

Company Registration Number :- 3425921

(S) KRONOPLUS LIMITED
(Formerly Astyne Limited)
REPORT AND FINANCIAL STATEMENTS

30th September 1998



KRONOPLUS LIMITED
(Formerly Astyne Limited)

REPORT AND FINANCIAL STATEMENTS 1998

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(Formerly Astyne Limited)

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OFFICERS AND PROFESSIONAL ADVISERS

Directors

M.M.Kaindl
L.W.Scheibltreiter
A.C.Bodicoat

Secretary

C.J.Ryan

Registered office

Maesgwyn Farm,
Chirk, Wrexham,
LL14 5NT

Auditors

Deloitte & Touche

DIRECTORS' REPORT

The directors submit their report and the audited balance sheet for the period from 28th August 1997 to 30th September 1998.

PRINCIPAL ACTIVITY

The business of the company will be the manufacture of value added chipboard and MDF products.

REVIEW OF THE BUSINESS

The company will start trading during the forthcoming financial year.

DIRECTORS

The directors of the company who served during the year and to date are shown below:

M.M.Kaindl (Austrian) (appointed 1st October 1997)
L.W.Scheibltreiter (Austrian) (appointed 1st October 1997)
A.C.Bodicoat (appointed 1st October 1997)
M.R.Aucott (appointed 28th August and resigned 1st October 1997)

None of the directors has any interest in the share capital of the company.

REGISTERED AUDITORS

A resolution to re-appoint Deloitte & Touche will be proposed at the forthcoming Annual General Meeting.

STATEMENT OF 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 as at the end of the period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgments and estimates that are reasonable and prudent;
- c) State whether applicable accounting standards have been followed;
- d) 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 keeping 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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

3rd December 1998

Maesgwyn Farm
Chirk,
Wrexham, LL14 5NT

By order of the board

C.J. Ryan



AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 and 5 which have been prepared under the accounting policies set out on page 5.

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 judgments 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.

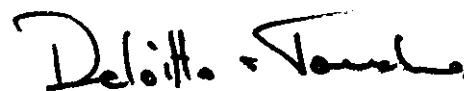
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 as at 30th September 1998 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Hill House
1 Little New Street
London, EC4A 3TR

4th December 1998



Deloitte & Touche

Chartered Accountants and
Registered Auditors

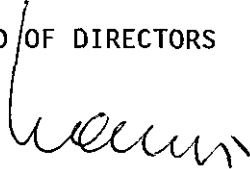
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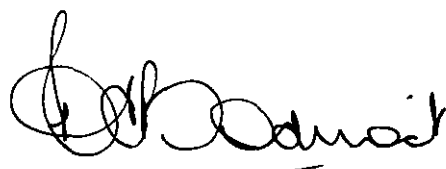
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BALANCE SHEET
30th September

	Note	1998 £'000
CURRENT ASSETS		
Due from group company		1,000
CAPITAL AND RESERVES		
Called up share capital	3	1,000
		1,000

APPROVED BY THE BOARD OF DIRECTORS


M.M. Kaindle


A.C. Bodicoat

3rd December 1998

NOTES TO THE ACCOUNTS
30th September 1998

1) ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policy adopted is described below.

(a) Accounting Convention

The financial statements are prepared under the historical cost convention.

2) PROFIT AND LOSS ACCOUNT

The company has not traded during either the current or previous year and consequently has made neither a profit or a loss, nor any other recognised gain or loss. A profit and loss account has therefore not been prepared.

3) CALLED UP SHARE CAPITAL

1998
£'000

Authorised, allotted and fully paid,
1,000,000 ordinary shares of £1 each.

1,000

1,000

4) ULTIMATE PARENT COMPANY

The immediate parent company is Kronospan Holdings Limited incorporated in England and Wales. That company prepares group accounts and copies of the financial statements are available from Companies House, Crown Way, Maindy, Cardiff.

The ultimate parent company is A.G. fuer Holzindustrie Triesen FL, incorporated in Liechtenstein.

5) EMPLOYEES AND DIRECTORS

There were no employees other than the directors. The directors received no remuneration during the period.