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Ardagh Glass Finance B.V.

Interim financial information for the periode ended 30 June 2009

Ardagh Glass Finance B.V.
Eindsestraat 133, Dongen
The Netherlands
Chamber of Commerce: 34.19.21.08

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***Ardagh Glass Finance B.V.
Interim financial information
for the period ended 30 June 2009***

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1 Directors' report and Statement

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***Ardagh Glass Finance B.V.
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1.1 Directors' report

Management hereby presents to the shareholder the financial statements of Ardagh Glass Finance B.V. ("the Company") for the half year 2009.

1.1.1 Activities and results

During the year under review, activities and results of the Company developed in line with expectations.

1.1.2 Financial risk management

The company's activities expose it to the following risks:

Credit risk

As a finance company that solely invests in intercompany notes, the Company has significant concentration of credit risks. This risk is monitored on an ongoing basis.

Interest rate risk

The Company is not exposed to risks associated with the effects of fluctuations in the prevailing interest rates on its financial position. The reason for this is that the interest rates on the Financial Fixed Assets and Long Term Liabilities have been fixed (receivables 8.9091% / liabilities 8.875%). As a result the Company is exposed to changes in the market value of the receivables and long-term liabilities.

Liquidity risk

Matching the maturities of assets and liabilities and related cash flows is fundamental to the management of the Company.

Currency translation risk

As regarding the loan to Ardagh Glass (UK) Limited of GBP 95,000,000 (denominated in EUR; 137,194,250), the Company has hedged the currency translation risk by means of a currency swap with Ardagh Glass Holdings Limited fixing the GBP/EUR exchange rate at 1.44415.

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1.1.3 Future outlook

No material change in activities is contemplated for the coming year. It is expected that the result will be in line with that of the reporting period.

Furthermore management is not aware of events that have occurred since the balance sheet date that could have a significant influence on expectations concerning future activities, investments, financing, staffing and profitability.

Dongen, 27 August 2009

John Vissers
Director

John Van Gils
Director

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1.2 Directors' Statement

The interim financial information for the period ended 30 June 2009 of Ardagh Glass Finance BV give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the annual directors' report gives a true and fair review of the situation on the balance sheet date, the developments during the financial year at the issuer.

Dongen, 27 August 2009

John van Gils, Director

John Vissers, Director

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***Ardagh Glass Finance B.V.
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2 Financial statements

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2.1 Balance sheet as at 30 June 2009 (before appropriation of result)

	<i>Notes</i>	30 June 2009		30 June 2008	
		EUR	EUR	EUR	EUR
ASSETS					
Financial fixed assets	3.3.1				
Due from group company			137,194,250		137,194,250
Current assets	3.3.2				
Due from shareholder		1,836,506		1,836,506	
Due from group companies		37,898,849		37,788,392	
Other receivable		0		4,940	
Cash and cash equivalents		<u>7,803,544</u>		<u>7,820,887</u>	
			<u>47,538,899</u>		<u>47,450,725</u>
			<u>184,733,149</u>		<u>184,644,975</u>
SHAREHOLDER'S EQUITY AND LIABILITIES					
Shareholders' equity	3.3.3				
Share capital		1,750,000		1,750,000	
Accumulated result		135,060		60,026	
Result for six months ended 30 June		<u>13,266</u>		<u>19,699</u>	
			1,898,326		1,829,725
Long-term liabilities	3.3.4				
8 7/8% Senior Notes due 2013			175,000,000		175,000,000
Current liabilities	3.3.5				
Due to group companies		100,000		54,995	
Interest payable		7,722,433		7,737,186	
Corporate income tax payable		10,884		1,467	
Accrued expenses		<u>1,506</u>		<u>21,602</u>	
			<u>7,834,823</u>		<u>7,815,250</u>
			<u>184,733,149</u>		<u>184,644,975</u>

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3 Statement of income for the period ended 30 June year 2009

	<i>Notes</i>	Six months ended 30 June			
		2009		2008	
		EUR	EUR	EUR	EUR
Financial income and expense					
Interest income	3.3.6	7,795,450		7,878,972	
Interest expense	3.3.7	(7,765,625)		(7,780,378)	
			29,825		98,594
Operating expenses					
Administration, tax advisory fee		12,352		69,512	
Other operating expenses		891		871	
			13,243		70,383
			16,582		28,211
Other operating income	3.3.8		0		0
Operating result			16,582		28,211
Corporate tax	3.3.9		(3,316)		(8,512)
Net result			13,266		19,699

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3.1 Statement of cash flows for the year 2009, until June 30

	Six months ended 30 June			
	2009		2008	
	EUR	EUR	EUR	EUR
Cash flow from operational activities				
Net result		13,266		19,699
Adjustments for:				
Movements in receivables	0		1,599	
Movements in current liabilities	(14,968)		9,361	
Movement Long term liabilities	0		(640)	
		(14,968)		10,320
Cash flow from operational activities		(1,702)		30,019
Net cash flow		(1,702)		30,019
Movement in cash at banks				
Cash at Banks at 1 January		7,805,246		7,790,868
Movement cash at banks during year		(1,702)		30,019
Cash at banks at 30 June		7,803,544		7,820,887

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3.2 General notes to the financial statements

3.2.1 General information

Ardagh Glass Finance B.V. ("the Company") was incorporated with limited liability under the laws of the Netherlands on June 25, 2003. The registered office of the Company is in Eendsestraat 133 5105 NADongen, the Netherlands. The main activity of the Company is to act as a finance company.

3.2.2 Group structure

The Company belongs to the Ardagh group. The ultimate parent company of the group is Ardagh Glass Group plc, Ireland.

3.2.3 Principles of valuation of assets and liabilities

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of preparation

This interim financial information for the six months ended 30 June 2009 has been prepared in accordance with RJ394, 'Interim financial reporting'. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2008, which have been prepared in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9 of Book 2 of the Netherlands Civil Code.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or fair value. If not specifically stated otherwise, they are recognized at the amounts at which they were acquired or incurred. The balance sheet and profit and loss account include references to the notes.

Comparison previous year

The accounting principles remained unchanged compared to the previous year.

Foreign currencies

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions: gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement. Such balances are translated at year-end exchange rates.

Receivables

Receivables included in the current assets are valued at face value, less provisions where necessary.

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Cash at bank and in hand

Cash at bank and in hand consists of cash in hand, cash at banks and deposits with a maturity date of less than twelve months.

Deferred tax assets and liabilities

Deferred tax assets, including those from losses carried forward, are valued if it is probable that fiscal profit will be available to offset losses, and settlement possibilities can be utilized.

Long-term liabilities

Long-term liabilities are valued at cost, being the amount received taking into account premium or discount, and less transaction costs. The difference between the book value determined and the ultimate redemption value, including the interest payable are determined by recognizing the effective interest in the profit and loss account during the term of the liabilities.

Financial Instruments

In applying cost price hedge accounting, the initial recognition of, and the accounting policies for, the hedging instrument are dependent on the hedged item, which has the following implications:

- if as the hedged item is recognised at cost in the balance sheet, the derivative instrument is also stated at cost;
- as long as the hedged item is not yet recognised in the balance sheet, the hedging instrument is not remeasured. This applies, for instance, to hedging currency risks on future transactions;
- if the hedged item qualifies as a monetary item denominated in a foreign currency, the derivative instrument, where it has currency elements, is also stated at the spot rate at the balance sheet date. If the derivative instrument has currency elements, the difference between the spot rate on the date the derivative instrument is contracted and the forward rate at which it will be settled is spread over the maturity of the derivative instrument.

The ineffective portion of the hedge is recognised directly in profit or loss.

Ardagh Glass Finance B.V. applies cost price hedge accounting to hedging fixed-interest risk on borrowings. The gain or loss relating to the ineffective portion is recognised in the income statement within finance costs.

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3.2.4 Principles for determination of result

Revenue recognition

Interest income and expense are time apportioned, taking into account the effective interest rate for the relating assets and liabilities. The treatment of interest expenses for loans received takes account of any transaction costs. Operating expenses are accounted for in the period in which these are incurred. Losses are accounted for in the year in which they are identified.

Costs

Costs are recognized on the historical costs convention and are allocated to the reporting year to which they relate.

3.2.5 Financial risk management

The company's activities expose it to the following risks:

Credit risk

As a finance company that solely invests in intercompany notes, the Company has significant concentration of credit risks. This risk is monitored on an ongoing basis.

Interest rate risk

The Company is not exposed to risks associated with the effects of fluctuations in the prevailing interest rates on its financial position. The reason for this is that the interest rates on the Financial Fixed Assets and Long Term Liabilities have been fixed (receivables 8.9091% / liabilities 8.875%). As a result the Company is exposed to changes in the market value of the receivables and long-term liabilities.

Liquidity risk

Matching the maturities of assets and liabilities and related cash flows is fundamental to the management of the Company.

Currency translation risk

As regarding the loan to Ardagh Glass (UK) Limited of GBP 95,000,000 (denominated in EUR; 137,194,250), the Company has hedged the currency translation risk by means of a currency swap with Ardagh Glass Holdings Limited fixing the GBP/EUR exchange rate at 1.44415.

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3.3 Notes to the balance sheet and the statement of income

3.3.1 Financial fixed assets

Due from group company

The loan due to group company is a loan for the amount of EUR 137,194,250 (GBP 95,000,000) to Ardagh Glass (UK) Limited carrying an interest of 8.9091%. As regarding this risk the Company has hedged the currency risk by means of a cross currency interest rate swap with Ardagh Glass Holdings Limited. This derivate swap fixes GBP (8.9091%) interest into a fixed EUR interest (8.9091%) and fixes the GBP/EUR exchange rate at 1.44415 of the interest and principal loan amount. The duration of the swap is equal to that of the loan. There have been no movements on the loan in 2009.

3.3.2 Current assets

Due from shareholder

The amount due from shareholder relates to an interest free advance, which is payable at request.

Due from group companies

The loans due from group companies can be detailed as follows:

	2009	2008
	EUR	EUR
Loan to Ardagh Glass S.r.L. carrying 8.9091%	8,440,900	8,440,899
Loan to Ardagh Glass Holdings Limited carrying 8.9091%	29,327,635	29,327,635
Loan to Ardagh Corporate Services Limited	130,314	19,858
Outstanding balance at 30 June	37,898,849	37,788,392

Repayment of loans to Ardagh Glass S.r.L and Ardagh Glass Holdings Limited are to be made no later than July 1, 2013.

Interest receivable

This item relates to the interest receivable on the EUR deposit account with the Deutsche Bank account in Amsterdam, The Netherlands.

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Cash and cash equivalents

This item can be specified as follows:

	2009	2008
	EUR	EUR
Current account Deutsche Bank	7,803,544	7,820,887
Outstanding balance at 30 June	7,805,246	7,820,887

3.3.3 Shareholders' equity

Share capital

The authorized share capital amounts to EUR 5,000,000, consisting of 10,000 ordinary shares of EUR 500 each of which at balance sheet date 3,500 shares are issued and fully paid-up for the amount of EUR 1,750,000. There were no movements in the amount of share capital during the years 2008 and 2009. As of November 2005 the shares were transferred from Ardagh Holdings B.V. to Ardagh Glass Holdings Limited, Ireland.

Accumulated result

The movements in the accumulated result can be detailed as follows:

	2009	2008
	EUR	EUR
Opening balance	60,626	44,265
Result for last year	74,434	16,361
Closing balance	135,060	60,626

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3.3.4 Long-term liabilities

On July 11, 2003, the Company issued EUR 175,000,000 of 8.875% Senior Notes. The Senior Notes are due on July 1, 2013 and are guaranteed on a senior basis by Ardagh Glass Holdings Limited, Ireland.

The Senior Notes are listed on the Luxembourg Stock Exchange. The notes are generally unsecured obligations of Ardagh Glass Finance B.V. and rank senior in right of payment to any and all of its existing and future unsecured debt that is subordinated in right of payment to the notes. The notes also rank equally in right of payment with all of the Company's existing and future unsecured debt that is not subordinated in right of payment to the notes and be effectively subordinated to all existing and future secured debt of the Company to the extent of the assets securing such debt. Ardagh Glass Holdings Limited and certain of its direct and indirect wholly-owned subsidiaries (the "Subsidiary Guarantors" and collectively with the Parent Guarantor, the "Guarantors") will guarantee payment under the notes on a senior and on a senior subordinated basis, respectively. The senior subordinated guarantees are subject to important conditions, including a standstill period of up to 179 days following an event of default. In addition, the Subsidiary Guarantors are subsidiaries of the Parent Guarantor. As a result, the senior guarantee is effectively subordinated to all existing and future obligations of the Subsidiary Guarantors.

3.3.5 Current liabilities

Due to group company

The amount due to group company relates to intercompany position with Ardagh Glass Netherlands BV.

Interest payable

The interest payable relates to the interest payable on the 8.875% Senior Notes for the amount of EUR 175,000,000 (see item 2.5.4) and the interest on the loans due from group companies.

Accrued expenses

The accrued expenses can be detailed as follows:

	2009	2008
	EUR	EUR
Tax advisory fee payable 2005-2007	1,506	15,412
Others	0	6,190
	1,506	21,602

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3.3.6 Interest income

The interest income can be detailed as follows:

	2009	2008
	EUR	EUR
Interest income banks	106	22,692
Interest income group companies	7,795,344	7,856,280
	<u>7,795,450</u>	<u>7,878,972</u>

3.3.7 Interest expense

The interest expenses relate to the interest paid on the 8,875% Senior Notes (see item 2.5.4).

3.3.8 Other operating income

The other operating income relates to expenses which the company has oncharged to another subsidiary in the Group. The related companies have an agreement that any operational expenses exceeding the amount of EUR 50,000 will be picked up by the related company. No charges posted for the six months ended 30 June 2009.

3.3.9 Corporate income tax

The corporate income tax charge for the six months ended 30 June 2009 is EUR 3,316. Effective tax rate of 20% equals applicable tax rate.

3.3.10 Employees

During the year under review the Company did not employ any personnel (previous year: nil).

3.3.11 Related parties

All group companies are considered to be related parties. The loans provided to these companies and the interest received have separately been disclosed in the financial statements.

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3.3.12 Management board

The Company has 2 Managing Directors . The Managing Directors are not entitled to a management fee.

3.3.13 Commitments not included in the balance sheet

Fair value financial instruments

The following table shows the contract volume and the fair value of the Company's financial instruments:


Value	Contract Value	Fair Value	Contract Value	Fair Value
Date	<u>December 31 2008</u>	<u>December 31 2008</u>	<u>December 31 2007</u>	<u>December 31 2007</u>
	EUR	EUR	EUR	EUR
Currency SWAP	137,194,250	49,431,300	137,194,250	15,020,013

Valuations based on Bloomberg. No fair value valuation is obtained dated 30 June.

Dongen, 27 August 2009

John Vissers
Director

John Van Gils
Director

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4 Other information

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4.1 Appropriation of result

4.1.1 Statutory provisions

In accordance with Article 19.2 of the Articles of association, the result for the year is at the disposal of the Annual Meeting of Shareholders.

4.1.2 Proposed appropriation

Management proposes to add the entire result for the six months period under review to the accumulated result. This proposal has not yet been presented in the financial statements.

4.2 Post-balance sheet events

No Post-Balance sheet events

4.3 Audit of the financial statements

The Review report is set out on the next page.

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To the General Meeting of Shareholders of
Ardagh Glass Finance B.V.

PricewaterhouseCoopers
Accountants N.V.
Flight Forum 840
5657 DV Eindhoven
P.O. Box 6365
5600 HJ Eindhoven
The Netherlands
Telephone +31 (0) 40 224 40 00
Facsimile +31 (0) 40 224 46 05
www.pwc.com/nl

Review report

Introduction

We have reviewed the accompanying company interim financial information for the 6-month period ended 30 June 2009, of Ardagh Glass Finance B.V., Dongen, which comprises the balance sheet as at 30 June 2009, the profit and loss account, and the notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Dutch Guideline for Annual Reporting 394, Interim Reports. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410 'Review of Interim Financial Information Performed by the Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying company interim financial information as at 30 June 2009 is not prepared, in all material respects, in accordance with the Dutch Guideline for Annual Reporting 394, Interim Reports.

Eindhoven, 27 August 2009
PricewaterhouseCoopers Accountants N.V.

Original has been signed by:
H.J.M. Quadflieg RA

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