Core Laboratories Interests One Limited
Directors' report and financial statements
for the period ended 31 December 2011

Registered number 07586421



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for the period ended 31 December 2011

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Core Laboratories Interests One Limited

Directors and advisors for the period ended 31 December 2011

Directors
G Bruce
J Watson

Company secretary and registered office
TMF Corporate Administration Services Limited
5th Floor
6 St Andrew Street
London
United Kingdom
EC4A 3AE

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
32 Albyn Place
Aberdeen
AB10 1YL

Bankers
Bank of Scotland Plc
9 Victoria Street
Dyce
Aberdeen
AB21 7DX

Core Laboratories Interests One Limited

Directors' report for the period ended 31 December 2011

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

Principal activities
During the year, the ultimate parent company Core Laboratories N V conducted a group restructuring exercise which led to the creation of Core Laboratories Interests One Limited on March 31 2011

As part of the restructuring, Core Laboratories Interests One Limited received an investment in Core Laboratories Interests Two Limited of $628,458,700, and loan notes receivable and payable of $180,000,000 and $290,000,000 respectively This was financed by way of a capital contribution of $518,458,700

The company was incorporated March 31 2011

Review of business and future developments
The directors consider the performance of the company to be meeting their expectations The profit and loss account for the period is set out on page 6

Results and dividends
The directors do not propose payment of a dividend and the loss for the period of $4,132,918 will be deducted from reserves

Financial risk management
The company's operations are primarily in the UK which exposes the company to financial risks that include foreign exchange risk, interest rate risk and credit risk

(a) Foreign exchange risk
Management believe that the company's exposure to foreign exchange risk is minimal During the period, the company has not entered into forward exchange contracts

(b) Credit risk
The company has no significant concentrations of credit risk The company has implemented policies that require appropriate credit checks on potential customers before sales commence

(c) Interest rate risk
The company has interest bearing assets and liabilities Interest rate risk arises from the fluctuations in market rates, which may have a negative effect on current and future developments of the company Management believe that the company's exposure to interest rate risk is minimal and therefore it does not enter into hedging arrangements

Third party indemnity provision
All directors of the company are covered under our directors and officers insurance policy which is a qualifying indemnity provision This provision was in force during the financial year and also at the date of approval of the financial statements

Directors of the company
The directors of the company who were in office during the financial year and up to the date of signing the financial statements can be found on page 1 of the financial statements

The following directors were appointed effective May 18 2011 –
G Bruce
J Watson

Core Laboratories Interests One Limited

Directors' report for the period ended 31 December 2011 (Continued)

Statement of directors' responsibilities
The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Disclosure of information to auditors
The directors in office at the date of approval of this report confirm that

(a) So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware Relevant information is defined as "information needed by the company's auditors in connection with preparing their report "

(b) Each director has taken all the steps that they ought to have taken in their duty as a director in order to make themselves aware of any relevant information and to establish that the company's auditors are aware of that information

Independent 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

On behalf of the Board

J Watson

Name J. WATSON
Director
26/9/12

Core Laboratories Interests One Limited

Independent auditors' report to the members of Core Laboratories Interests One Limited

We have audited the financial statements of Core Laboratories Interests One Limited for the period ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

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

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the 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

Independent auditors' report to the members of Core Laboratories Interests One Limited (continued)

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

Mark Higginson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
26 September 2012

Core Laboratories Interests One Limited

Profit and loss account for the period ended 31 December 2011

	Note	2011 $
Administrative expenses		**(10,178)**
Operating loss	2	**(10,178)**
Interest payable and similar charges		**(10,869,041)**
Interest receivable and similar income		**6,746,301**
Loss on ordinary activities before taxation		**(4,132,918)**
Tax on loss on ordinary activities	4	**-**
Loss for the financial period	10	**(4,132,918)**

All the above results relate to continuing operations

The company has no recognised gains and losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the loss on ordinary activities before taxation and the loss for the period above and their historical cost equivalents

Core Laboratories Interests One Limited

Balance sheet as at 31 December 2011

	Note	2011 $
Fixed assets		
Investments	5	**628,458,700**
Current assets		
Debtors	6	**186,746,301**
		186,746,301
Creditors: amounts falling due within one year	7	**(300,879,219)**
Net current liabilities		**(114,132,918)**
Net assets		**514,325,782**
Capital and reserves		
Called up share capital	8	-
Capital reserve	9	**518,458,700**
Profit and loss account	9	**(4,132,918)**
Total shareholders' funds	10	**514,325,782**

The financial statements on pages 6 to 14 were approved by the board of directors on 26/9/12 and were signed on its behalf by

J Watson

Director

J. WATSON

Registered number 07586421

Core Laboratories Interests One Limited

Notes to the financial statements for the period ended 31 December 2011

1 Principal accounting policies

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

Basis of preparation
The Company had net current liabilities at 31 December 2011 of $114,132,918 largely reflecting an intercompany loan with no fixed repayment date of $290,000,000

Core Laboratories International B V, the immediate parent undertaking, has undertaken to ensure that adequate funds are made available to the Company to meet the working capital requirements and outstanding liabilities of the Company for at least 12 months after the date of the approval of these financial statements

On this basis, management has concluded that the Company will remain a going concern for at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis

Consolidation
The company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of Core Laboratories N V which prepares consolidated financial statements which are publicly available

Cash flow statement
In accordance with Financial Reporting Standard 1 (revised 1996) 'Cash flow statements', the company is not required to prepare a cash flow statement being a wholly owned subsidiary of Core Laboratories N V The cash flows of the company are included in the consolidated cash flow statement for that group

Fixed assets investments
Investments are included at cost or deemed cost less any provision for impairment

Impairment of fixed assets
The company performs impairment reviews in respect of tangible assets and investments whenever events or changes in circumstance indicate that the carrying amount may not be recoverable An impairment loss is charged to the profit and loss when the recoverable amount of an asset, which is the higher of the asset's net realisable value and its value in use, is less than its carrying amount

Taxation
Current tax, including UK corporation tax and foreign tax, is provided on taxable profits at the current rate of taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

Timing differences are differences between the company'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 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 difference can be deducted

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Core Laboratories Interests One Limited

Notes to the financial statements for the period ended 31 December 2011 (continued)

1 Principal accounting policies (continued)

Foreign currencies
Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date All exchange differences are dealt with through the profit and loss account

2 Operating loss

	2011 $
Operating loss is stated after charging:	
Auditors' remuneration	
- Audit	**5,178**

3 Directors' emoluments and employees

The directors did not receive any emoluments in respect of their services to the company

The company had no employees during the financial period

4 Tax on loss on ordinary activities

The current tax charge on loss on ordinary activities before taxation varied from the standard rate of corporation tax in the UK due to the following factors

Factors affecting tax charge for the financial year	2011
Loss on ordinary activities before taxation	**(4,132,918)**
Loss on ordinary activities multiplied by standard rate in the UK 26 49%	**(1,094,940)**
Effects of	
Group relief not paid for	**1,094,940**
Total tax charge	**-**

Core Laboratories Interests One Limited

Notes to the financial statements for the period ended 31 December 2011 (continued)

5 Fixed asset investments

	Investment in subsidiary $
Cost	
At 31 March 2011	-
Additions	**628,458,700**
At 31 December 2011	**628,458,700**
Accumulated provisions	
At 31 March 2011	-
Additions	-
At 31 December 2011	-
Net book value	
At 31 December 2011	**628,458,700**
At 31 March 2011	-

The directors consider the value of the investments to be supported by their underlying assets

Details of the company's subsidiary undertaking as at 31 December 2011 are as follows

Name of Company	Country of incorporation	Description of shares held	% of nominal value of issued shares held	Nature of business
Core Laboratories Interests Two Limited	**UK**	**2,001 ordinary shares of £1.00 each**	**100%**	**Intermediate holding company**

During the year, the ultimate parent company Core Laboratories N V conducted a group restructuring exercise which led to the creation of Core Laboratories Interests One Limited on March 31 2011

As part of the restructuring, Core Laboratories Interests One Limited received an investment in Core Laboratories Interests Two Limited of $628,458,700, and loan notes receivable and payable of $180,000,000 and $290,000,000 respectively This was financed by way of a capital contribution of $518,458,700

Notes to the financial statements for the period ended 31 December 2011 (continued)

6 Debtors

	2011 $
Amounts owed by group undertakings	**186,746,301**

Amounts owed by group undertakings are unsecured, interest free and repayable on demand

7 Creditors: amounts falling due within one year

	2011 $
Amounts owed to group undertakings	**300,874,041**
Accruals and deferred income	**5,178**
	300,879,219

Amounts owed to group undertakings are unsecured, interest free and repayable on demand with the exception of amounts owed to the ultimate parent which bear an interest rate based on LIBOR

8 Called up share capital

	2011 $
Authorised	
1,001 ordinary shares of £1 00 each	**1,556**
Allotted and fully paid	
0 ordinary shares of £1 00 each	-

Notes to the financial statements for the period ended 31 December 2011 (continued)

9 Reserves

	Capital reserve $	Profit and loss account $
At 31 March 2011	-	-
Loss for the financial period	-	(4,132,918)
Capital contribution	518,458,700	-
At 31 December 2011	**518,458,700**	**(4,132,918)**

10 Reconciliation of movements in shareholders' funds

	2011 $
Loss for the financial period	**(4,132,918)**
Opening shareholders' funds	-
Capital contribution	**518,458,700**
Closing shareholders' funds	**514,325,782**

11 Related party transactions

The company has taken advantage of the exemption available under Financial Reporting Standard 8 'Related party' disclosure not to disclose transactions with other group companies being a wholly owned subsidiary of Core Laboratories N V Related party disclosures are included in the financial statements for that group

12 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Core Laboratories International B V

The ultimate parent undertaking and controlling party is Core Laboratories N V , a company incorporated in The Netherlands

Core Laboratories N V is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2011 The consolidated financial statements of Core Laboratories N V are available from Herengracht 424, 1017 BZ Amsterdam

13 Post balance sheet events

Changes in UK tax rates
A number of changes to the UK corporation tax system were announced in the March 2011 Budget Statement The main rate of corporation tax was reduced from 28% to 26% from 1 April 2011 and was substantively enacted on 29 March 2011 A further reduction to 25% from 1 April 2012 was substantively enacted on 5 July 2011 and is therefore taken into account in these financial statements In addition to this a further reduction was announced in the 2012 Budget Statement to reduce the main rate to 24% from 1 April 2012

Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 22% by 1 April 2014 Beyond the reduction to 25%, the changes had not been substantively enacted at the balance sheet date and, therefore are not included in these financial statements The impact of these changes on the deferred tax balances is not expected to be material