOTAL ASSETS LESS CURRENT LIABILITIES		48,625	45,203
NET ASSETS		<u>48,625</u>	<u>45,203</u>
CAPITAL AND RESERVES			
Called up share capital	(12)	-	-
Other Capital reserve		40,145	40,145
Profit and loss account	(11)	8,480	5,058
EQUITY SHAREHOLDERS' FUNDS	(10)	<u>48,625</u>	<u>45,203</u>

The accounts on pages 3 to 7 were approved by the board of directors on 28 September 2005 and signed on its behalf by:

David Forrest

A. Forrest
Director

The accompanying notes are an integral part of this balance sheet.

NOTES TO THE ACCOUNTS
For the year ended 30 November 2004

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below:

a) Basis of accounting

The accounts have been prepared on the historical cost basis and have been prepared in accordance with applicable United Kingdom law and accounting standards.

The company has taken advantage of the exemption from the requirement of FRS 1 (revised) "Cash Flow Statements" to present a cash flow statement because it is a wholly owned subsidiary of Abbott Laboratories, incorporated in the state of Illinois, USA, which prepares consolidated accounts that are publicly available (see note 13).

b) Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the accounts that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts. A net deferred tax asset is recognised as recoverable only when, on the basis of 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 not discounted.

c) Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling at the transaction date. Amounts payable or receivable in foreign currency are translated into sterling at the rate ruling at the balance sheet date, or where appropriate, at the rate of exchange in a related forward exchange contract. Any gains or losses are reported as exchange differences in the profit and loss account.

d) Fixed asset investments

Fixed asset investments are shown at cost less provision for impairment.

2. SEGMENTAL ANALYSIS

All of the profit on ordinary activities before taxation and all of the net assets of the company are from the company's principal activity based in the UK, except for income from shares in group undertakings, which are from the subsidiary incorporated in India.

3. OTHER EXPENSES

	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
Loss on foreign exchange	51	34

All the audit fees are paid by other companies within the Abbott Laboratories group of companies in both the current and prior year.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
Bank interest	1	-
Loans to other affiliated undertakings	148	23
	<u>149</u>	<u>23</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2004</u> <u>£000's</u>	<u>2003</u> <u>£000's</u>
Other short term loans	-	12

NOTES TO THE ACCOUNTS (Continued)
For the year ended 30 November 2004

6. STAFF COSTS AND DIRECTORS EMOLUMENTS

During the year, and the preceding year, all the directors were paid by other affiliates within the Abbott Laboratories group of companies. The company had no other employees in either year.

7. TAX CHARGE/(CREDIT) ON PROFIT ON ORDINARY ACTIVITIES

	<u>2004</u>	<u>2003</u>
	<u>£000's</u>	<u>£000's</u>
The tax charge/(credit) is based on the profit for the year and comprises:		
UK Corporation tax at 30% (2003 - 30%)	45	-
Adjustments in respect of prior periods	29	(140)
Current tax charge for the year	<u>74</u>	<u>(140)</u>
Deferred taxation (credit)	-	(97)
	<u>74</u>	<u>(237)</u>

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

	<u>2004</u>	<u>2003</u>
	<u>£000's</u>	<u>£000's</u>
Profit on ordinary activities before tax	<u>3,496</u>	<u>3,634</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 30% (2003 30%)	1,049	1,090
Relief for foreign tax	(1,004)	(1,090)
Adjustments in respect of prior periods	29	(140)
	<u>74</u>	<u>(140)</u>

8. FIXED ASSET INVESTMENTS

The following are included in the company net book value of fixed asset investments:

	<u>2004</u>	<u>2003</u>
	<u>£000's</u>	<u>£000's</u>
Subsidiary undertakings:		
Cost and net book value at the beginning of the year	40,145	40,145
Cost and net book value at the end of the year	<u>40,145</u>	<u>40,145</u>

The company has investments in the following subsidiary:

	<u>2004</u>	<u>2003</u>
	<u>Holding</u>	<u>Holding</u>
Abbott India Limited	54.1%	54.1%

9. DEBTORS

	<u>2004</u>	<u>2003</u>
	<u>£000's</u>	<u>£000's</u>
Due from other group undertakings falling due within one year	8,373	4,885
Corporation tax recoverable	80	137
	<u>8,453</u>	<u>5,022</u>

10. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	<u>2004</u>	<u>2003</u>
	<u>£000's</u>	<u>£000's</u>
Profit for the financial year	3,422	3,871
Net addition to shareholders' funds	3,422	3,871
Opening shareholders' funds	45,203	41,332
Closing shareholders' funds	<u>48,625</u>	<u>45,203</u>

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NOTES TO THE ACCOUNTS (Continued)
For the year ended 30 November 2004**11. RESERVES**

Profit and Loss Account:	£000's
At 1 December 2003	5,058
Profit for the year	3,422
At 30 November 2004	<u>8,480</u>

12. CALLED UP SHARE CAPITAL

	<u>2004</u>	<u>2003</u>
	£	£
<i>Authorised</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Called up, allotted and fully paid</i>		
1 ordinary share of £1	<u>1</u>	<u>1</u>

13. ULTIMATE HOLDING COMPANY AND GROUP STRUCTURE

a) The company is exempt under the Companies Act 1985 from the obligation to prepare and deliver group accounts. The smallest group into which the results of Abbott Capital India Limited are consolidated is the immediate parent Abbott Equity Holdings Ltd., incorporated in the UK, and the largest group into which the results are consolidated is the ultimate parent company Abbott Laboratories, incorporated in the State of Illinois, USA. The consolidated accounts of both companies are available to the public and may be obtained from Abbott Laboratories, 100 Abbott Park Road, Abbott Park, IL60064-6400, USA.

b) A material element of the company's transactions are transacted with companies in the Abbott Laboratories Group. As permitted by Financial Reporting Standard 8, details of such transactions are not provided in these accounts as the company is a wholly-owned subsidiary undertaking and the consolidated accounts of the group are available to the public (see (a) above).