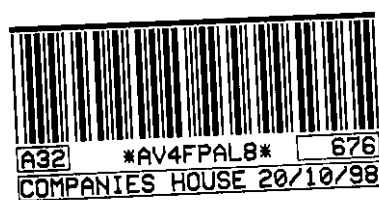


Triton Container UK Limited

Directors' report and financial statements

31 December 1997

Registered number 2027720



Directors' report and financial statements

Contents

Directors' report	1
Report of the auditors to the members of Triton Container UK Limited	3
Profit and loss account	4
Balance sheet	5
Notes	6

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1997.

Principal activities

The main activity of the company remains principally that of operating as an agent for Triton Container International Limited, a company registered in Bermuda with whom Triton Container UK Limited has a licence agreement.

Business review

The results for the year are shown on page 4 and the directors consider the results to be satisfactory.

Proposed dividend

The directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the year were:

MR Bennett
W Pabst
EP Schneider
J O'Callaghan - appointed on 1 August 1997

None of the directors who held office during the year had any disclosable interest in the shares of group companies.

Statement of directors' responsibilities

Company law 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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors have a general responsibility for 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

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

By order of the board



MR Bennett
Director



Arlington Business Park
Theale
Reading RG7 4SD

Report of the auditors to the members of Triton Container UK Limited

We have audited the financial statements on pages 4 to 10.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG 17/10/98

KPMG
Chartered Accountants
Registered Auditors

Profit and loss account

for the year ended 31 December 1997

	<i>Note</i>	1997 £	1996 £
Turnover	<i>1</i>	833,778	763,385
Administrative expenses		(778,093)	(698,873)
Other operating income		8,335	-
Trading profit		<u>64,020</u>	<u>64,512</u>
Other interest receivable and similar income	<i>5</i>	3,824	5,069
Profit on ordinary activities before taxation	<i>2-4</i>	<u>67,844</u>	<u>69,581</u>
Tax on profit on ordinary activities	<i>6</i>	(30,460)	(25,000)
Profit on ordinary activities after taxation		<u>37,384</u>	<u>44,581</u>
Retained profit brought forward		165,204	120,623
Retained profit carried forward		<u><u>202,588</u></u>	<u><u>165,204</u></u>

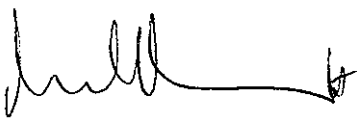
The profit and loss account contains the only gains and losses of the company for the current and prior year. All figures relate to continuing activities.

Balance sheet

at 31 December 1997

	<i>Note</i>	1997		1996	
		£	£	£	£
Fixed assets					
Tangible assets	7		129,375		15,702
Current assets					
Debtors	8	163,998		138,692	
Cash at bank and in hand		551		70,811	
		<u>164,549</u>		<u>209,503</u>	
Creditors: amounts falling due within one year	9	(89,336)		(58,001)	
Net current assets			75,213		151,502
Net assets			<u>204,588</u>		<u>167,204</u>
Capital and reserves					
Called up share capital	10	2,000		2,000	
Profit and loss account		202,588		165,204	
		<u>204,588</u>		<u>167,204</u>	

These financial statements were approved by the board of directors on 30/07/98 and were signed on its behalf by:



MR Bennett
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

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 on a straight line basis as follows:

Leasehold improvements	-	length of lease
Fixtures and fittings	-	5 years
Office equipment	-	3 years

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 taxation only to the extent that it is probable that an actual liability will crystallise.

Turnover

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

Cash flow statement

The company qualifies as a small company as defined by Sections 246 to 249 of the Companies Act 1985 and is accordingly exempt from preparing a cash flow statement as required by Financial Reporting Standard No.1.

Operating lease contracts

Expenditure on operating lease contracts is charged to the profit and loss account as incurred over the lease period.

Notes (continued)

2 Profit on ordinary activities before taxation

	1997 £	1996 £
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration:	2,800	2,550
Charges under operating leases	68,840	63,180
Depreciation	11,778	4,888
	<u> </u>	<u> </u>

3 Remuneration of directors

	1997 £	1996 £
Directors' emoluments:		
As directors	146,846	107,525
	<u> </u>	<u> </u>

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:

	1997	1996
Office and management	6	7
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	1997 £	1996 £
Wages and salaries	352,844	318,656
Social security costs	32,663	33,081
	<u> </u>	<u> </u>
	<u>385,507</u>	<u>351,737</u>

Notes (continued)

5 Other interest receivable

	1997 £	1996 £
Deposit account interest	3,824	5,069
	<u> </u>	<u> </u>

6 Taxation

	1997 £	1996 £
UK corporation tax at 33%/31% on the profit for the year on ordinary activities	31,000	25,000
Overprovision in respect of prior year	(540)	-
	<u>30,460</u>	<u>25,000</u>
	<u> </u>	<u> </u>

7 Tangible fixed assets

	Leasehold Improvements £	Office equipment £	Fixtures and fittings £	Total £
<i>Cost</i>				
At beginning of year	-	129,139	53,775	182,914
Additions	104,941	19,048	1,462	125,451
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At end of year	104,941	148,187	55,237	308,365
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Depreciation</i>				
At beginning of year	-	113,437	53,775	167,212
Charge for year	2,624	9,135	19	11,778
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At end of year	2,624	122,572	53,794	178,990
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Net book value</i>				
At 31 December 1997	102,317	25,615	1,443	129,375
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 1996	-	15,702	-	15,702
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes (continued)

8 Debtors

	1997	1996
	£	£
Amounts owed by group undertakings	85,019	114,618
Other debtors	62,132	4,969
Prepayments and accrued income	16,847	19,105
	<u>163,998</u>	<u>138,692</u>

9 Creditors: amounts falling due within one year

	1997	1996
	£	£
Bank overdraft	879	-
Trade creditors	41,919	1,222
Amounts owed to group undertakings	-	14,654
Corporation tax	31,000	25,000
Other taxation and social security	10,938	13,625
Accruals and deferred income	4,600	3,500
	<u>89,336</u>	<u>58,001</u>

10 Called up share capital

	1997	1996
	£	£
<i>Authorised, allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

11 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings	
	1997	1996
	£	£
Operating leases which expire:		
Over five years	149,268	63,180
	<u>149,268</u>	<u>63,180</u>

Notes *(continued)*

12 **Ultimate holding company**

The company is a subsidiary undertaking of Triton Holdings Limited, a company registered in Bermuda.

The largest group in which the results of the company are consolidated is that headed by Triton Holdings Limited. The consolidated accounts of this group are not available to the public.