Co# 00149921

REPORT OF THE DIRECTORS

The Directors submit their report and the financial statements for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the manufacture of Acrylic and Viscose fibres. A number of UK based central functions for the Acordis group are also provided by the Company, and the costs are recharged as appropriate.

RESULTS AND DIVIDENDS

The profit and loss account and balance sheet, together with the appropriate notes, are set out on pages 5 to 17.

The Directors recommend that no dividend be paid on the Company's Ordinary shares of £1 each in respect of the year ended 31 December 2000 (1999 - £nil).

REVIEW OF BUSINESS AND FUTURE PROSPECTS

The Viscose fibre business continued to suffer from weak market conditions and increasing cost pressures not least of which was the rapid escalation in energy costs in the latter part of the year. As a consequence the management had no option but to announce closure early in the New Year and effective in May 2001.

The Acrylics business saw no recovery throughout the year and indeed textile margins were further eroded, which in turn led to a withdrawal from certain markets particularly in the second half of the year. Large tow precursor continued to suffer at the expense of small tow, whilst the development of late injection fibres was not as rapid as had earlier been projected. The directors of the business do however believe that added value fibres will feature more prominently in the future portfolio and this in conjunction with an ongoing reduction in the overhead cost base of the operation should secure a return to profitability during the second part of 2001.

RESEARCH AND DEVELOPMENT

During the year work has continued on process improvement and product development in both Acrylics and Viscose. Overall expenditure on research and development during the year amounted to £451,000 (1999 - £856,000).

DIRECTORS

The Directors at the date of this report are as follows:

J A Bednall (appointed 15 November 2000)
J A Cross
D T Powers
P L Rogers (appointed 15 November 2000)

The following also served as Directors up to 15 November 2000:

M T Lejman
R J Smith
D T Wilkinson

A5A5O5DN 0888
A40 31/10/01
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0755
BIR 31/10/01
COMPANIES HOUSE

DIRECTORS' INTERESTS

The Company is exempted from disclosing the interests (if any) of the Directors and their families in the share capital of the ultimate holding company by virtue of the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985 (SI 1985 No 802).

COMPANY SECRETARY AND REGISTERED OFFICE

D A Stevens, 1 Holme Lane, Spondon, Derby, DE21 7BP.

EMPLOYMENT OF DISABLED PERSONS

Where individuals have become disabled whilst in the Company's employment every reasonable effort is made to provide opportunities for continued employment within the potential aptitude and ability of the person concerned, and to provide such facilities, including any appropriate training, as may be necessary for that purpose.

In dealing with applications for employment and the training, career development and promotion of existing employees, efforts are made to ensure that a disabled individual's potential aptitude and ability are considered both without prejudice and as constructively as possible in relation to the opportunities available.

EMPLOYEE INVOLVEMENT

A system of departmental and works consultative committees exist at all factories. Reports from the Chief Executive, dealing with the current state of the Company's trade and activities, are circulated regularly to all employees.

The Company also provides to employees information regarding the financial and economic factors affecting its performance in literature circulated periodically.

PAYMENT OF SUPPLIERS

The Company believes in developing good relationships with its suppliers and this policy extends to payment. In the majority of cases payment is in accordance with the terms of negotiated supply agreements; otherwise it is in accordance with either the Company's standard terms of purchase or the suppliers' standard conditions of sale (provided in each case that the supplier is also complying with all relevant terms and conditions). Trade creditors at 31 December 2000 were equivalent to 70 days (1999 – 55 days) of purchases during the year ended on that date.

CHARITABLE DONATIONS

For the year ended 31 December 2000 charitable donations amounted to £8,053 (year ended 31 December 1999 - £11,156).

REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

The Companies Act 1985 requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company at the end of that year, and of the profit or loss for the year to that date. In preparing the financial statements, the Directors are also required to:

- select suitable accounting policies and apply them consistently, supported by reasonable and prudent judgements and estimates;
- state whether applicable 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;

The Directors confirm that they have complied with these requirements in preparing the financial statements on pages 5 to 17.

The Directors' responsibilities also include:

- keeping appropriate accounting records which disclose with reasonable accuracy the financial position of the Company at any time and enable them to ensure that the financial statements comply with the Companies Act 1985;
- taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

AUDITORS

The Company's Auditors are PricewaterhouseCoopers. An elective resolution has been passed in accordance with section 386 of the Companies Act 1985 dispensing with the requirement to appoint auditors annually. The Directors have been authorised to decide the remuneration of the Auditors.

On behalf of the Board



D A Stevens
Secretary

30 October 2001

1 Holme Lane
Spondon
Derby
DE21 7BP

PRICEWATERHOUSECOOPERS

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AUDITORS' REPORT TO THE MEMBERS OF ACORDIS UK LIMITED

We have audited the financial statements on pages 5 to 17 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 December 2000 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors

30 October 2001

PricewaterhouseCoopers is the successor partnership to the UK firms of Price Waterhouse and Coopers & Lybrand. The principal place of business of PricewaterhouseCoopers and its associate partnerships, and of Coopers & Lybrand, is 1 Embankment Place, London WC2N 6NN. The principal place of business of Price Waterhouse is Southwark Towers, 32 London Bridge Street, London SE1 9SY. Lists of the partners' names are available for inspection at those places.

All partners in the associate partnerships are authorised to conduct business as agents of, and all contracts for services to clients are with, PricewaterhouseCoopers. PricewaterhouseCoopers is authorised by the Institute of Chartered Accountants in England and Wales to carry on investment business.

ACORDIS UK LIMITED

PROFIT AND LOSS ACCOUNT

	Notes	Year ended 31 December 2000 £'000	Restated Year ended 31 December 1999 £'000
Turnover	1(b)&2	103,266	101,977
Cost of sales		(100,001)	(94,349)
Exceptional cost of sales	3	(1,628)	(1,864)
Total cost of sales		(101,629)	(96,213)
GROSS PROFIT		1,637	5,764
Selling and distribution expenses		(7,414)	(8,370)
Administrative expenses		(11,358)	(11,483)
Exceptional administrative expenses	3	(767)	-
Total administrative expenses		(12,125)	(11,483)
Other operating income	4	9,561	7,099
OPERATING LOSS		(8,341)	(6,990)
Amounts written off investments	12	(151)	-
Net interest payable	5	(1,635)	(4,313)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	6	(10,127)	(11,303)
Taxation	9	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR	20	(10,127)	(11,303)

The profit and loss accounts above are derived entirely from continuing operations.
The notes on pages 8 to 17 form part of these financial statements.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Year ended 31 December 2000 £'000	Restated Year ended 31 December 1999 £'000
Retained and recognised loss for the financial year	(10,127)	(11,303)
Prior year adjustment (note 21)	(2,430)	
Total recognised loss since last annual report	(12,557)	

The notes on pages 8 to 17 form part of these accounts.

ACORDIS UK LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2000

	Note	2000 £'000	2000 £'000	Restated 1999 £'000	Restated 1999 £'000
FIXED ASSETS					
Tangible fixed assets	10 &11		23,300		23,605
Investments	12		-		151
			23,300		23,756
CURRENT ASSETS					
Stocks	13	13,963		14,324	
Debtors	14	21,557		101,953	
Cash		15		4,220	
		35,535		120,497	
CURRENT LIABILITIES					
Creditors (amounts falling due within one year)	15	(58,122)		(132,189)	
Net current liabilities			(22,587)		(11,692)
TOTAL ASSETS LESS CURRENT LIABILITIES			713		12,064
Creditors (amounts falling due after more than one year)	16		(100)		(530)
Provisions for liabilities and charges	17		(534)		(1,328)
NET ASSETS			79		10,206
CAPITAL & RESERVES					
Called up share capital	19		22,616		22,616
Share premium account	20		181		181
Revaluation reserve	20		-		-
Profit & loss account	20		(22,718)		(12,591)
EQUITY SHAREHOLDERS' FUNDS	21		79		10,206

Approved by the Board on 30 October 2001.

D T Powers
DIRECTOR

The notes on pages 8 to 17 form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies

(a) These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. FRS 15 became effective for accounting periods ending on or after 23 March 2000. The standard requires each class of tangible fixed assets to be revalued at certain minimum intervals or not at all. The group has revalued its land and buildings in prior years. The company has changed its accounting policy and a prior year adjustment has been made to restate the carrying value of tangible fixed assets to depreciated historical cost as permitted by the standard.

(b) Turnover is the total amount of sales invoiced to customers, net of value added tax.

(c) Tangible fixed assets are stated at cost. Depreciation is calculated on a straight line basis so as to write-off the cost of the various assets over the period of their expected useful lives. The rates of depreciation vary generally between 2% and 6% on buildings and 10% and 33% on plant and equipment. Capital work in progress is not depreciated until it is commissioned.

(d) Stocks are stated at the lower of cost and net realisable value. Cost includes factory overheads.

(e) Research and development expenditure is written off in the year in which it is incurred.

(f) Foreign currency assets and liabilities have been translated into sterling at the rates of exchange at which the currencies could have been sold at the balance sheet date. Exchange differences arising on transactions during the year are dealt with through the profit and loss account.

(g) Deferred Taxation is provided only in respect of timing differences between profits as computed for taxation purposes and profits as stated in the financial statements to the extent that there is a reasonable probability that such deferred taxation will crystallise in the foreseeable future. Timing differences are due primarily to the excess of UK accelerated taxation allowances on capital expenditure over the corresponding depreciation charged in the accounts.

(h) The Company's contributions to the Akzo Nobel (CPS) Pension Scheme are charged to the profit and loss account in the year to which they relate. The scheme is a defined benefit scheme but is accounted for as a defined contribution scheme as payments to Akzo Nobel UK Ltd are a fixed percentage of pensionable salary.

(i) Rentals payable under operating leases are charged to the profit and loss account on a straight line basis.

(j) A Cash Flow Statement has not been prepared, as the company was a wholly owned subsidiary of Acordis Ltd, which in turn is a wholly owned subsidiary of Acordis BV. The Company's Cash Flow is included in the consolidated cash flow statements of Acordis BV, which are publically available from the Company's office.

(k) The Company has taken advantage of the exemption not to disclose related party transactions with other members of the Acordis Group under FRS8 (Related Party Disclosures) as it was a wholly owned subsidiary throughout the year.

(l) In accordance with Section 229 of the Companies Act 1985, the company has taken advantage of the exemption not to prepare consolidated financial statements on the grounds that its subsidiary is immaterial. The results of its subsidiary are consolidated in the financial statements of Acordis BV, a company registered in the Netherlands. Shares in the subsidiary are valued at cost less provisions for permanent diminution of value.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. Turnover

All results and turnover derive from man-made fibre operations in the United Kingdom. The geographical analysis of turnover by destination is as follows.

	Year Ended 31 December 2000 £'000	Year Ended 31 December 1999 £'000
United Kingdom	24,182	24,887
Europe	33,616	33,032
Rest of World	45,468	44,058
Total Turnover	103,266	101,977

All exports during the year ended 31 December 2000 were made by Acordis UK Limited with Acordis Export Services, a division of Acordis Acetate Chemicals Limited, acting as an agent.

3. Exceptional cost of sales

During 2000 the Company extended the restructuring programme announced in 1999 intended to create an organisation capable of meeting the future challenges of the market place.

The programme includes the relocation and creation of facilities capable of providing the necessary means of enabling the business to meet the demands and expectations of its customers.

The restructuring costs incurred in 2000 of £685,000 principally comprise redundancy costs. In addition exceptional cost of sales includes an impairment loss of £943,000. The carrying value of viscose fixed assets has been written down to nil value following a review of market conditions in which the business operates and anticipated future cash flows.

The restructuring costs incurred in 1999 of £1,864,000 principally comprise redundancy costs and removal and refurbishment costs.

Exceptional administrative expenses

Exceptional administrative expenses principally relate to redundancy costs incurred on closure of the Acordis group Lockhurst Lane site in Coventry and the Belgian sales office.

4. Other operating income

Other operating income is the recharge of management fees to other group undertakings.

5. Net interest payable

	Year Ended 31 December 2000 £'000	Year Ended 31 December 1999 £'000
Interest on bank and other borrowings fully payable within five years	(468)	(4,118)
Other interest payable	(1,167)	(195)
Net interest payable	(1,635)	(4,313)

6. Loss on ordinary activities before taxation

	Year Ended 31 December 2000 £'000	Restated Year Ended 31 December 1999 £'000
Loss is stated after charging/(crediting) the following :		
Wages and salaries	23,158	27,238
Social security costs	1,805	2,157
Other pension costs (note 25)	1,277	-
Operating lease rentals - land and buildings	120	211
- plant and machinery	976	1,027
Depreciation on owned assets (note 10)	3,053	3,077
Auditors fees and expenses	141	242
Research and development	451	856
Loss/(profit) on sale of tangible fixed assets	196	(122)

Non-audit fees and expenses in the year amounted to £242,000 (Year ended 31 December 1999 : £258,000).

7. Employees

The average number of persons employed during the year, all of whom were employed in the UK, was:

	Year Ended 31 December 2000	Year Ended 31 December 1999
Manufacturing	717	769
Administration	86	164
Total	803	933

8. Remuneration of Directors

The directors are listed on page 1 of the Directors' Report.

The aggregate remuneration (excluding pension contributions) paid to Directors was £546,000 (1999 - £148,000). The highest-paid Director received £170,369 and at 31 December his accrued pension was £49,658 per annum (1999 - £48,103 per annum). The aggregate remuneration includes one-off non-pensionable bonuses totalling £109,000 paid by Akzo Nobel NV arising from the sale of the Acordis group.

All of the current Directors participate in the Akzo Nobel (CPS) Pension Scheme and have retirement benefits accruing under this defined benefit scheme.

9. Taxation

	Year Ended 31 December 2000 £'000	Year Ended 31 December 1999 £'000
Corporation Tax @ 30 %	-	-
	-	-

The company's taxation charge is £Nil because of the taxable losses arising during both years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Tangible fixed assets

	Land & buildings (note 11)	Plant & machinery	Fixtures, fittings, tools & equipment	Capital work in progress	Total
AT COST OR VALUATION	£'000	£'000	£'000	£'000	£'000
At 1 January 2000 as reported	5,130	131,449	10,138	1,124	147,841
Prior year Adjustment (note 11)	10,634	-	-	-	10,634
At 1 January 2000 as restated	15,764	131,449	10,138	1,124	158,475
Additions	-	-	40	4,299	4,339
Disposals	(315)	(782)	(609)	(10)	(1,716)
Assets transferred to group undertakings	-	(1,844)	(101)	-	(1,945)
Reclassification	(4)	2,711	60	(2,767)	-
At 31 December 2000	15,445	131,534	9,528	2,646	159,153
DEPRECIATION					
At 1 January 2000 as reported	590	113,927	7,326	-	121,843
Prior year adjustment (note 11)	13,027	-	-	-	13,027
At 1 January 2000 as restated	13,617	113,927	7,326	-	134,870
Charge for the year	153	2,290	610	-	3,053
Asset impairment loss	-	943	-	-	943
Disposals	-	(659)	(599)	-	(1,258)
Accumulated depreciation on assets transferred to group undertakings	-	(1,671)	(84)	-	(1,755)
Reclassifications	-	4	(4)	-	-
At 31 December 2000	13,770	114,834	7,249	-	135,853
NET BOOK VALUE					
At 31 December 2000	1,675	16,700	2,279	2,646	23,300
At 31 December 1999 as restated	2,147	17,522	2,812	1,124	23,605

11. Land and buildings

	2000 £'000	Restated 1999 £'000
The value of land and buildings comprises:		
Freehold		
Cost	15,445	15,422
Depreciation	(13,770)	(13,616)
Net book value	1,675	1,806
Leasehold		
Cost	-	342
Depreciation	-	(1)
Net book value	-	341
Total land and buildings net book value	1,675	2,147

FRS 15 has been adopted this year and on implementation the company has changed its accounting policy and a prior year adjustment has been made to restate the carrying value of land and buildings to depreciated historical cost. The effect of this change in accounting policy was to reduce the charge for depreciation by £36,000 in 2000 and £37,000 in 1999 and decrease the loss on ordinary activities by £36,000 (1999 £37,000).

The leasehold interest in an office and flat in London was sold in 2000.

12. Investments

	2000 £'000	1999 £'000
Cost	151	151
Less amount written off	(151)	-
Net book Value	-	151

The investment represents 600 Ordinary shares of 50,000 Yen per share, in a wholly owned subsidiary registered in Japan and is valued at cost. The Company's principal activity is as a selling office, the results of which are consolidated in the financial statements of Acordis BV, a company registered in the Netherlands.

The cost amount of this investment has been written off during the year due to a permanent diminution of value.

13. Stocks

	2000 £'000	1999 £'000
Raw materials and consumables	7,103	8,037
Work in progress	359	287
Finished goods and goods for resale	6,501	6,000
	13,963	14,324

The replacement value of stocks is not materially different from that shown above.

14. Debtors

	2000 £'000	1999 £'000
Trade debtors	15,320	14,930
Amounts owed by parent undertaking and fellow subsidiary undertakings	4,387	85,929
Other debtors	1,130	508
Prepayments and accrued income	720	586
	21,557	101,953

The amounts owed by parent and fellow subsidiary undertakings are unsecured with no fixed date of repayment and were interest free throughout 1999. However, from 1 January 2000 Intergroup loans were credited with interest at rates of LIBOR plus 1%.

15. Creditors due in under one year

	2000 £'000	1999 £'000
Bank overdraft	3,093	-
Trade creditors	16,027	12,932
Amounts owed to parent undertaking and fellow subsidiary undertakings	29,163	111,660
Other creditors	7,452	6,018
Taxation and social security	354	224
Accruals and deferred income	2,033	1,355
	58,122	132,189

The amounts due to fellow subsidiary undertakings are unsecured, repayable on demand and were interest free throughout 1999. However, from 1 January 2000 Intergroup loans were charged with interest at rates of LIBOR plus 1%.

16. Creditors due in over one year

	2000 £'000	1999 £'000
Other creditors (in 1-2 years)	100	530
	100	530

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. Provisions for liabilities and charges

	Restructuring Provision £'000	Waste Tip Capping Provision £'000	Total Provisions £'000
At 1 January 2000	825	503	1,328
Charged to profit and loss account	513	40	553
Utilised in year	(1,338)	(9)	(1,347)
At 31 December 2000	-	534	534

The restructuring provision transferred from Akzo Nobel UK Ltd during 1999, for the liability of the closure of the Acordis Group Lockhurst Lane site in Coventry, was fully utilised in 2000. A provision for the capping of waste tips on the Grimsby site was established in 1999. It is anticipated that this provision will be fully utilised by the end of 2003.

18. Deferred taxation

The Company's full potential deferred tax asset/(liability) not provided for is as follows:

	2000 £'000	Restated 1999 £'000
UK capital allowances	(5)	932
Other UK timing differences	543	1,008
Unused tax losses	7,042	5,659
	7,580	7,599

No deferred asset has been recognised in these financial statements owing to the uncertainty of recovery of these tax losses.

19. Called up share capital

	2000 £'000	1999 £'000
Authorised:		
£1 ordinary shares	22,616	22,616
	22,616	22,616
Alloted,called up fully paid:		
£1 ordinary shares	22,616	22,616
	22,616	22,616

Details of increases in the authorised and issued share capital in 2001 are shown in Note 28.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Reserves

	Share Premium	Revaluation Reserve	Profit & Loss account
	£'000	£'000	£'000
At 1 January 2000 as reported	181	2,393	(12,591)
Prior year adjustment (notes 1a,10, 11)	-	(2,393)	-
At 1 January 2000 as restated	181	-	(12,591)
Loss for year	-	-	(10,127)
At 31 December 2000	181	-	(22,718)

21. Reconciliation of movements in shareholders' funds

	2000 £'000	1999 £'000
Opening shareholders' funds as previously reported	12,599	23,939
Prior year adjustment (notes 1a,10,11)	(2,393)	(2,430)
Opening shareholders funds as restated	10,206	21,509
Loss for the financial year (1999 restated)	(10,127)	(11,303)
Closing shareholders' funds	79	10,206

22. Capital Commitments

	2000 £'000	1999 £'000
Capital expenditure contracted for but not provided for in the financial statements.	111	135

23. Operating leases - Land and Buildings

Annual commitments payable under non-cancellable leases expiring:

	2000 £'000	1999 £'000
In five years or more	100	100
	100	100

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. Operating leases - Plant and Machinery

Annual commitments payable under non-cancellable leases expiring:

	2000 £'000	1999 £'000
Within one year	181	159
In two to five years	421	503
In five years or more	18	79
	620	741

25. Pension commitments

The company's employees continued to participate in the Akzo Nobel (CPS) pension scheme, a defined benefit pension scheme sponsored by Akzo Nobel UK Limited. The scheme is accounted for as a defined contribution scheme as payments to Akzo Nobel are a fixed percentage of pensionable salary. The company made payments of 6.3% of members pensionable salary for the year.

26. Transactions with Directors

No Director during the year has been materially interested in any contract with the Company, which is significant in relation to the Company's activities.

27. Contingent liabilities

As at 31 December 2000 there were no significant contingent liabilities (31 December 1999: £Nil).

28. Subsequent Events

In January 2001 the company announced that the viscose operation in Grimsby would cease production in May 2001.

On the 4 May 2001 the authorised share capital was increased by £17,384,091 to £40,000,000. 180,265 ordinary shares of £1 were issued fully paid at par to capitalise the share premium account, and a further 17,203,466 ordinary shares of £1 were allotted fully paid at par to increase the issued and paid up capital to £40,000,000.
On the 1 August 2001 the authorised share capital was further increased by £5,000,000 to £45,000,000. 5,000,000 ordinary shares of £1 were allotted fully paid at par to increase the issued and paid up capital to £45,000,000.

29. Immediate and ultimate parent undertaking and controlling party.

The ultimate parent undertaking and the controlling party is Acordis BV, which is the parent undertaking of the largest group to consolidate these financial statements. The parent of the smallest group to consolidate these financial statements is Acordis Beheer BV.

Copies of their report and accounts may be obtained from Westervoortsedijk 73, PO box 9600, Arnhem 6800 TC, The Netherlands.