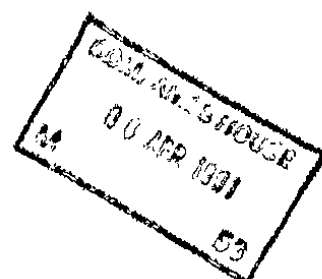


Company No. 362578

MIDLAND BANK TRUST COMPANY (HK) LIMITED

DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1990



MIDLAND BANK TRUST COMPANY (HK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1990

The Directors submit the audited accounts for the year ended 31 December 1990.

RESULTS AND DIVIDENDS

	£'000
Profit for the period available to shareholders	78
Dividend proposed	150
	<hr/>
Transfer from reserves	72
	<hr/>

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The principal activities of the company continue to be the administration of estates and trust funds. The company is continuing in operation as a wholly-owned subsidiary of Midland Bank Trust Company Limited.

DIRECTORS

Listed below are the names of all directors who served on the Board during the year under review:-

R G Heape (Chairman)
M D Allen
N Barker
P G Duckworth
N V Hogg
P A Renn

MIDLAND BANK TRUST COMPANY (HK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1990

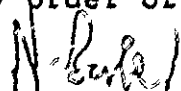
DIRECTORS' INTERESTS

All Directors' interests, which require disclosure in accordance with the requirements of the Companies Act 1985, are stated below.

Midland Bank plc

	Shares Held		No. of shares over which options granted/exercised between dates shown.	
	31.12.90	1.1.90		
			Granted	Exercised
M D Allen	1645	1553	648	-
N Barker	1541	966	864	456
P G Duckworth	4049	2727	1081	915
R G Heape	5311	4598	10000	-
P A Renn	2030	1917	-	-

By order of the Board



N Barker
Secretary
27/32 Poultry
London EC2P 2BX

22 February 1991

REPORT OF THE AUDITORS TO THE MEMBERS OF MIDLAND BANK TRUST
COMPANY (HK) LIMITED

We have audited the accounts on pages 4 to 8 in accordance with
Auditing Standards.

In our opinion the accounts give a true and fair view of the
state of affairs of the company at 31 December 1990 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.

Ernst & Young

Ernst & Young
Chartered Accountants
Southampton

22 February 1991

MIDLAND BANK TRUST COMPANY (HK) LIMITED

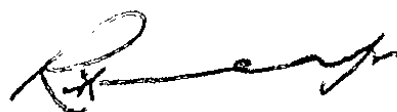
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1990

	NOTE	1990 £'000	1989 £'000
TURNOVER	1	87	80
Administrative Expenses		(21)	(21)
Interest receivable		54	112
		—	—
Profit on ordinary activities before taxation	2	120	171
Taxation	4	42	59
		—	—
Profit after taxation		78	112
Dividend	5	150	700
		—	—
Retained loss for the year		(72)	(588)
Retained profit brought forward		110	698
		—	—
Retained profit carried forward		38	110
		—	—

MIDLAND BANK TRUST COMPANY (HK) LIMITED

BALANCE SHEET AT 31 DECEMBER 1990

	NOTE	1990 £'000	1989 £'000
CURRENT ASSETS			
Balances with Midland Bank plc and its subsidiaries		354	993
CURRENT LIABILITIES			
Creditors - amounts falling due within one year	6	(216)	(783)
		<hr/>	<hr/>
NET CURRENT ASSETS		138	210
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		138	210
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Profit and loss account		38	110



)
) Director
)

<hr/>	<hr/>
138	210
<hr/>	<hr/>

11 February 1991

MIDLAND BANK TRUST COMPANY (HK) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31 DECEMBER 1990

	1990 £'000	1989 £'000
Profit on ordinary activities before taxation	120	171
	—	—
FUNDS APPLIED		
(Decrease)/Increase in working capital	(640)	106
Paid to fellow subsidiaries for group taxation relief.	60	65
Dividend Paid	700	-
	—	—
	120	171
	—	—
Arising from:		
(Decrease)/Increase in group company balances	(639)	106
Increase in other creditors	(1)	-
	—	—
	(640)	106
	—	—

MIDLAND BANK TRUST COMPANY (HK) LIMITED

NOTES ON THE ACCOUNTS

1 ACCOUNTING POLICIES

- (a) The accounts are prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards.

- (b) Turnover represents fees and commission received for the administration of trusts and settlements.
- (c) No account is taken in the balance sheet of assets held or liabilities incurred by the company on behalf of trusts or clients.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after (charging)/crediting the following:

	1990 £'000	1989 £'000
Net interest receivable from group companies	54	112

The income and expenditure of the company is largely determined by Midland Bank plc.

3 DIRECTORS EMOLUMENTS AND STAFF COSTS

The directors received no emoluments in respect of their services to the company.

The company does not have any direct employees. The directors and staff are all employees of Midland Bank plc.

4 TAXATION

The charge for corporation tax, at 35%, is based on the profit for the year. It is proposed that taxation liabilities will be discharged by surrender of losses by fellow subsidiaries.

5 DIVIDEND

	1990 £'000	1989 £'000
Proposed 60p per share (1989 - 280p per share)	150	700

MIDLAND BANK TRUST COMPANY (HK) LIMITED

NOTES ON THE ACCOUNTS

6 CREDITORS - amounts falling due within one year

	1990 £'000	1989 £'000
Amounts owed to group companies	21	20
Proposed dividend	150	700
Corporation Tax	42	60
Other creditors including taxation and social security	3	3
	<hr/> 216	<hr/> 783

7 CALLED UP SHARE CAPITAL

	1990 £	1989 £
Authorised - Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>
Allotted - Ordinary shares of £1 each, 40p paid	<u>100,000</u>	<u>100,000</u>

8 ULTIMATE HOLDING COMPANY

The ultimate holding company is Midland Bank plc, a company registered in England.

The results of Midland Bank Trust Company (HK) Limited are consolidated in the group accounts of Midland Bank plc, copies of which are available from the Company Secretary, Midland Bank plc, 27/32 Poultry, London EC2P 2BX.