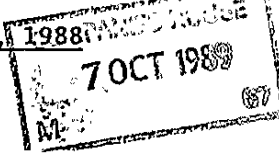


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TRITON CONTAINER UK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31ST DECEMBER, 1988



PEAT MARWICK McLINTOCK
Abbots House,
Abbey Street,
Reading,
Berks,
RG1 3BD.

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TRITON CONTAINER UK LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31st December, 1988.

PRINCIPAL ACTIVITIES

The main activity of the company is unchanged since last year and remains principally that of operating in the UK and the Republic of Ireland as an agent for Triton Container International Limited, a corporation registered in Bermuda with whom Triton Container UK Limited has a licence agreement. The directors consider the results for the year to be satisfactory.

PROPOSED DIVIDEND

The directors do not recommend the payment of a dividend.

PROPOSED TRANSFERS TO RESERVES

The profit for the year retained in the company is £6,907 (1987: £1,451).

SIGNIFICANT CHANGES IN FIXED ASSETS

Information relating to changes in fixed assets is given in Note 7 to the financial statements.

DIRECTORS AND DIRECTORS' INTERESTS

The directors who held office during the year were as follows:

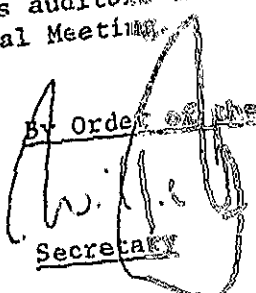
W. Pabst
A.G. Player
M.R. Bennett
M.J. Cook

<u>Ordinary shares of £1 each</u>	
<u>1988</u>	<u>1987</u>
1	1
"	"
"	"
"	"

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of Peat Marwick McLintock as auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board,


Secretary

17-27 Station Road,
Reading,
RG1 1LG

REPORT OF THE AUDITORS TO THE MEMBERS OF
TRITON CONTAINER UK LIMITED

We have audited the financial statements on pages 3 to 10 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st December, 1988 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

READING

1st September 1989

Pent Munnich Robinson.

Chartered Accountants

TRITON CONTAINER UK LIMITED

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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 1988

	<u>Notes</u>	<u>1988</u> <u>£</u>	<u>1987</u> <u>£</u>
TURNOVER	1	257,101	165,021
Administrative expenses		(244,893)	(158,694)
TRADING PROFIT		12,208	6,327
Other interest receivable and similar income	2	297	224
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	12,505	6,551
Tax on profit on ordinary activities	5	(5,598)	(2,100)
RETAINED PROFIT FOR THE FINANCIAL YEAR		6,907	4,451
Retained profit brought forward		8,324	3,873
RETAINED PROFIT CARRIED FORWARD		15,231	8,324

The notes on pages 6 to 10 form part of these accounts

Peat Marwick McLintock

TRITON CONTAINER UK LIMITED

BALANCE SHEET AT 31ST DECEMBER, 1988

	<u>Notes</u>	<u>£</u>	<u>1988</u> <u>£</u>	<u>£</u>	<u>1987</u> <u>£</u>
FIXED ASSETS					
Intangible assets	6		343		475
Tangible assets	7		34,012		30,006
			<u>34,355</u>		<u>30,481</u>
CURRENT ASSETS					
Debtors	8	33,824		25,800	
Cash at bank and in hand		14,271		16,722	
		<u>48,095</u>		<u>42,522</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(65,219)		(62,679)	
NET CURRENT (LIABILITIES)			<u>(17,124)</u>		<u>(20,157)</u>
NET ASSETS			<u>17,231</u>		<u>10,324</u>
CAPITAL AND RESERVES					
Called up share capital	10		2,000		2,000
Profit and loss account			15,231		8,324
			<u>17,231</u>		<u>10,324</u>

The financial statements were approved by
the board of directors on 1st September 1989

Michael Cox
Directors
Neil K...

The notes on pages 6 to 10 form part of these accounts

TRITON CONTAINER UK LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31ST DECEMBER, 1988

	£	1988 £	£	1987 £
SOURCE OF FUNDS				
Profit on ordinary activities before taxation		12,505		6,551
Depreciation and amortisation		9,661		8,009
FUNDS GENERATED FROM OPERATIONS		<u>22,166</u>		<u>14,560</u>
APPLICATION OF FUNDS				
Purchase of fixed assets	13,535		2,714	
Taxation paid	<u>3,800</u>			
		<u>(17,335)</u>		<u>(2,714)</u>
INCREASE IN WORKING CAPITAL		<u>4,831</u>		<u>11,846</u>
COMPONENTS OF INCREASE IN WORKING CAPITAL				
Debtors		8,024		(73,264)
Creditors falling due within one year		(742)		54,866
Movements in net liquid funds:				
Cash at bank and in hand	<u>(2,451)</u>		<u>30,244</u>	
		<u>(2,451)</u>		<u>30,244</u>
		<u>4,831</u>		<u>11,846</u>

The notes on pages 6 to 10 form part of these accounts

TRITON CONTAINER UK LIMITEDACCOUNTING POLICIESACCOUNTING POLICIES(a) Basis of preparation

The accounts have been prepared under the historical cost convention.

(b) Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows on a straight line basis:

Leasehold land and buildings	-	5 years
Fixtures and fittings	-	5 years
Office equipment	-	5 years

(c) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

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TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS

1. TURNOVER

Turnover represents amounts receivable from Triton Container International Limited in respect of services rendered under the licence agreement.

2. OTHER INTEREST RECEIVABLE

	<u>1988</u>	<u>1987</u>
	£	£
Deposit account interest	297	224

3. PROFIT BEFORE TAXATION

The profit on ordinary activities before taxation is stated after charging or crediting the following:

	<u>1988</u>	<u>1987</u>
	£	£
Depreciation and other amounts written off		
tangible and intangible fixed assets	9,661	8,009
Auditors' remuneration and expenses	1,000	1,000

4. STAFF NUMBERS AND COSTS

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	<u>1988</u>	<u>1987</u>
	No.	No.
Office and management	7	7

The aggregate payroll costs of these persons were as follows:

	<u>1988</u>	<u>1987</u>
	£	£
Wages and salaries	88,442	57,826
Social security costs	8,967	5,879
Other costs	4,938	553
	<u>102,347</u>	<u>64,258</u>

TRITON CONTAINER UK LIMITEDNOTES TO THE ACCOUNTS
(continued)5. TAXATION

Taxation based on the Profit for the
year of the company:
Corporation tax at 27.5% (1987: 25.5%)

1988	1987
£	£
3,598	2,100
CORPORATION TAX	CORPORATION TAX

6. INTANGIBLE FIXED ASSETS

Cost:

At 1st January, 1988 and
At 31st December, 1988

663

Amortisation:

At 1st January, 1988
Charge for year

188

132

At 31st December, 1988

320

Net book value at
31st December, 1988

343

Net book value at
31st December, 1987

475

Company
formation
costs
£

TRITON CONTAINER UK LIMITED

NOTES TO THE ACCOUNTS
(continued)

7. TANGIBLE FIXED ASSETS

	<u>Land and buildings</u>	<u>Fixtures and fittings</u>	<u>Office equipment</u>	<u>Total</u>
	£	£	£	£
Cost:				
At 1st January, 1988	7,683	1,995	30,672	40,350
Additions	-	3,396	10,139	13,535
At 31st December, 1988	<u>7,683</u>	<u>5,391</u>	<u>40,811</u>	<u>53,885</u>
Depreciation:				
At 1st January, 1988	2,066	561	7,717	10,344
Charge for year	<u>1,536</u>	<u>991</u>	<u>7,002</u>	<u>9,529</u>
At 31st December, 1988	<u>3,602</u>	<u>1,552</u>	<u>14,719</u>	<u>19,873</u>
Net book value at 31st December, 1988	<u>4,081</u>	<u>3,839</u>	<u>26,092</u>	<u>34,012</u>
Net book value at 31st December, 1987	<u>5,616</u>	<u>1,434</u>	<u>22,955</u>	<u>30,006</u>

The net book values of land and building comprises:

Short leasehold

8. DEBTORS

	<u>1988</u>	<u>1987</u>
	£	£
Amount owed by holding company	18,878	16,421
Other debtors	2,949	2,043
Prepayments and accrued income	11,085	7,336
Staff travel loan - repayable	912	-
	<u>33,824</u>	<u>25,800</u>

TRITON CONTAINER UK LIMITED

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NOTES TO THE ACCOUNTS
(continued)

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1988</u> £	<u>1987</u> £
Amount owed to holding company	51,386	52,886
Other creditors including taxation and social security:		
Corporation tax	5,398	3,600
Accruals and deferred income	8,435	6,193
	<u>65,219</u>	<u>62,679</u>

10. CALLED UP SHARE CAPITAL

	<u>1988</u> £	<u>1987</u> £
Authorised, issued, called up and fully paid: 2000 Ordinary shares of £1 each	2,000	2,000

11. ULTIMATE HOLDING COMPANY

The ultimate holding company is Triton Holdings.