For Immediate Release **30 June 2008**

Plastics Capital plc

('Plastics Capital', the 'Company' or the 'Group')

Maiden Preliminary Results for the year ended 31 March 2008

Plastics Capital plc (AIM: PLA) was incorporated on 2 October 2007 and listed on AIM on 3 December 2007. The Company was established to acquire Plastics Capital Trading Limited, the niche plastics products consolidator. Plastics Capital Trading Limited is a private limited company incorporated in England and Wales, with subsidiary undertakings in the UK, Japan and the United States of America.

For the period to 31 March 2008, the consolidated financial information has been prepared based on the acquired trading group, representing Plastics Capital Trading Limited and subsidiaries ("the Group"). Comparatives are also included for the years ended 31 March 2006 and 2007.

Financial highlights

	Year ended 31 March 2008 £000	Year ended 31 March 2007 £000	*% Increase*
Turnover	20,452	15,407	*32.7%*
EBITDA excluding exceptionals	3,892	2,560	*52.0%*
Profit before tax*	2,567	1,027	*149.9%*
Profit after tax*	3,119	1,127	*176.8%*
Basic E.P.S.*	19.4p	10.6p	*83.0%*

*excluding amortisation, exceptionals, negative goodwill credit, profit on sale of land and buildings, foreign exchange losses and derivative gains/losses

Other highlights

- Strong organic growth in subsidiaries – 12.8% EBITDA on a like-for-like basis;
- Four acquisitions carried out during the year;
- Rationalisation of three factories completed;
- New Thai factory under construction due to start operations in 2008-09; and
- Underlying performance ahead of plans.

The final results for the year ended 31 March 2008 are presented in full below. In addition the results for the years ended 31 March 2006 and 2007 are presented to aid comparison.

Commenting on these results, Faisal Rahmatallah, Executive Chairman, said:

"Adjusted for the one-off effects of this year's IPO and factory rationalisations, these are an excellent set of results demonstrating the strong underlying economics of our businesses. For the next 12 months, we anticipate significant growth in sales and profitability as the full impact of acquisitions made in the last financial year is felt, and as new business in the same period is converted into orders. Based on opportunities currently being pursued we believe that new acquisitions will also contribute significantly to growth beyond the next 12 months. The Board is confident of another year of significant progress."

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Chairman's Statement

Introduction

I am pleased to report an outstanding year for Plastics Capital. The financial highlights set out above demonstrate exceptional growth and profitability achieved by the Group compared to the 2006-07 financial year. This growth builds on what has been achieved in the prior year: sales and earnings before interest, tax, depreciation, amortisation and exceptionals (EBITDA) have grown approximately threefold in the last two years.

Underpinning the growth and profitability is our focus on niche plastic products and our complementary strategies of:

- Organic development - through penetration of new markets and development of new products; and
- Acquisition of new businesses, some as stand-alone and some as bolt-on entities to our existing operations.

Globally, speciality plastics products is a growing sector and is highly fragmented, offering numerous opportunities for acquisition, frequently from retiring owner-managers.

AIM Listing

The most significant development this year has been the admission of the Group to trading on AIM in early December 2007. In difficult markets, we raised £16.2 million from an excellent group of institutional and private client investors, primarily using these funds to pay down debt to facilitate the Group's ongoing acquisition programme and for organic development. The statutory accounts recognise exceptional finance costs relating to the redemption of debt at IPO, which are unrepresentative of the underlying costs of the Group.

On admission to AIM, management retained approximately 33% of the share capital, so aligning interests with those of other shareholders.

Acquisitions

Four acquisitions have been completed during the year. The full financial benefit of all these acquisitions will only be seen in the 2008-09 financial year.

In April and May 2007 we completed two bolt-on acquisitions of Cobb Slater Limited ("Cobb Slater") and Sabre Plastics Limited ("Sabre"). In both cases we kept only part of the business that fitted with our overall niche market strategy. Cobb Slater was consolidated into our plastic bearings business, BNL (UK) Limited ("BNL"). Sabre was eventually consolidated into our factory in Kent making flooring products and specialist extrusions. Both acquisitions strengthened our market positions and once rationalised and integrated provided attractive incremental profits.

In August 2007 we completed the acquisition of Channel Matrix Limited ("Channel"), the No.2 player in creasing matrix production, and have since then consolidated it with Trimplex Limited ("Trimplex"), the No.3 player that we already owned. The combined business, now called C&T Matrix Limited ("C&T") based in Wellingborough, has achieved some significant synergies and has developed into a core business of the Group.

The acquisitions led to a significant amount of factory rationalisation activity with three factories being closed during the year and a fourth being substantially moved. This has resulted in significant one-off costs for redundancies and similar charges for the year reported as exceptional costs in the results.

In March 2008 we completed the acquisition of Palagan Limited ("Palagan"), which manufactures customised high performance film packaging. This is a standalone business where we see the opportunity for organic growth and further related acquisitions.

Our acquisition pipeline remains good with a healthy focus on bolt-on opportunities, which generally provide excellent earnings enhancement.

Organic Development

Projects associated with new products and process developments are a critical aspect of the Group's strategy going forward. During the financial year under review, conversion of these projects, which are generally carried out "in partnership" with major customers, generated recurring annual sales of approximately £2 million. In addition, we have a significant pipeline of these new product projects which provide opportunities for further sales growth in the current and coming years.

We have committed to the opening of our own moulding and assembly factory in Thailand during the course of this financial year and we anticipate production to commence before the end of 2008. This initiative will enable us to lower production costs and to shorten delivery times to the growing markets in South East Asia as well as to exploit new sales opportunities in the region.

Banking

Despite the turmoil in the banking industry, I am pleased to say that we have continued to enjoy excellent support from the Royal Bank of Scotland.

We have conducted three re-financings with the Royal Bank of Scotland over the reporting period: the first helped to complete the Channel acquisition, the second at the time of IPO, and the final one to fully fund the acquisition of Palagan. It is a measure of the strength of our business and its underlying cash flow that, despite the credit crisis, we have been able to secure this funding in order to continue acquisition activity. Whilst terms have become somewhat tighter, they are not at a level that materially prejudices our strategy.

Exports and Exchange Rates

It is testament to the technical sophistication of our businesses that we export a high proportion of what we produce; approximately 70% of sales during the financial year went overseas, much of it in Euros, some in US Dollars and a little in Japanese Yen.

During the current financial year exchange rate movements have been volatile. This volatility emphasises the importance of the Group's commercial hedging strategy – specifically, to fully hedge operational exposures through borrowings with matching maturities, and through futures and options. This strategy means a significant proportion of the Group's borrowings are in Euros and US Dollars.

This hedging strategy has resulted in a paper loss primarily associated with our Euro borrowings – the Euro having strengthened considerably towards the end of our financial year. If these paper losses do indeed materialise in due course from continued Euro strength, they will be compensated through our hedging strategy by higher operating profits resulting from our Euro exports when translated back into Sterling.

People

These excellent results have been attained through the application, energy and creativity of the management team and indeed all the employees that form part of Plastics Capital. The Group now employs over 280 people and many with specialist technical skills, whose effort day to day is vital in underpinning the performance of the Group.

During the year, we have appointed Andrew Walker, formerly chief executive of McKechnie, to our Board as Non-Executive Director and also Nicholas Ball, who is our Group Financial Director. Both appointees are excellent additions. Chris Allner, who prior to listing represented Octopus Investments has stood down from our Board. We are very grateful for the contribution and support that Chris and the wider team at Octopus have made to our development.

Outlook

For the next 12 months, significant sales and profitability growth is expected as the full effect of the acquisitions made in the last financial year is recognised, and as new business converted in the last financial year turns into production orders. Over and above this, the outlook for the business hinges on the external economic environment and on the potential for acquisitions being completed in the current financial year.

Chairman’s Statement *(continued)*

Outlook *(continued)*

The external environment is difficult at the present time; economic conditions in the UK are at their worst for some time, inflationary pressures are a factor globally due to high oil and food prices and the availability of credit is very tight. Notwithstanding this, to date demand for the Group’s products in aggregate appears to have been only slightly affected. The diversity of what we make and where it goes both by geography and application gives Plastics Capital a degree of resilience which is very helpful in difficult times. Furthermore where raw material prices have increased we have taken steps to pass the additional costs on or to re-engineer to avoid incurring cost increases.

In terms of acquisitions, a number of opportunities are actively being pursued. Our target has been to carry out two to three transactions per year of similar size to those carried out to date and we see no reason now to revise this target based on current levels of activity. It is always difficult to predict when and if acquisitions will complete but based on current activity we still believe that new acquisitions will contribute significantly to our growth in the next 12-24 months.

Overall, the Board is confident of another year of significant progress.

Faisal Rahmatallah
Executive Chairman
30 June 2008

Business Review – Operations

Plastic Bearings

BNL (UK) Limited, our manufacturer of plastics bearings and other rotating parts, has had a record year in terms of both sales and profits. However, the year has not been without its challenges.

Sales growth, particularly in volume terms, has been strong. Part of this growth has been due to the rationalisation and integration of the Cobb Slater facility, acquired during the year. To meet the additional demand, capacity has been added at the current site in Knaresborough. Whilst this capacity was being added, there was a temporary dip in margins as additional freight and outsourcing costs were incurred. The Knaresborough site is now operating at full capacity and whilst it could be expanded further to cope with continued growth, the decision has been taken to open our own facility in Thailand. This facility is being fitted out to cope with anticipated growth over the next 2-3 years, but will have space for significant further capacity to be added at a later stage.

Considerable work has gone into organisational development at BNL over the last 12 months to enable the business to drive and manage its growth. New appointments have been made in the positions of managing director, supply chain director, finance director and new product development director. Two have been appointed from internal promotions. In addition, Neil Partlett, the managing director for the last six years has moved into the role of Chairman, enabling him to devote his time to the strategic development of the group: specifically international operations in Thailand, USA and Japan and very importantly to potential acquisitions of related businesses, most of which are outside the UK.

Creasing Matrix

2007-08 was a transformational year for our creasing matrix activities. We started the year being a distant No.3 with 10% market share in the global market and concluded the year with 40% market share and being a close No.2 to the global market leader. We did this by acquiring Channel during the year and then merging the creasing matrix activities of Trimplex into Channel soon thereafter.

The merged business has been renamed C&T Matrix Limited. The Channel and Trimplex brands and distribution relationships continue in the marketplace and are both being fully supported. The brands are differentiated and enable us to cover a wider spectrum of the creasing matrix market.

The enlarged business is operating from the former Channel site in Wellingborough where it has been necessary to recruit only a few additional staff. The former Trimplex site in Dartford, Kent, no longer has creasing matrix operations, all machinery and stock having been moved to Wellingborough. It is pleasing to note that this substantial factory move and rationalisation has been executed without any major hitches.

There remains the opportunity to make a number of further operational improvements that inevitably have arisen from bringing these two businesses together and this will be a prime focus for us during 2008-09.

Hose Mandrel & Films

2007-08 has been a mixed year for our business focused on the rubber hose market, Bell Plastics Limited. Whilst sales to our larger customers have been affected by slack demand, sales to new customers have been strong. On balance we finish the year in a strategically better position than we started with a wider range of customers and products and with less dependency on the largest customers. The financial performance in the reporting period was however, below expectations.

We have had good success during the year in penetrating new accounts. Six major new accounts have been won, three for mandrel products and three for film products. We anticipate sales from these new customers will grow as they convert more of their production to our products in time.

Business Review - Operations *(continued)*

Hose Mandrel & Films *(continued)*

During the year, our technical team has developed a broader range of mandrel products using polymers that confer different properties from our standard grades of nylon. Some of these are under trial with our customers and we hope will lead to sales growth in the future.

Customised Film Packaging

We acquired Palagan just before the end of the reporting period. As announced at the time, Palagan is a long established producer of high performance film packaging solutions. Palagan customises its products to between 4,000 and 5,000 different specifications. The ability to tailor products to customers' requirements and turn design solutions into in-line automated production is a key success factor.

We have already started to make some very positive changes to develop the organisation for long term growth. It is also pleasing and reassuring that four members of the management team have committed to investing approximately £30,000 in an LTIP scheme linked to the performance of Palagan over the next five years.

Other

Beyond the core products described above, about 5% of the Group's sales in the reporting period arise from a wide variety of smaller products, some focused on specific markets like flooring and some which are more generalist extrusions made to customers' designs/specifications. At the start of the period these activities constituted a greater proportion of total Group sales, but soon after the Channel/Trimplex merger was executed, we took the decision to close the main factory involved in this non-strategic part of the Group, at Narborough, near Leicester.

A small proportion of the sales from this factory were transferred to the Trimplex site in Dartford, Kent, where they were combined with the "rump" of activities left at this site once the creasing matrix operations had been moved out. The business based at Dartford has been renamed Mulberry Plastics Limited and will develop into a manufacturer of flooring products and specialist extrusions.

By the year end all operations at Narborough ceased, with all machinery and stock either being transferred within the Group or sold. The Narborough business appears as a discontinued operation in this reporting period.

Group

Aside from guiding and monitoring the subsidiaries, the small team at the centre manage a number of key activities, including:

- Maintaining financial reporting standards and controls across the Group;
- Treasury and banking, including hedging activity;
- Acquisitions – finding, negotiating, executing and integrating transactions;
- Maintaining operational standards across the Group – health and safety, productivity, quality, service; and
- Recruitment and retention of senior management.

I am pleased to report that we have strengthened our team during the year by appointing Brian Worth as Group Operations Director and Charlotte Kemp into the finance team. The team at Group level is now well resourced to drive and manage the ongoing growth of Plastics Capital over the coming 12 months.

Business Review – Financial highlights

Continuing Operations	2008 £000	2007 £000	*Change %*
Revenue	**20,452**	**15,407**	***32.7%***
Gross Profit	**8,701**	**6,637**	***31.1%***
Operating profit	**1,465**	**3,144**	***-53.4%***
Add back: Depreciation	425	444	
Add back: Amortisation and impairment	1,162	576	
Add back: Negative goodwill credit	(323)	-	
Add back: Profit on sale of land & buildings	-	(1,604)	
Add back: Exceptional costs	1,163	-	
EBITDA before exceptionals, negative goodwill credit and profit on sale of land and buildings	**3,892**	**2,560**	***52.0%***
(Loss)/Profit before tax	(2,869)	1,237	***-331.9%***
Add back: Amortisation and impairment	1,162	576	
Add back: Negative goodwill credit	(323)	-	
Add back: Profit on sale of land & buildings	-	(1,604)	
Add back: Exceptional costs	1,163	-	
Add back: Exceptional interest costs	1,726	846	
Add back: Foreign exchange losses /(gains)	1,397	(133)	
Add back: Derivative losses	311	105	
Profit before tax*	**2,567**	**1,027**	***149.9%***
Taxation	552	100	
Profit after tax*	**3,119**	**1,127**	***176.8%***
Basic EPS*	**19.4p**	**10.6p**	***83.0%***
Basic EPS from continuing operations	**(14.4)p**	**12.5p**	***-215.2%***
Capital expenditure	**1,047**	**367**	***185.3%***
Acquisition spend	**15,710**	**-**	***na***
Net Debt	**16,282**	**8,216**	***98.2%***

* excluding amortisation, exceptionals, negative goodwill credit, profit on sale of land and buildings, foreign exchange losses and derivative gains/losses

Revenue

Revenue for the year was £20.5 million which included £4.3 million from acquisitions made during the year. This is an increase of 33% from £15.4 million in 2007. On a like-for-like basis (i.e. adjusting for exchange rates and acquisition timings) organic revenue growth was 6%.

Gross profit

Gross profit was £8.7 million (margin: 42.5%) in 2008 against £6.6 million (margin: 43.1%) in 2007. Excluding the exceptional costs in 2008, the gross profit was £9.4 million (margin: 46.1%). The increase in gross profit margin has been caused by changes in business mix due to acquisitions carried out during the year and cost savings from factory rationalisations.

Exceptional costs

Exceptional costs incurred relate to the restructuring of businesses in the year. These were as follows:

- the closure, transfer and integration of the Cobb Slater business to BNL and associated parallel running costs. The cost incurred amounted to £0.80 million; and
- the transfer of the Trimplex matrix business to C&T Matrix. The cost incurred amounted to £0.36 million.

Business Review – Financial highlights *(continued)*

Exceptional costs *(continued)*

Exceptional interest costs incurred in the year of £1.7 million relate to premiums payable on the redemption of loan notes and vendor loan debt at IPO.

Discontinued Operations

During the year the operations of Sabreplas Limited, a manufacturer of general extrusions were discontinued. This resulted in a discontinued charge of £0.8 million relating to the closure and redundancy costs of two factories and the net loss of this business made during the year.

Profitability

EBITDA before exceptionals, negative goodwill credit and profit on sale of land and buildings has increased from £2.6 million in 2007 to £3.9 million, an increase of 52%. The breakdown of this increase is as follows:

- Acquired: £1.1 million
- Due to growth and cost savings of subsidiaries: £0.5 million
- Foreign exchange impact: £(0.1) million
- Central cost changes: £(0.1) million

Profit after taxation excluding amortisation, exceptionals, negative goodwill credit, profit on sale of land and buildings, foreign exchange losses and derivative gains/losses of £3.1 million compares with the prior year equivalent of £1.1 million, an increase of 177%.

Taxation

The Group's tax credit for the year is £0.5 million which has arisen on the movements in deferred taxation during the year. There is no material current tax charge for the year.

Earnings per share

Basic adjusted earnings per share are 19.4p compared to 10.6p in 2007. This is based on a weighted average 16.1 million shares in 2008 compared to 10.7 million shares in 2007. The shares held pre-float have been converted in to the equivalent number of shares held post-float based on the share for share exchange valuation.

Capital expenditure

Capital expenditure was £2.9 million in 2008, an increase of £2.5 million over 2007, owing to the property acquired at the time of the Palagan acquisition (£1.6 million), three additional moulding machines to meet capacity demand at BNL (£0.5 million) and increased tooling spend in the year (£0.4 million).

Acquisitions

Four acquisitions were completed during the year:

- Cobb Slater Limited, a manufacturer of plastics bearings was acquired in April 2007;
- the assets and business of Sabre Plastics Limited were acquired in May 2007;
- Channel Matrix Limited, a manufacturer of specialist products for the print and packaging industries was acquired in August 2007; and
- GKT Partnership Limited and its subsidiary, Palagan Limited, a manufacturer of high performance film products were acquired in March 2008.

In addition, the remaining minority interest stakes in BNL (UK) Limited and Trimplex Limited were acquired in December 2007. The total cost of these acquisitions was £15.7 million.

Flotation

The Company's shares were admitted to trading on AIM on 3 December 2007. This was undertaken through a share for share exchange with the Company acquiring Plastics Capital Trading Limited. This has been accounted for as a reverse acquisition.

Business Review – Financial highlights *(continued)*

Cash flow

The Group continues to be strongly cash generative. In the year cash generated from operations pre-exceptionals costs amounted to £1.6 million (2007 £2.1 million).

Net cash proceeds from the IPO were £14.5 million.

Balance Sheet

There has been a significant increase in property, plant and equipment to £5.1 million (2007: £1.7 million) driven by acquisitions (£1.3 million) and capital expenditure (£2.9 million).

Inventories and receivables have grown in line with the business to £3.5 million and £7.1 million respectively. Trade and other receivables, whilst high, present little risk and we continue to have a low balance due for old debts from customers.

Net Debt

Net Debt at the year end of £16.3 million (2007: £8.2 million) increased during the year by £8.1 million. The principal movements in the year were increases in bank loans to fund the acquisitions and refinancings (£25.0 million) and net proceeds of the IPO (£14.5 million), offset by repayment of debt from the refinancings (£19.5 million).

Foreign exchange debt denominated in Euros, US Dollars and Japanese Yen when translated at the year end rate accounted for a loss of £1.4 million.

KPIs

The Group uses the key financial performance indicator is earnings before interest, tax, depreciation and amortisation (EBITDA) before exceptionals, negative goodwill credit and profit on sale of land and buildings. During 2008, the EBTIDA measure increased from 16.6% to 19.4% reflecting the acquisition of high margin businesses in the year and the cost rationalisation detailed above.

International Financial Reporting Standards (IFRS)

Following admission to AIM, the Group has prepared its first financial statements under Adopted IFRS (“IFRS”). Details of the accounting policies under IFRS and the effect of transition have been included within the Notes to the Accounts.

Whilst the Group accounts have been prepared under IFRS, the Board has elected to continue to prepare the accounts of the Company and subsidiary companies under UK GAAP.

Consolidated Income Statement

for year ended 31 March 2008

	Note	**2008 £000**	**2008 £000**	2007 £000	2007 £000	2006 £000	2006 £000
Revenue		**20,452**		15,407		6,490	
Cost of sales pre-exceptionals		**(11,026)**		(8,770)		(3,480)	
Exceptionals	*4*	**(725)**		-		-	
Cost of sales		**(11,751)**		(8,770)		(3,480)	
Gross profit			**8,701**		6,637		3,010
Other operating income before profit on sale of land & buildings and negative goodwill credit		**-**		-		6	
Profit on sale of land and buildings		**-**		1,604		-	
Negative goodwill credit		**323**		-		2,675	
Total other operating income		**323**		1,604		2,681	
Distribution expenses		**(1,009)**		(1,963)		(798)	
Administrative expenses pre-exceptionals		**(6,112)**		(3,134)		(1,310)	
Exceptionals	*4*	**(438)**		-		-	
Administrative expenses		**(6,550)**		(3,134)		(1,310)	
Operating profit			**1,465**		3,144		3,583
Financial income		**16**		214		96	
Financial expenses pre-exceptionals		**(1,227)**		(1,275)		(897)	
Exceptionals	*4*	**(3,123)**		(846)		-	
Financial expenses		**(4,350)**		(2,121)		(897)	
Net financing costs			**(4,334)**		(1,907)		(801)
(Loss)/Profit before tax			**(2,869)**		1,237		2,782
Taxation			**552**		92		5
(Loss)/Profit for the year from continuing operations			**(2,317)**		1,329		2,787
Discontinued operations	*5*		**(821)**		(108)		(52)
(Loss)/Profit for the year			**(3,138)**		1,221		2,735
Attributable to:							
Equity holders of the parent			**(3,144)**		1,147		2,729
Minority interest	*7*		**6**		74		6
(Loss)/Profit for the year			**(3,138)**		1,221		2,735
Basic (loss) / earnings per share							
From continuing operations	*8*		(14.4)p		12.5p		33.8p
Total	*8*		(19.6)p		11.4p		33.2p
Diluted (loss) / earnings per share							
From continuing operations	*8*		(14.4)p		12.3p		33.6p
Total	*8*		(19.6)p		11.3p		32.9p

Consolidated Statement of Recognised Income and Expense

for year ended 31 March 2008

	Note	**2008 £000**	2007 £000	2006 £000
Foreign exchange translation differences		**124**	(181)	-
Net income and expense recognised directly in equity		**124**	(181)	-
(Loss)/Profit for the year		**(3,138)**	1,221	2,735
Total recognised income and expense	*7*	**(3,014)**	1,040	2,735
Total recognised income and expense for the period is attributable to:				
Equity holders of the parent		**(3,020)**	966	2,729
Minority interest		**6**	74	6
		(3,014)	1,040	2,735

Consolidated Balance Sheet
at 31 March 2008

	Note	**2008**	2007	2006
		£000	£000	£000
Non-current assets				
Property, plant and equipment		**5,095**	1,722	2,913
Investments		**33**	-	
Intangible assets		**25,444**	10,344	10,797
		30,572	12,066	13,710
Current assets				
Inventories		**3,510**	1,545	1,700
Trade and other receivables		**7,561**	4,204	3,646
Other financial assets		**-**	-	93
Cash and cash equivalents		**1,708**	995	433
		12,779	6,744	5,872
Total assets		**43,351**	18,810	19,582
Current liabilities				
Interest-bearing loans and borrowings		**2,123**	791	2,079
Trade and other payables		**5,616**	2,040	1,904
Corporation tax liability		**45**	401	103
		7,784	3,232	4,086
Non-current liabilities				
Interest-bearing loans and borrowings		**15,867**	8,420	9,324
Other financial liabilities		**323**	12	-
Deferred tax liabilities		**2,165**	1,205	1,342
		18,355	9,637	10,666
Total liabilities		**26,139**	12,869	14,752
Net assets		**17,212**	5,941	4,830
Equity attributable to equity holders of the parent				
Share capital	*7*	**269**	269	269
Share premium	*7*	**13,868**	13,868	13,868
Translation reserve	*7*	**(57)**	(181)	-
Reverse acquisition reserve	*7*	**2,640**	(12,718)	(12,718)
Retained earnings	*7*	**492**	3,650	2,495
		17,212	4,888	3,914
Minority interest	*7*	**-**	1,053	916
Total equity		**17,212**	5,941	4,830

Consolidated Cash Flow Statement

for year ended 31 March 2008

	Note	**2008**	2007	2006
		£000	£000	£000
Cash flows from operating activities before tax				
(Loss)/profit for the year	*6*	**(3,690)**	1,129	2,730
Adjustments for:				
Depreciation and amortisation		**1,335**	1,043	(2,292)
Financial income		**(16)**	(214)	(96)
Financial expense		**4,350**	2,141	897
Gain on disposal of plant, property and equipment		**21**	(1,592)	-
Equity settled share based payment expenses		**7**	8	3
		2,007	2,515	1,242
Operating profit before changes in working capital and provisions				
(Increase)/decrease in trade and other receivables		**(29)**	(539)	557
(Increase)/decrease in inventories		**(223)**	155	(50)
(Decrease)/increase in trade and other payables		**(1,288)**	(20)	420
Cash generated from operations		**467**	2,111	2,169
Interest paid		**(1,229)**	(507)	(324)
Income tax paid		**(151)**	(217)	(409)
Net cash (outflow)/inflow from operating activities		**(913)**	1,387	1,436
Cash flows from investing activities				
Acquisition of subsidiary, net of cash acquired		**(15,710)**	-	(3,497)
Refund of consideration in respect of acquisitions		**-**	49	-
Acquisition of property, plant and equipment		**(2,695)**	(379)	(196)
Interest received		**16**	17	6
Acquisition of intangible assets		**-**	(53)	-
Proceeds from disposal of PPE		**122**	2,669	-
Net cash (outflow)/inflow from investing activities		**(18,267)**	2,303	(3,687)
Cash flows from financing activities				
Net proceeds from the issue of share capital		**14,485**	70	662
Purchase of own shares		**(30)**	-	-
Net proceeds from new loan		**24,950**	4,438	5,857
(Drawdown)/repayment on invoice discounting facility		**-**	(900)	223
Repayment of borrowings		**(19,512)**	(6,736)	(4,560)
Net cash inflow/(outflow) from financing activities		**19,893**	(3,128)	2,182
Increase/(decrease) in cash and cash equivalents		**713**	562	(69)
Cash and cash equivalents at 1 April 2007		**995**	433	502
Cash and cash equivalents at 31 March 2008		**1,708**	995	433

Notes

1 Financial information

The financial information in this preliminary announcement does not constitute the Company's statutory accounts for the year ended 31 March 2008 but is derived from those accounts and has been prepared on the basis of the Group's accounting policies.

Statutory accounts for the year ended 31 March 2008 will be delivered following the Company's annual general meeting. The auditors have reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 237 (2) or (3) of the Companies Act 1985.

2 Accounting policies

Plastics Capital plc (formerly Plastics Trading plc) (the "Company") is a public company incorporated in England and Wales, with subsidiary undertakings in the UK, Japan and the United States of America.

The Group financial statements consolidate those of the Company and its subsidiaries and equity account for the Group's interest in associates. The Group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The accounting policies have been applied consistently to all periods presented in these Group financial statements and in preparing an opening IFRS balance sheet at 1 April 2005 for the purpose of the transition to Adopted IFRSs.

Notes *(continued)*

3. Acquisitions of subsidiaries

On 4 April 2007, BNL acquired 100% of the ordinary share capital of Cobb Slater Limited ("Cobb Slater") and its subsidiaries. Cobb Slater is engaged in the design, moulding and manufacture of plastic bearings.

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities:

	Acquiree's book values £000	Fair value adjustments £000	Acquisition amounts £000
Acquiree's net assets at the acquisition date:			
Property, plant and equipment	337	(165)	172
Customer relationships	-	292	292
Intangible assets	29	(29)	-
Inventories	563	(380)	183
Trade and other receivables	600	-	600
Cash and cash equivalents	(77)	-	(77)
Trade and other payables	(1,386)	(44)	(1,430)
Deferred tax liability	-	(88)	(88)
Net identifiable assets and liabilities	66	(414)	(348)
Consideration paid:			
Cash			454
Costs of acquisition			165
			619
Goodwill			967
Cash consideration paid including costs of acquisition of £165,000			619
Overdraft (acquired)			77
Net cash outflow			696

An assessment of the other assets and liabilities acquired resulted in a number of adjustments required across balance sheet categories. These adjustments include the recognition of additional fixed asset provisions, inventory provisions and the inclusion of intangible assets identified on acquisition.

Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire Cobb Slater and subsidiaries. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

Notes *(continued)*

3 Acquisitions of subsidiaries (*continued)*

On 1 May 2007, Sabreplas Limited acquired the net assets and trade of Sabre Plastics Limited. Sabre Plastics Limited was engaged in the manufacture of general extrusion.

Effect of acquisition

The acquisition had the following effect on the Group’s assets and liabilities:

	Acquiree’s book values £000	Fair value adjustments £000	Acquisition amounts £000
Acquiree’s net assets at the acquisition date:			
Property, plant and equipment	315	(77)	238
Inventories	169	(54)	115
Trade and other payables	(32)	(101)	(133)
Net identifiable assets and liabilities	452	(232)	220
Consideration paid:			
Cash			342
Deferred consideration			100
Costs of acquisition			91
			533
Goodwill			313
Cash consideration paid including costs of acquisition of £91,000			433
Cash (acquired)			-
Net cash outflow			433

An assessment of the other assets and liabilities acquired resulted in a number of adjustments required across balance sheet categories. These adjustments include the recognition of additional fixed asset and inventory provisions for impairment.

The goodwill arising on the acquisition has been fully impaired in the year as the general extension business segment has been discontinued.

Notes *(continued)*

3 Acquisitions of subsidiaries *(continued)*

On 31 August 2007, Plastics Capital Trading Limited acquired 100% of the ordinary shares in Channel Matrix Limited ("Channel") and subsidiaries. The Channel Matrix Group is involved in the manufacture of specialist products for the print and packaging industries.

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities:

	Acquiree's book values £000	**Fair value adjustments £000**	**Provisional Acquisition amounts £000**
Acquiree's net assets at the acquisition date:			
Property, plant and equipment	292	(13)	279
Technology	-	911	911
Distributor and customer relationships	-	1,906	1,906
Trademarks	-	249	249
Investments	440	(407)	33
Inventories	817	(86)	731
Trade and other receivables	1,058	(24)	1,034
Cash and cash equivalents	230	-	230
Trade and other payables	(690)	(44)	(734)
Deferred tax liability	(20)	(920)	(940)
Net identifiable assets and liabilities	2,127	1,572	3,699
Consideration paid:			
Cash			10,015
Costs of acquisition			422
			10,437
Goodwill			6,738
Cash consideration paid including costs of acquisition of £422,000			10,437
Cash (acquired)			(230)
Net cash outflow			10,207

An assessment of the other assets and liabilities acquired resulted in a number of adjustments required across balance sheet categories. These adjustments include the recognition of additional liabilities, the inclusion of intangible assets identified on acquisition and impairment of an investment in SKOR srl.

Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire Channel Matrix Limited and subsidiaries. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of Channel Matrix Limited and subsidiaries. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

As part of the acquisition of Channel, Plastics Capital Trading Limited agreed to pay a bonus consideration up to a maximum of £2.5 million if the average EBITDA for Years 2 and 3 for the business of Channel and its subsidiaries together with the creasing matrix business of Mulberry Plastics is equal to or greater than £3 million. The bonus is calculated as the average EBITDA for the two years less £2.5 million and would be payable in August 2010. As at 31 March 2008, no provision had been made for this possible amount.

Notes *(continued)*

3 Acquisitions of subsidiaries *(continued)*

On 11 March 2008, Plastics Capital Trading Limited acquired 100% of the ordinary shares in GKT Partnership Limited and its subsidiary, Palagan Limited ("Palagan"). Palagan is involved in the manufacture of high performance film products.

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities:

	Acquiree's book values £000	**Fair value adjustments £000**	**Provisional Acquisition amounts £000**
Acquiree's net assets at the acquisition date:			
Property, plant and equipment	597	-	597
Technology	-	193	193
Distributor and customer relationships	-	1,059	1,059
Trademarks	-	236	236
Inventories	712	-	712
Trade and other receivables	1,817	-	1,817
Cash and cash equivalents	661	-	661
Trade and other payables	(2,700)		(2,700)
Deferred tax liability	(30)	(446)	(476)
Net identifiable assets and liabilities	1,057	1,042	2,099
Consideration paid:			
Cash			4,360
Deferred consideration			500
Costs of acquisition			434
			5,294
Goodwill			3,195
Cash consideration paid including cash costs of acquisition of £374,000			4,734
Cash (acquired)			(661)
Net cash outflow			4,073

An assessment of the other assets and liabilities acquired resulted in a number of adjustments required across balance sheet categories. These adjustments include the inclusion of intangible assets identified on acquisition and related deferred tax liabilities.

Goodwill arose in the business combination because the cost of the combination included a control premium paid to acquire GKT Partnership Limited and subsidiaries. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of GKT Partnership Limited and subsidiaries. These benefits are not recognised separately from goodwill as the future economic benefits arising from them cannot be reliably measured.

Notes *(continued)*

4 Exceptional items

Cost of Sales

	2008	2007	2006
	£000	£000	£000
Redundancy payments	**276**	-	-
Restructuring / integration costs	**432**	-	-
Stock provisions and write-off	**17**	-	-
	725	-	-

Administrative expenses

	2008	2007	2006
	£000	£000	£000
Redundancy payments	**69**	-	-
Restructuring / integration costs	**369**	-	-
	438	-	-

Exceptional costs incurred in the year relate to: (i) the closure and transfer of the Cobb Slater business to BNL (UK) Limited; and (ii) the transfer of the Mulberry Plastics matrix business to Channel Matrix Limited.

In respect of the acquisition and integration of Cobb Slater Limited into BNL (UK) Limited, the exceptional costs were £0.80 million. The principal areas where costs were incurred were redundancy payments (£0.30 million) and integration costs (£0.50 million).

The integration of the Mulberry Plastics matrix business to Channel Matrix Limited resulted in exceptional costs of £0.36 million. The principal costs incurred were on integration (£0.22 million).

Finance Expenses

	2008	2007	2006
	£000	£000	£000
Net foreign exchange loss	**1,397**	-	-
Loss on early repayment of loans	**-**	846	-
Premiums on redemption of loans	**1,726**	-	-
	3,123	846	-

Notes *(continued)*

5 Discontinued operations

The discontinued operation in the year relates to the business of Sabreplas Limited which was engaged in the manufacture of general trade extrusions

Discontinued Operations	**General Extrusion 2008 £000**	**General Extrusion** 2007 £000	**General Extrusion** 2006 £000
Revenue			
External sales	2,152	1,253	385
Group management charges	-	-	-
Total revenue	2,152	1,253	385
Operating loss pre-exceptionals	(219)	(89)	(52)
Exceptionals	(602)	-	-
Operating loss	(821)	(89)	(52)
Segment assets	1,415	685	735
Segment liabilities	1,967	338	346
Net assets	(552)	347	389
Capital expenditure	649	13	-
Impairment of goodwill	313	-	-
Depreciation	71	24	6

Exceptional costs incurred in the year relate to factory closure costs, redundancy payments and integration costs.

6 Note to the cash flow statement

	2008 £000	2007 £000	2006 £000
(Loss)/profit for the year before tax	**(2,869)**	1,237	2,782
Discontinued operations loss	**(821)**	(108)	(52)
Total (Loss)/profit for the year before tax	**(3,690)**	1,129	2,730

Notes *(continued)*

7 Capital and reserves

Current year

	Share capital £000	Share premium £000	Translation reserve £000	Reverse Acquisition reserve £000	Retained earnings £000	Total £000	Minority interest £000	Total equity £000
Balance at 31 March 2007	269	13,868	(181)	(12,718)	3,650	4,888	1,053	5,941
Total recognised income and expense	-		124	-	(3,144)	(3,020)	6	(3,014)
Equity-settled share based payment transactions	-	-	-	-	16	16	-	16
Purchase of own shares	-	-	-	-	(30)	(30)	-	(30)
Purchase of minority interests	-	-	-	-	-	-	(1,059)	(1,059)
Impact of issue of new shares (Plastics Capital Trading Ltd)	-	-	-	1,328	-	1,328	-	1,328
Proceeds from listing	-	-	-	14,030	-	14,030	-	14,030
Balance at 31 March 2008	**269**	**13,868**	**(57)**	**2,640**	**492**	**17,212**	**-**	**17,212**

Prior year

	Share capital £000	Share premium £000	Translation reserve £000	Reverse Acquisition reserve £000	Retained earnings £000	Total £000	Minority interest £000	Total equity £000
Balance at 1 April 2005	269	13,868	-	(13,380)	67	824	-	824
Total recognised income and expense	-	-	-	-	2,729	2,729	6	2,735
On acquisition of Mulberry Plastics Limited	-	-	-	-	-	-	910	910
Equity-settled share based payment transactions	-	-	-	-	2	2	-	2
Impact of issue of new shares (Plastics Capital Trading Ltd)	-	-	-	662	(303)	359	-	359
Balance at 31 March 2006	269	13,868	-	(12,718)	2,495	3,914	916	4,830
Equity-settled share based payment transactions	-	-	-	-	8	8	-	8
Total recognised income and expense for the year	-	-	(181)	-	1,147	966	74	1,040
Shares issued by subsidiary	-	-	-	-	-	-	63	63
Balance at 31 March 2007	**269**	**13,870**	**(181)**	**(12,718)**	**3,650**	**4,888**	**1,053**	**5,941**

Reverse acquisition

On 6 December 2007, the Company acquired in a share for share exchange the whole of the ordinary share capital of Plastics Capital Trading Limited. The reverse acquisition reserve arises on the accounting for the share for share exchange. Reverse acquisition accounting requires that Plastics Capital Trading Limited is treated as the acquirer and the Company the acquiree. A reverse acquisition reserve arises which represents the difference between the issued equity instruments of Plastics Capital Trading Limited immediately before the share for share exchange and the equity instruments of the Company along with the shares issued to effect the share for share exchange.

Notes *(continued)*

7 Capital and reserves *(continued)*

The intention of reverse acquisition accounting is to present the Group as having always existed except that the capital reserves presented in the Group balance sheet are those of the Company in all years and not Plastics Capital Trading Limited. As a result the reverse acquisition reserve arises at the 1 April 2005 being the start of the earliest comparative period presented.

The movement in the reverse acquisition reserve in the current year in respect of the listing proceeds relates to the net consideration received on the issue of the shares.

Listing

On the listing of the Company on AIM 16.2m ordinary shares were issued for a total consideration of £16,200,000. The premium arising on the issue of these shares was £16,038,000. Total issue costs incurred were £2,170,000. These costs have been written off against the share premium account.

Share capital

	Ordinary shares of 1p each		
In thousands of shares	**2008**	2007	2006
On issue at 1 April	**-**	-	-
Issued for cash	**162**	-	-
Share for share exchange	**107**	-	-
On issue at 31 March – fully paid	**269**	-	-

	2008	2007	2006
	£000	£000	£000
Authorised			
40,000,000 ordinary shares of 1p each	**400**	-	-
Allotted, called up and fully paid			
26,850,000 ordinary shares of 1p each	**269**	-	-
	269	-	-

The Company was incorporated on 2 October 2007 as Plastics Capital Trading plc and had an authorised share capital of £250,000 comprising 15,000,000 Ordinary Shares and 10,000,000 A Ordinary Shares.

On 21 November 2007 the Company changed its name to Plastics Capital plc.

On 23 November 2007, the authorised share capital was increased to £400,000 by the creation of an additional 10,000,000 Ordinary Shares and 5,000,000 Redeemable Preference Shares. On 23 November 2007, 10,000,000 A Ordinary Shares were redesignated and reclassified as 10,000,000 Ordinary Shares. 4,999,998 Redeemable Preference Shares were allotted and issued to Faisal Rahmatallah and paid up so as to enable the Company to obtain a certificate under section 117 of the Act.

The Company then issued 16,200,000 ordinary shares by way of a placing (comprising 1,999,998 EIS qualifying shares, 9,034,000 VCT qualifying shares and 5,240,000 Non-VCT qualifying shares) and 1,349,745 shares sold by the selling shareholder. A share for share exchange then took place between the existing shareholders of Plastics Capital Trading Limited and the Company for 10,650,000 ordinary shares.

The placing shares were admitted in four stages: First Admission for the EIS placing (3 December 2007), Second Admission for the first VCT placing (4 December 2007), Third Admission for the second VCT placing (5 December 2007) and Fourth Admission for the ordinary placing (6 December 2007).

On 6 December 2007, the 5,000,000 Redeemable Preference Shares were redesignated and reclassified as 5,000,000 Ordinary Shares.

Notes *(continued)*

8 Earnings per share

	2008 £000	2007 £000	2006 £000
Numerator			
Earnings used in basic and diluted EPS			
(Loss) / profit for the year from continuing operations	**(2,317)**	1,329	2,787
(Loss) / profit for the year from discontinued operations	**(821)**	(108)	(52)
(Loss) / profit for the year	**(3,138)**	1,221	2,735
Denominator			
Weighted average number of shares used in basic EPS	**16,050,000**	10,664,132	8,249,411
Effects of employee share options	**142,441**	125,775	52,406
Weighted average number of shares used in diluted EPS	**16,192,441**	10,789,907	8,301,817

Certain employee options have not been included in the calculation of diluted EPS because their exercise is contingent on the satisfaction of certain criteria that had not been met at the end of the year.

Notes *(continued)*

9 Explanation of transition to Adopted IFRSs – Group

These are the Group's first consolidated financial statements prepared in accordance with Adopted IFRSs. The accounting policies have been applied in preparing the financial statements for the year ended 31 March 2008 and the comparative information presented in these financial statements for the year ended 31 March 2007 and 31 March 2006.

In preparing its opening IFRS balance sheet, the Group has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to Adopted IFRSs has affected the Group's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Reconciliation of equity

	31 March 2007			31 March 2006		
	UK GAAP	**Effect of transition to Adopted IFRSs**	**Adopted IFRSs**	UK GAAP	Effect of transition to Adopted IFRSs	Adopted IFRSs
	£000	**£000**	**£000**	£000	£000	£000
Non-current assets						
Property, plant and equipment	**1,722**	**-**	**1,722**	2,913	-	2,913
Intangible assets (note a)	**6,434**	**3,910**	**10,344**	6,681	4,116	10,797
	8,156	**3,910**	**12,066**	9,594	4,116	13,710
Current assets						
Inventories	**1,545**	**-**	**1,545**	1,700	-	1,700
Trade and other receivables (note b)	**4,204**	**-**	**4,204**	3,646	93	3,739
Cash and cash equivalents	**995**	**-**	**995**	433	-	433
	6,744	**-**	**6,744**	5,779	93	5,872
Total assets	**14,900**	**3,910**	**18,810**	15,373	4,209	19,582
Current liabilities						
Other interest-bearing loans and borrowings	**791**	**-**	**791**	2,079	-	2,079
Trade and other payables (note c)	**1,981**	**59**	**2,040**	1,493	67	1,560
Current tax liabilities	**-**	**-**	**-**	344	-	344
Corporation tax liabilities	**401**	**-**	**401**	103	-	103
	3,173	**59**	**3,232**	4,019	67	4,086
Non-current liabilities						
Other interest-bearing loans and borrowings	**8,420**	**-**	**8,420**	9,324	-	9,324
Other financial liabilities	**-**	**12**	**12**	-	-	-
Deferred tax liabilities (note d)	**13**	**1,192**	**1,205**	3	1,339	1,342
	8,433	**1,204**	**9,637**	9,327	1,339	10,666
Total liabilities	**11,606**	**1,263**	**12,869**	13,346	1,406	14,752
Net assets	**3,294**	**2,647**	**5,941**	2,027	2,803	4,830

Notes *(continued)*

9 Explanation of transition to Adopted IFRSs – Group *(continued)*

	31 March 2007			31 March 2006		
	UK GAAP £000	**Effect of transition to Adopted IFRSs £000**	**Adopted IFRSs £000**	UK GAAP £000	Effect of transition to Adopted IFRSs £000	Adopted IFRSs £000
Equity attributable to equity holders of the parent						
Share capital	**269**	**-**	**269**	269	-	269
Share premium	**13,868**	**-**	**13,868**	13,868	-	13,868
Translation reserve	**(181)**	**-**	**(181)**	-	-	-
Reverse acquisition reserve	**(12,718)**	**-**	**(12,718)**	(12,718)	-	(12,718)
Retained earnings	**1,003**	**2,647**	**3,650**	(308)	2,803	2,495
	2,241	**2,647**	**4,888**	1,111	2,803	3,914
Minority interest	**1,053**	**-**	**1,053**	916	-	916
Total equity	**3,294**	**2,647**	**5,941**	2,027	2,803	4,830

IFRS adjustments are explained below:

(a) The net debit to intangible assets comprises:

	2007 £000	2006 £000
• Adjustments to fair values on business combination	**1,558**	1,439
• Negative goodwill taken to income statement on acquisition	**2,675**	2,675
• Amortisation charged on intangible assets	**(767)**	(191)
• Amortisation of goodwill under previous GAAP written back	**444**	193
	3,910	4,116

(b) recognition of fair value of derivative financial instruments.

(c) recognition of holiday pay accruals.

(d) recognition of deferred tax balances on acquisition adjustments.

Notes *(continued)*

9 Explanation of transition to Adopted IFRSs – Group *(continued)*

Reconciliation of equity

	UK GAAP	1 April 2005 Effect of transition to Adopted IFRSs	Adopted IFRSs
	£000	£000	£000
Non-current assets			
Property, plant and equipment	86	-	86
Intangible assets (note a)	4,529	-	4,529
	4,615	-	4,615
Current assets			
Inventories	182	-	182
Trade and other receivables (note b)	554	-	554
Cash and cash equivalents	502	-	502
	1,238	-	1,238
Total assets	5,853	-	5,853
Current liabilities			
Other interest-bearing loans and borrowings	427	-	427
Trade and other payables (note c)	190	2	192
Corporation tax liabilities	217	-	217
	834	2	836
Non-current liabilities			
Other interest-bearing loans and borrowings	4,181	-	4,181
Other financial liabilities	12	-	12
Deferred tax liabilities (note d)	-	-	-
	4,193	-	4,193
Total liabilities	5,027	2	5,029
Net assets	826	(2)	824

Notes *(continued)*

9 Explanation of transition to Adopted IFRSs – Group *(continued)*

	UK GAAP £000	1 April 2005 Effect of transition to Adopted IFRSs £000	Adopted IFRSs £000
Equity attributable to equity holders of the parent			
Share capital	269	-	269
Share premium	13,868	-	13,868
Translation reserve	-	-	-
Reverse acquisition reserve	(13,380)	-	(13,380)
Retained earnings	69	(2)	67
	826	(2)	824
Minority interest	-	-	-
Total equity	826	(2)	824

Notes *(continued)*

9 Explanation of transition to Adopted IFRSs – Group *(continued)*

The consolidated income statement shown below includes the discontinued operations

		2007	
	UK GAAP £000	Effect of transition to Adopted IFRSs £000	Adopted IFRSs £000
Revenue	16,660	-	16,660
Cost of sales (note a)	(9,680)	(15)	(9,695)
Gross profit	6,980	(15)	6,965
Distribution expenses	(1,986)	-	(1,986)
Administrative expenses (notes a, c and e)	(3,315)	(212)	(3,527)
Other operating income	1,604	-	1,604
Operating profit before net financing costs	3,283	(227)	3,056
Financial income	214	-	214
Financial expenses (note d)	(2,036)	(105)	(2,141)
Net financing costs	(1,822)	(105)	(1,927)
(Loss)/profit before tax	1,461	(332)	1,129
Taxation (note b)	(78)	170	92
(Loss)/profit for the year	1,383	(162)	1,221
Attributable to:			
Equity holders of the parent	1,309	(162)	1,147
Minority interest	74	-	74
(Loss)/profit for the year	1,383	(162)	1,221

IFRS adjustments for the year ended 31 March 2007 represent:

(a) amortisation charged on intangible assets;

(b) the recognition of deferred tax on acquisition adjustments under IAS12;

(c) the inclusion of holiday pay accruals, under IAS 19;

(d) the movement on fair value of derivatives taken out to hedge against foreign currency and interest rate risk under IAS 39; and

(e) fair value charge on share options, under IFRS 2.

The main adjustments to the consolidated cash flow statement under IFRS, compared to UK GAAP have been to reclassify certain items within different cash flow statement headings, principally in relation to acquisitions, which are included within investing activities under IFRS but which were included within acquisitions and disposals under UK GAAP. Income tax paid is disclosed within cash generated from operations under IFRS, whereas this was previously shown separately within the UK GAAP cash flow statement.