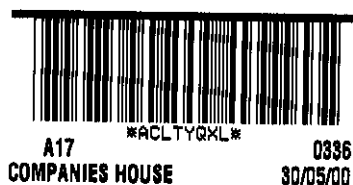


TORIN LIMITED

REPORT and ACCOUNTS

For the period of 52 weeks ended 31 July 1999

Registered No. 152477



TORIN LIMITED

DIRECTORS' REPORT

DIRECTORS

S. J. Diamond
L. F. Rutter
N. Tucker

The directors present their report and accounts for the period of 52 weeks ended 31 July 1999.

PRINCIPAL ACTIVITY

The company's principal activity during the period continued to be the design and manufacture of air movement equipment.

RESULTS AND DIVIDENDS

The Company did not trade on its own account during the period, but acted as unremunerated agent for Smiths Industries Industrial Group Limited, in whose accounts the results of these activities are reflected.

The directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The directors at 31 July 1999 and their interests in the share capital of Smiths Industries plc (all beneficially held by the directors and their families) were as follows:-

	At 31 July 1999 Ordinary shares	At 1 August 1998 Ordinary shares
S. J. Diamond	353	353
L. F. Rutter	1,253	-
N. Tucker	-	-

Options have been granted over the number of ordinary shares of Smiths Industries PLC, in the amounts shown below, under the terms of the Smiths Industries 1982 SAYE and Share Option Schemes, and the Deferred Share Scheme.

	<u>1.8.98</u>	<u>Granted</u>	<u>Exercised</u>	<u>31.7.99</u>
S. J. Diamond	1,457	-	-	1,457
L. F. Rutter	4,026	4,599	-	8,625
N. Tucker	2,914	-	-	2,914

Details of option exercise prices and dates are contained in the Report and Accounts of Smiths Industries PLC.

TORIN LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

PricewaterhouseCoopers will remain as auditor by virtue of an elective resolution passed on 4 March 1998.

By order of the board

A handwritten signature in black ink, appearing to be 'L. F. Rutter', written in a cursive style.

L. F. Rutter
28 September 1999
Greenbridge
Swindon
Wiltshire
SN3 3JB

TORIN LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial period 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 accounts, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- * prepare the accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS
to the members of Torin Limited

We have audited the accounts on pages 5 to 9, which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report, including as described on page 3 of the financial statements. Our responsibilities, as independent auditors, are established 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 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 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 July 1999, and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and
Registered Auditor
1 Embankment Place
London WC2N 6NN
28 September 1999

TORIN LIMITED**PROFIT AND LOSS ACCOUNT**
for the period of 52 weeks ended 31 July 1999

	Notes	52 weeks to 31 July 1999 £000	14 months to 1 August 1998 £000
TURNOVER	2	-	2,055
OPERATING EXPENSES	3	<u>-</u>	<u>(2,239)</u>
OPERATING LOSS	4	-	(184)
Interest payable and similar charges	7	<u>-</u>	<u>(7)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(191)
Taxation on profit on ordinary activities	8	<u>-</u>	<u>(58)</u>
LOSS FOR THE FINANCIAL YEAR		-	(249)
Dividends		<u>-</u>	<u>-</u>
RETAINED LOSS FOR THE FINANCIAL YEAR		<u><u>-</u></u>	<u><u>(249)</u></u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses for the period. (1998: loss £249,000)

The notes on pages 7 to 9 form part of these accounts.

TORIN LIMITED

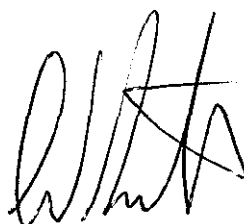
BALANCE SHEET

At 31 July 1999

	Notes	As at 31 July 1999 £000	As at 1 August 1998 £000
CURRENT ASSETS			
Debtors	9	2,469	2,469
CREDITORS: amounts falling due within one year		-	-
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,469</u>	<u>2,469</u>
CAPITAL AND RESERVES			
Called up share capital	10	2,000	2,000
Profit and loss account		469	469
Equity shareholders' funds		<u>2,469</u>	<u>2,469</u>

Approved by the Board on 28 September 1999

L. F. Rutter
Director



The notes on pages 7 to 9 form part of these accounts

TORIN LIMITED

NOTES TO THE ACCOUNTS

For the period of 52 weeks ended 31 July 1999

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and arises from goods produced in the United Kingdom. Turnover and profit on ordinary activities before taxation is attributable to one activity, the design and manufacture of air movement equipment.

An analysis of turnover by geographical market is as follows:

	52 weeks to 31 July 1999 £000	14 months to 1 August 1998 £000
United Kingdom	-	1,237
Europe	-	741
The Americas	-	71
Rest of the World	-	6
	<u>-</u>	<u>2,055</u>

3. OPERATING EXPENSES

	52 weeks to 31 July 1999 £000	14 months to 1 August 1998 £000
Change in stocks of finished goods and work in progress	-	51
Raw materials and consumables	-	964
Other external charges	-	324
Staff costs (note 6)	-	501
Depreciation	-	31
	<u>-</u>	<u>1,871</u>

TORIN LIMITED

NOTES TO THE ACCOUNTS

For the period of 52 weeks ended 31 July 1999

4. OPERATING PROFIT	52 weeks to	14 months to
	31 July	1 August
	1999	1998
	£000	£000

Operating profit is stated after charging: ..

Depreciation of owned fixed assets	-	31
Operating lease rentals - plant and machinery	-	4
Auditor's remuneration: - as auditors	-	1
Research and development expenditure written off	-	57
	<u>-</u>	<u>57</u>

5. DIRECTORS' REMUNERATION

Directors' emoluments were paid by Smiths Industries plc, the ultimate parent company.

6. STAFF COSTS	52 weeks to	14 months to
	31 July	1 August
	1999	1998
	£000	£000

Wages and salaries	-	443
Social security costs	-	39
Other pension costs	-	19
	<u>-</u>	<u>501</u>

The average weekly number of employees during the period was as follows:

	52 weeks to	14 months to
	31 July	1 August
	1999	1998
	No.	No.
Administration	-	11
Production	-	150
Marketing/sales/R&D	-	15
	<u>-</u>	<u>176</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES	52 weeks to	14 months to
	31 July	1 August
	1999	1998
	£000	£000

Foreign currency loss	<u>-</u>	<u>7</u>
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TORIN LIMITED**NOTES TO THE ACCOUNTS**

For the period of 52 weeks ended 31 July 1999

8.	TAX ON PROFIT ON ORDINARY ACTIVITIES	52 weeks to	14 months to
		31 July 1999 £000	1 August 1998 £000
	UK Corporation Tax at 30.67% (1998:31%)	-	58
		<hr/>	<hr/>
9.	DEBTORS: amounts falling due within one year	As at	As at
		31 July 1999 £000	1 August 1998 £000
	Trade debtors	-	1,878
	Amounts due from parent undertaking	2,469	1,600
	Prepayments	-	91
	Advance corporation tax	-	369
		<hr/>	<hr/>
		2,469	3,938
		<hr/>	<hr/>
10.	SHARE CAPITAL	Authorised, allotted called up and fully paid	
		As at 31 July 1999 £000	As at 1 August 1998 £000
	2,000,000 Ordinary Shares of £1 each	2,000	2,000
		<hr/>	<hr/>

11. PARENT COMPANY

The parent company of Torin Limited is Torin Holdings Limited, and its ultimate parent company is Smiths Industries plc, a company registered in England and Wales. Copies of the accounts of Smiths Industries plc, may be obtained from the Company Secretary, Smiths Industries plc, 765 Finchley Road, Childs Hill, London NW11 8DS.