

Company Registration No. 400002

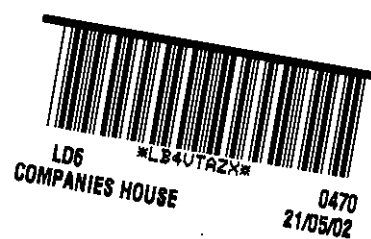
NAMPAK PLC

(FORMERLY PLYSU PLC)

Report and Financial Statements

30 September 2001

**Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR**



NAMPAK PLC (FORMERLY PLYSU PLC)

REPORT AND FINANCIAL STATEMENTS 2001

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NAMPAK PLC (FORMERLY PLYSU PLC)

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2001.

The company was acquired by Nampak Holdings (UK) Plc on 5 December 1999. As a result, the company's accounting period in the prior year was extended to 18 months to bring the accounting reference date into line with that of the ultimate parent company, Nampak Limited, a company incorporated in South Africa.

The company changed its name from Plysu plc to Nampak Plc on 1 April 2001.

PRINCIPAL ACTIVITIES AND FUTURE PROSPECTS

During the period the group's principal activities were in the areas of blow moulded plastic containers for use in the dairy, drinks, food, automotive, agrochemical, personnel care and general industrial markets; and in personal protection systems.

The group also has interests in the garden and housewares market for plastics products, during the prior year management had taken the decision during the period to strategically develop our position in packaging. As such the Brands portfolio was considered to be non-core to our future business. These interests have largely been disposed of during the year and it is expected the remaining business will cease to trade during the current year.

The company will continue to hold its other investment in its subsidiaries and to support its subsidiaries' activities in the manufacture and sale of plastic containers.

The group has continued to invest for greater efficiencies and will continue to look for expansion opportunities.

REVIEW OF DEVELOPMENTS

The retained loss for the period amounted to £7.5m (2000 – £1.1m profit).

DIVIDENDS

The directors do not recommend the payment of a dividend for the period (2000 – £nil).

FIXED ASSET VALUATION

Following a valuation on acquisition in December 1999 the directors are of the opinion that the value of the groups' land & buildings at that time was £40.3m, which is in excess of the net book value shown in the current financial statements. The valuation was undertaken by Fuller Peiser using existing use value, depreciated replacement cost and open market value, as appropriate to each of the sites.

DIRECTORS AND THEIR INTERESTS

The directors who held office during the period were and up to the date of this report are as follows:

Executive

SS Nobbs

ND Templeton Ward

JWC Sayers

RI Moore

GE Bortolan

JE Crick

RG Tomlinson (resigned 5 July 2001)

JD Oesch (appointed 5 July 2001)

The directors who held office at the year had no disclosable interests in the ordinary shares of the company or any other group company.

NAMPAK PLC (FORMERLY PLYSU PLC)

DIRECTORS' REPORT

RESEARCH AND DEVELOPMENT

Expenditure on research and development amounted to £0.2m in the year (2000 – £0.6m). All costs are written off to the profit and loss account as expenditure is incurred.

CREDITOR PAYMENT POLICY

The group does not follow a specific standard or code for the payment of suppliers. It agrees payment terms with its suppliers when it enters into purchase contracts. It then seeks to adhere to these arrangements providing it is satisfied that the supplier has provided the goods or services in accordance with agreed terms and conditions. The average creditor days outstanding at 30 September 2001 was 66 days (2000 – 65 days).

EMPLOYMENT OF DISABLED PEOPLE

The company is an equal opportunity employer and its policy is that disabled persons should be considered for all job vacancies and subsequent career and promotional opportunities, on the basis of aptitude and ability. The company continues to help with the retraining and rehabilitation of staff that become disabled during the course of employment.

EMPLOYEE PARTICIPATION

Staff consultation on issues affecting them and the business has continued to take place through quarterly briefing meetings as well as by formal and informal meetings with management.

AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Deloitte & Touche be appointed as auditors of the Company will be put to the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



ND Templeton Ward

Director

20 MAY 2002

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 the group as at the end of the financial year and of the profit or loss of the company and the group for that year. 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;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of financial control, for safeguarding the assets of the company and the group and to take reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NAMPAK PLC (FORMERLY PLYSU PLC)

We have audited the financial statements of Nampak Plc for the year ended 30 September 2001 which comprise the profit and loss account, the balance sheets, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' funds and the related notes 1 to 29. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

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 1985. We also report 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 with the company and other members of the group is not disclosed.

We read the directors' report contained in the annual report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 circumstances of the company and the group, 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 affairs of the company and the group as at 30 September 2001 and of the loss of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte and Touche

Chartered Accountants and Registered Auditors

Hill House

1 Little New Street

London

EC4A 3TR

21 May 2002

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 30 September 2001

	Note	Before exceptional items £m	Exceptional items (Note 5) £m	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
TURNOVER					
Continuing operations:					
Ongoing		142.1	-	142.1	222.4
Acquisitions		10.9	-	10.9	-
		<u>153.0</u>	<u>-</u>	<u>153.0</u>	<u>222.4</u>
Discontinued operations		6.8	-	6.8	18.0
GROUP TURNOVER	2	159.8	-	159.8	240.4
Cost of sales	3	<u>(121.9)</u>	<u>(6.2)</u>	<u>(128.1)</u>	<u>(176.1)</u>
Gross profit		37.9	(6.2)	31.7	64.3
Distribution costs	3	(13.8)	(0.1)	(13.9)	(21.8)
Administrative costs	3	<u>(19.4)</u>	<u>(2.1)</u>	<u>(21.5)</u>	<u>(37.7)</u>
OPERATING (LOSS)/PROFIT	4				
Continuing operations:					
Ongoing		7.9	(8.4)	(0.5)	9.0
Acquisitions		0.4	-	0.4	-
		<u>8.3</u>	<u>(8.4)</u>	<u>(0.1)</u>	<u>9.0</u>
Discontinued operations		(3.6)	-	(3.6)	(4.2)
GROUP OPERATING (LOSS)/PROFIT		4.7	(8.4)	(3.7)	4.8
Discontinued Operations					
Loss on sale of operations	10			(0.8)	-
OPERATING (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION				(4.5)	4.8
Interest payable and similar charges	8			<u>(3.7)</u>	<u>(4.1)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION				(8.2)	0.7
Tax credit on profit on ordinary activities	9			<u>0.7</u>	<u>0.5</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION				(7.5)	1.2
Minority interest				-	(0.1)
RETAINED (LOSS)/PROFIT	22			<u>(7.5)</u>	<u>1.1</u>

There is no material difference between the profit as reported above and that on an historical cost basis.

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
For the year ended 30 September 2001

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
(Loss)/profit on ordinary activities after taxation	(7.5)	1.1
Exchange gain/(loss) on foreign currency net investments	0.7	(2.2)
	<hr/>	<hr/>
Total recognised gains and losses for the financial year	(6.8)	(1.1)
	<hr/>	<hr/>

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
(Loss)/profit on ordinary activities after taxation	(7.5)	1.1
Other recognised gains and losses related to the year (net)	0.7	(2.2)
New share capital issued including share premium	20.0	0.6
	<hr/>	<hr/>
Net addition/(reduction) to shareholders' funds	13.2	(0.5)
Opening shareholders' funds	49.3	49.8
	<hr/>	<hr/>
Closing shareholders' funds	62.5	49.3
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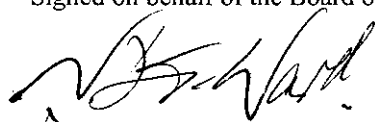
NAMPAK PLC

GROUP BALANCE SHEET 30 September 2001

	Note	£m	2001 £m	£m	2000 £m
FIXED ASSETS					
Intangible assets					
Goodwill	11	1.4		1.5	
Negative goodwill	11	-		(0.3)	
			1.4		1.2
Tangible assets	12		89.3		78.2
			90.7		79.4
CURRENT ASSETS					
Stocks	14	9.2		11.7	
Debtors	15	40.1		30.5	
Cash		8.4		5.1	
		57.7		47.3	
CREDITORS: amounts falling due within one year	16	(41.2)		(34.8)	
NET CURRENT ASSETS			16.5		12.5
TOTAL ASSETS LESS CURRENT LIABILITIES			107.2		91.9
CREDITORS: amounts falling due after more than one year	17		(39.7)		(37.6)
PROVISIONS FOR LIABILITIES AND CHARGES	19		(4.9)		(4.9)
NET ASSETS			62.6		49.4
CAPITAL AND RESERVES					
Called up equity share capital	21		4.9		4.9
Share premium account	22		21.5		1.5
Profit and loss account	22		36.1		42.9
			62.5		49.3
Minority interest			0.1		0.1
EQUITY SHAREHOLDERS' FUNDS			62.6		49.4

These financial statements were approved by the Board of Directors on 20 MAY 2002.

Signed on behalf of the Board of Directors


ND Templeton Ward
Director

NAMPAK PLC

COMPANY BALANCE SHEET

30 September 2001

	Note	£m	2001 £m	£m	2000 £m
FIXED ASSETS					
Goodwill	11	0.2		0.3	
Negative goodwill	11	-		(0.3)	
			0.2		-
Tangible assets	12		66.2		56.3
Investments	13		20.9		20.8
CURRENT ASSETS					
Stocks	14	5.1		7.7	
Debtors	15	43.4		31.3	
Cash		5.9		4.0	
		54.4		43.0	
CREDITORS: amounts falling due within one year	16	(34.1)		(28.4)	
NET CURRENT ASSETS / (LIABILITIES)			20.3		14.6
TOTAL ASSETS LESS CURRENT LIABILITIES			107.6		91.7
CREDITORS: amounts falling due after more than one year	17		(39.7)		(37.3)
PROVISIONS FOR LIABILITIES AND CHARGES	19		(4.4)		(4.5)
NET ASSETS			63.5		49.9
CAPITAL AND RESERVES					
Called up equity share capital	21		4.9		4.9
Share premium account	22		21.5		1.5
Merger reserve	22		1.7		1.7
Profit and loss account	22		35.4		41.8
Equity shareholders' funds			63.5		49.9

These financial statements were approved by the Board of Directors on 20 May 2002.

Signed on behalf of the Board of Directors


ND Templeton Ward

Director

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention, modified to include the revaluation of certain land and buildings and in accordance with Companies Act 1985.

Basis of consolidation

The group financial statements incorporate the financial statements of the company and all subsidiaries for the year ended 30 September 2001. Results of the subsidiaries are included in the group results from the effective date of acquisition and those of undertakings sold up to the effective date of disposal. Profits or losses on intra-group transactions are eliminated in full.

Goodwill

Up to and including 31 March 1998, purchased goodwill arising on consolidation, representing the excess of the fair value of the consideration over the fair value of the separable net assets acquired, was written off against the merger reserve on acquisition. Goodwill remains written off against reserves.

Since 1 April 1998, following the introduction of FRS10, which relates to goodwill and intangible assets, the accounting policy has been changed and purchased goodwill arising on acquisitions is capitalised and amortised over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition in other periods, if events or changes in circumstances indicate that the carrying value may not be recoverable.

Negative goodwill is included in the balance sheet and recognised in the profit and loss account in the period in which the acquired non monetary assets are recovered.

On a subsequent disposal or termination of a previously acquired business, the profit or loss on disposal or termination is calculated after charging the amount of any related goodwill not written off through the profit and loss account, including any previously taken to reserves.

Depreciation

Intangible and tangible fixed assets are depreciated over their estimated useful lives on the following basis:

Straight line basis

Freehold buildings	50 years
Plant and machinery	5 to 10 years
Moulds	2 to 5 years

Reducing balance basis

Motor vehicles	25% to 33%
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No depreciation is provided on freehold land.

Profits and losses on the sale of fixed assets which represent marginal adjustments to depreciation previously charged are included in the profit and loss account in the same place as their related depreciation.

In accordance with FRS 11 the directors consider the carrying value of fixed assets for impairment. Any reduction in value arising from the impairment of fixed assets is charged to the profit and loss account for the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods for resale, the average purchase price is used. For work in progress and finished goods, cost is taken as production cost which includes an appropriate proportion of overheads.

Deferred taxation

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounting and taxation purposes, which are expected to reverse in the future, calculated at the rate at which it is expected that tax will arise.

Foreign currencies

Transactions in foreign currency are recorded at the rates ruling at the dates of the transactions.

Monetary assets and liabilities in foreign currencies are translated at the exchange rate ruling at the balance sheet date or at rates specified in forward contracts where these are in place. These translation differences are dealt with through the profit and loss account with the exception of differences on foreign currency borrowing, to the extent that they are used to finance foreign equity investments, which are taken directly to reserves together with the exchange difference on the carrying amount of the related investments.

Group

For consolidation purposes, attributable profits of overseas subsidiaries are translated into sterling at the average rate for the year and their assets and liabilities are translated at the rate ruling at the balance sheet date. The exchange differences arising are taken directly to reserves.

Pension costs

The group operates both defined benefit and defined contribution schemes, the assets of which are held independently from the group. Contributions paid to the defined benefit schemes are charged to the profit and loss account so as to spread the cost of pensions over employees' average working lives with the group.

Contributions paid to defined contribution schemes are charged against profits as incurred.

Research and development

The research and development costs of new products and services are written off in the year of expenditure except for projects where recovery is reasonably certain, in which case development costs may be capitalised and amortised over the period expected to benefit from the development.

Operating leases

Operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

2. TURNOVER AND OPERATING ASSETS

Turnover comprises the value of sales (excluding sales taxes and net of discounts) of goods and services in the normal course of business. Turnover is derived from the group's principal activity of the manufacture of plastic containers and other products for industrial and domestic use.

Geographical segments 2001	United Kingdom £m	Rest of Europe £m	Rest of World £m	Group £m
Turnover by destination:				
Continuing	109.1	43.4	0.5	153.0
Discontinuing	6.6	0.2	-	6.8
	<u>115.7</u>	<u>43.6</u>	<u>0.5</u>	<u>159.8</u>
Turnover by origin:				
Continuing operations				
Total sales	114.8	42.5	-	157.3
Inter-country	(4.1)	(0.2)	-	(4.3)
	<u>110.7</u>	<u>42.3</u>	<u>-</u>	<u>153.0</u>
Discontinued operations	6.8	-	-	6.8
	<u>117.5</u>	<u>42.3</u>	<u>-</u>	<u>159.8</u>
Net assets				
Continuing operations	62.0	32.9	-	94.9
Discontinued operations	0.9	-	-	0.9
	<u>62.9</u>	<u>32.9</u>	<u>-</u>	<u>95.8</u>
Unallocated net assets				(33.2)
Total net assets				<u>62.6</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

2. TURNOVER AND OPERATING ASSETS(continued)

Geographical segments 2000	United Kingdom £m	Rest of Europe £m	Rest of World £m	Group £m
Turnover by destination:				
Continuing	157.2	64.6	0.6	222.4
Discontinuing	16.8	1.1	0.1	18.0
	<u>174.0</u>	<u>65.7</u>	<u>0.7</u>	<u>240.4</u>
Turnover by origin:				
Continuing operations				
Total sales	160.8	66.2	0.7	227.7
Inter-country	(4.8)	(0.5)	-	(5.3)
	<u>156.0</u>	<u>65.7</u>	<u>0.7</u>	<u>222.4</u>
Discontinued operations	18.0	-	-	18.0
	<u>174.0</u>	<u>65.7</u>	<u>0.7</u>	<u>240.4</u>
Net assets				
Continuing operations	51.1	27.0	-	78.1
Discontinued operations	4.7	-	-	4.7
	<u>55.8</u>	<u>27.0</u>	<u>-</u>	<u>82.8</u>
Unallocated net assets				(33.4)
Total net assets				<u>49.4</u>

Results by geographical segment have not been disclosed as, in the opinion of the directors, this would be seriously prejudicial to the interests of the group.

3. COST OF SALES AND OPERATING EXPENSES

	Twelve months to 30 September 2001			Eighteen months to 30 September 2000		
	Continuing £m	Discontinued £m	Total £m	Continuing £m	Discontinued £m	Total £m
Cost of sales	120.9	7.2	128.1	160.1	16.0	176.1
Distribution costs	13.1	0.8	13.9	20.1	1.7	21.8
Administrative expenses	19.1	2.4	21.5	33.2	4.5	37.7
	<u>153.1</u>	<u>10.4</u>	<u>163.5</u>	<u>213.4</u>	<u>22.2</u>	<u>235.6</u>

The total figures for continuing operations in the current year include the following amounts relating to the acquisition of the trade and assets of Blowmopan Polysystems Limited: cost of sales £8.9m, distribution costs £1.1m and administrative expenses £0.5m.

NAMPAK PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

4. OPERATING (LOSS)/PROFIT

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
This is stated after charging/(crediting)		
Depreciation on tangible fixed assets – owned	14.1	13.8
Auditors' remuneration:		
Audit fees – company £0.1m (2000 – £0.1m)	0.1	0.1
Non-audit fees to the auditors and their associates – company £0.1m (2000 – £0.1m)	0.1	0.1
Non-audit fees to other auditors– company £nil (2000 – £0.2m)	-	0.3
Rentals under operating leases		
Hire of plant and machinery	0.1	0.1
Other	0.7	0.4
Research and development	0.2	0.6
Amortisation of goodwill	0.2	0.3
Amortisation of negative goodwill	(0.3)	(0.1)
Exceptional costs (note 5)	8.4	7.2
	<u>8.4</u>	<u>7.2</u>

5. EXCEPTIONAL

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
Costs of reorganisation		
Cost of sales	6.2	1.3
Distribution costs	0.1	-
Administrative expenses	2.1	5.9
	<u>8.4</u>	<u>7.2</u>

As a result of the group's acquisition of Plysu Plc, a strategic review was performed of the combined operations of Plysu Plc and BlowMocan Polysystems Limited. This has resulted in a reorganisation of the group's operations. Of the charge for the year, £0.2m is included within provisions at the year end date.

The tax effect of these exceptional items in 2001 was a deferred tax credit of £0.9m.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2001

6. DIRECTORS' EMOLUMENTS

	Twelve months to 30 September 2001 £'000	Eighteen months to 30 September 2000 £'000
The remuneration of the directors was as follows:		
Salary	601	628
Bonus	44	1,740
Benefits	43	61
Pension contributions	33	98
	<hr/>	<hr/>
	721	2,527
Non-executive director fees	-	129
	<hr/>	<hr/>
	721	2,656
	<hr/>	<hr/>
Highest paid Director's emoluments	271	880
Highest paid Director's pension contribution	11	11
	<hr/>	<hr/>
	282	891
	<hr/>	<hr/>

Four directors are members of a defined benefit scheme (2000 – four).

7. STAFF COSTS

Information regarding the group's employees is as follows:

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
Wages and salaries	36.3	57.1
Social security costs	4.1	6.4
Other pension costs (see note 27)	1.8	1.9
	<hr/>	<hr/>
	42.2	65.4
	<hr/>	<hr/>
	Number	Number
Average number of employees of the group:	1,848	2,115
	<hr/>	<hr/>

NAMPAK PLC

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 September 2001

8. INTEREST PAYABLE AND SIMILAR CHARGES

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
Interest payable and similar charges:		
On bank loans and overdrafts	0.5	2.2
Intergroup loans	3.2	1.9
	<u>3.7</u>	<u>4.1</u>

9. TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
UK corporation tax at 30% (2000 – 30%)	-	2.0
Prior year adjustment	(0.1)	-
Group relief	-	(1.0)
Overseas taxation	(0.1)	(0.5)
Deferred taxation	0.9	-
	<u>0.7</u>	<u>0.5</u>

10. DISPOSAL

	Twelve months to 30 September 2001 £m	Eighteen months to 30 September 2000 £m
Net assets disposed of :		
Fixed assets	0.6	-
Stock	1.6	-
	<u>2.2</u>	<u>-</u>
Costs of disposal	0.2	-
	<u>2.4</u>	<u>-</u>
Proceeds	1.6	-
	<u>(0.8)</u>	<u>-</u>

Management had taken the decision during the period to strategically develop our position in packaging. As such the Brands portfolio was considered to be non-core to our future business. The decision was therefore taken to dispose of this interest, this has been largely completed during the year and will be completed during the next financial year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

11. INTANGIBLE FIXED ASSETS

	Goodwill £m	Negative goodwill £m	Total goodwill £m
Group			
Cost			
At 1 October 2000	1.9	(0.6)	1.3
Exchange rate adjustments	0.1	-	0.1
At 30 September 2001	2.0	(0.6)	1.4
Amortisation			
At 1 October 2000	(0.4)	0.3	(0.1)
Charge for year	(0.2)	0.3	0.1
At 30 September 2001	(0.6)	0.6	-
Net book value			
At 30 September 2001	1.4	-	1.4
At 30 September 2000	1.5	(0.3)	1.2
Company			
Cost			
At 1 October 2000 and 30 September 2001	0.5	(0.6)	(0.1)
Amortisation			
At 1 October 2000	(0.2)	0.3	0.1
Charge for year	(0.1)	0.3	0.2
At 30 September 2001	(0.3)	0.6	0.3
Net book value			
At 30 September 2001	0.2	-	(0.2)
At 30 September 2000	0.3	(0.3)	-

Goodwill is being amortised as follows:

- goodwill arising on the acquisition of the fixed assets and business of the bottling and packaging division of Body Shop International is being amortised evenly over the directors' estimate of its useful economic life of six years;
- goodwill arising on the acquisition of Plastica Balear S.A. is being amortised evenly over the directors' estimate of its useful economic life of ten years; and
- negative goodwill arising on the acquisition of net assets and business of BP Chemicals' Bottles and Closures business (part of BXL Plastics Ltd) is being released in line with the depreciation or sale of non monetary assets to which it relates.

NAMPAK PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

12. TANGIBLE FIXED ASSETS

Group	Land & buildings			Plant and machinery £m	Total £m
	Freehold £m	Long leasehold £m	Short leasehold £m		
Cost or valuation					
At 1 October 2000	31.1	-	-	158.4	189.5
Exchange rate adjustments	0.5	-	-	1.6	2.1
Additions	0.3	-	-	11.1	11.4
Acquisition	5.2	0.7	0.5	21.8	28.2
Disposal of operation	-	-	-	(2.9)	(2.9)
Disposals	(0.4)	-	-	(9.1)	(9.5)
At 30 September 2001	36.7	0.7	0.5	180.9	218.8
Depreciation					
At 1 October 2000	7.1	-	-	104.2	111.3
Exchange rate adjustments	0.1	-	-	1.0	1.1
Charge for year	0.6	-	-	13.5	14.1
Acquisition	-	-	0.5	12.3	12.8
Disposal of operation	-	-	-	(2.3)	(2.3)
Disposals	(0.1)	-	-	(7.4)	(7.5)
At 30 September 2001	7.7	-	0.5	121.3	129.5
Net book value					
At 30 September 2001	29.0	0.7	-	59.6	89.3
At 30 September 2000	24.0	-	-	54.2	78.2

Included within fixed assets are non depreciable assets:

Group	2001 £m	2000 £m
Land and buildings	12.2	6.2
Plant and machinery in the process of commissioning	11.7	9.5
	23.9	15.7

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2001

12. TANGIBLE FIXED ASSETS (continued)

Company	Land & buildings			Plant and machinery	Total
	Freehold	Long leasehold	Short leasehold		
Cost or valuation					
At 1 October 2000	20.2	-	-	119.0	139.2
Additions	0.1	-	-	8.1	8.2
Acquisition	5.2	0.7	0.5	21.7	28.1
Intra-group transfers	-	-	-	(0.5)	(0.5)
Disposal of operation	-	-	-	(2.9)	(2.9)
Disposals	(0.4)	-	-	(8.0)	(8.4)
At 30 September 2001	25.1	0.7	0.5	137.4	163.7
Depreciation					
At 1 October 2000	3.6	-	-	79.3	82.9
Charge for year	0.4	-	-	10.8	11.2
Acquisition	-	-	0.5	12.3	12.8
Intra-group transfers	-	-	-	(0.3)	(0.3)
Disposal of operation	-	-	-	(2.3)	(2.3)
Disposals	(0.1)	-	-	(6.7)	(6.8)
At 30 September 2001	3.9	-	0.5	93.1	97.5
Net book value					
At 30 September 2001	21.2	0.7	-	44.3	66.2
At 30 September 2000	16.6	-	-	39.7	56.3

Included within fixed assets are non depreciable assets:

Company	2001 £m	2000 £m
Land and buildings	9.9	4.1
Plant and machinery in the process of commissioning	8.9	3.9
	18.8	8.0

Details of revalued assets of the group and company are as follows:

Group and company	2001 £m	2000 £m
Land and buildings at 1978 open market valuation	2.9	2.9
Aggregate depreciation thereon	(0.9)	(0.9)
Net book value at 30 September 2001	2.0	2.0
Historical cost and revalued assets	1.4	1.4
Aggregate depreciation based thereon	(0.7)	(0.7)
Net book value based on historical cost at 30 September 2001	0.7	0.7

NAMPAK PLC

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

13. INVESTMENTS HELD AS FIXED ASSETS

Company	Shares in subsidiary undertakings £m	Loans to subsidiary undertakings £m	Total £m
At 1 October 2000	17.6	3.2	20.8
Exchange rate adjustments	-	0.1	0.1
At 30 September 2001	17.6	3.3	20.9

Subsidiaries

Manufacture and sale of moulded plastics containers	Country of incorporation	Sale of moulded plastics, housewares and garden products	Country of incorporation
Nampak Halfweg B.V.	Netherlands	Plysu Brands Limited	Great Britain
Nampak Kerkrade B.V.	Netherlands		
Nampak Gent N.V.	Belgium	Sale of plastics closures	
Nampak Montpont S.A.	France	Menshen Packaging Limited†	Great Britain
Plysu Envases Alimentarios S.L. Φ	Spain		
Sale of moulded plastics containers		Dormant companies	
Plysu Containers Limited	Great Britain	AMK Plastics Limited	Great Britain
Nampak Belgium N.V.	Belgium	Thermakeep Plastics Limited	Great Britain
Nampak France S.A.	France	Paklite Limited	Great Britain
Nampak Deutschland GmbH	Germany	Simon Renfrew Containers Limited	Great Britain
Sale of plastics protection system		Overseas holding company	
Plysu Protection Systems Limited	Great Britain	Nampak Continental Holdings B.V.	Netherlands

All companies are wholly owned and operate principally in their country of incorporation. All non-UK subsidiaries are owned by Nampak Continental Holdings B.V. with the exception of Nampak Montpont S.A. which is owned by Nampak France S.A.. All companies draw up their accounts to 30 September with the exception of Menshen Packaging Limited, which draws up accounts to 31 March.

† The group owns 50% of the ordinary share capital of Menshen Packaging UK Limited.

Φ There is a 4% minority interest in Plysu Envases Alimentarios S.L.

14. STOCKS

	Group 2001 £m	2000 £m	Company 2001 £m	2000 £m
Raw materials and consumables	4.6	6.2	2.4	3.9
Work in progress	0.3	0.5	0.2	0.5
Finished goods	4.3	5.0	2.5	3.3
	9.2	11.7	5.1	7.7

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

15. DEBTORS

	Group		Company	
	2001	2000	2001	2000
	£m	£m	£m	£m
Trade debtors	28.3	25.7	16.4	4.1
Amounts owed by group undertakings	5.5	-	22.7	23.3
Other debtors	4.2	3.1	2.9	2.6
Prepayments and accrued income	2.1	1.7	1.4	1.3
	<u>40.1</u>	<u>30.5</u>	<u>43.4</u>	<u>31.3</u>

Included within group other debtors and group prepayments are amounts due after more than one year of £0.2m (2000 – £0.2m) and £0.9m (2000 – £0.1m) respectively.

Included within the company other debtors and company prepayments are amounts due after more than one year of £nil (2000 – £0.3m) and £0.9m (2000 – £0.1m) respectively.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2001	2000	2001	2000
	£m	£m	£m	£m
Trade creditors	27.8	21.9	19.5	14.5
Amounts due to group undertakings	1.1	2.3	4.8	5.6
Other taxes and social security	3.8	3.7	3.1	3.1
Corporation tax	1.8	1.3	0.2	0.8
Other creditors and accruals	7.7	5.6	6.5	4.4
	<u>41.2</u>	<u>34.8</u>	<u>34.1</u>	<u>28.4</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2001	2000	2001	2000
	£m	£m	£m	£m
Bank loans	9.1	7.4	9.1	7.1
Loans from parent undertaking	30.6	30.0	30.6	30.0
Other creditors and accruals	-	0.2	-	0.2
	<u>39.7</u>	<u>37.6</u>	<u>39.7</u>	<u>37.3</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

18. ANALYSIS OF LOANS

	Group		Company	
	2001	2000	2001	2000
	£m	£m	£m	£m
Within one year				
Bank loans and overdrafts	-	-	-	-
After one and within two years				
Bank loans	9.1	0.3	9.1	-
After two and within five years				
Bank loans	-	7.1	-	7.1
Loans from parent undertaking	30.6	30.0	30.6	30.0
	<u>39.7</u>	<u>37.4</u>	<u>39.7</u>	<u>37.1</u>

Included with bank loans is a peseta loan facility provide by Barclays Bank of £9.1m (2000 - £7.1m), which is unsecured and is repayable in full by December 2002. The group has no secured borrowings (2000 - £nil).

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group	Deferred taxation provisions £m	Pensions £m	Other £m	Total £m
At 1 October 2000	3.5	0.9	0.5	4.9
On acquisition	-	-	0.2	0.2
(Released) /charged to profit and loss account	(0.9)	0.8	0.5	0.4
Utilised	-	-	(0.6)	(0.6)
At 30 September 2001	<u>2.6</u>	<u>1.7</u>	<u>0.6</u>	<u>4.9</u>
Company	Deferred taxation provisions £m	Pensions £m	Other £m	Total £m
At 1 October 2000	3.3	0.7	0.5	4.5
On acquisition	-	-	0.2	0.2
(Released) /charged to profit and loss account	(0.8)	0.8	0.3	0.3
Utilised	-	-	(0.6)	(0.6)
At 30 September 2001	<u>2.5</u>	<u>1.5</u>	<u>0.4</u>	<u>4.4</u>

Pensions provision relates to SSAP24 (note 27).

Other provisions relate to contractually committed losses and reorganisation expenditure.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2001

20. DEFERRED TAXATION

Group	2001		2000	
	Provided £m	Unprovided £m	Provided £m	Unprovided £m
Accelerated capital allowances	2.6	-	3.5	-
<hr/>				
Company	2001		2000	
	Provided £m	Unprovided £m	Provided £m	Unprovided £m
Accelerated capital allowances	2.5	-	3.3	-

No provision is made for taxation, which would arise in the event of the distribution of the retained profits of overseas subsidiaries unless such a distribution is proposed.

21. CALLED UP SHARE CAPITAL

	2001 £m	2000 £m
Authorised		
54,000,000 (2000 – 54,000,000) ordinary shares of 10 pence each	5.4	5.4
<hr/>		
Allotted, called up and fully paid		
48,630,280 (2000 – 48,610,280) ordinary shares of £0.1 each	4.9	4.9
<hr/>		
	Total nominal value £	Share premium £m
	No.	
Shares issued during the year were:		
Ordinary shares of £0.1 each	20,000	20

The company's adjusted share price for the capital gains tax purposes on 31 March 1982 was 35.97p before indexation.

22. RESERVES

Group	Share premium account £m	Profit and loss account £m	Total £m
At 1 October 2000	1.5	42.9	44.4
Retained loss for the year	-	(7.5)	(7.5)
Issue of ordinary shares	20.0	-	20.0
Currency translation differences on foreign currency	-	0.7	0.7
<hr/>			
At 30 September 2001	21.5	36.1	57.6

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

22. RESERVES (continued)

Company	Share premium account £m	Merger reserve £m	Profit and loss account £m	Total £m
At 1 October 2000	1.5	1.7	41.8	45.0
Retained profit for the year	-	-	(6.4)	(6.4)
Issue of ordinary shares	20.0	-	-	20.0
Exchange movement on loans	-	-	-	-
At 30 September 2001	21.5	1.7	35.4	58.6

The cumulative amount of goodwill written off resulting from acquisitions made up until 31 March 1998 was £13.1m of which the amount relating to subsidiary undertakings was £10.4m. Goodwill on acquisitions made after 31 March 1998 is carried in the balance sheet and dealt with as set out in the goodwill accounting policy note.

23. PROFIT OF PARENT COMPANY

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's result for the financial year amounted to a loss of £6.4m (2000 – £0.1m profit).

24. ACQUISITIONS

Acquisitions in the year

Company and Group

On the 31 March 2001 the trade and assets of Blowmopan Polysystems Limited a fellow subsidiary undertaking of the company's parent undertaking Nampak Holdings (UK) plc were hived across into the company and group as part of the restructuring of the group's European operations.

Details of the asset transferred are analysed as follows:

	£m
Tangible fixed assets	15.4
Stock	0.4
Debtors	2.7
Creditors	(6.6)
Provisions	(0.2)
	11.7
Proceeds	11.7
Profit on transfer of trade	-

The results of the company for the six months prior to the hive across were profit after tax of £0.5m after reorganisation expenditure of £0.2m. Results for the year ended 30 September 2000 were profit after tax of £0.3m after reorganisation expenditure of £1.0m.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

24. ACQUISITIONS (continued)

Company

On the 1 October 2001 the trade and assets of Plysu Containers Limited were hived up into its parent undertaking Nampak plc as part of the restructuring of group's European operations.

	£m
Debtors	10.9
	<hr/>
	10.9
Proceeds	10.9
	<hr/>
Profit on transfer of trade	-
	<hr/>

The results for the company for the eighteen months ended 30 September 2001 were profit after tax of £10k.

25. CAPITAL COMMITMENTS

	Group		Company	
	2001	2000	2001	2000
	£m	£m	£m	£m
Contracted for but not provided for in the financial statements	5.7	6.8	4.8	4.8
	<hr/>	<hr/>	<hr/>	<hr/>

26. OPERATING LEASE COMMITMENTS

	Group		Company	
	2001	2000	2001	2000
	£m	£m	£m	£m
Plant and machinery which expire:				
Between two and five years	0.1	0.1	0.1	0.1
	<hr/>	<hr/>	<hr/>	<hr/>
Land and buildings which expire:				
Within one year	0.1	0.4	0.1	0.4
Between two and five years	0.3	0.2	0.3	0.2
	<hr/>	<hr/>	<hr/>	<hr/>
	0.4	0.6	0.4	0.6
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

27. PENSION COSTS

The total cost to the group of its pensions arrangements was £1.8m (2000 – £1.3m). These costs arose as follows:

UK defined benefit schemes

Costs have been assessed in accordance with SSAP24. The contributions and pension cost are determined by an independent qualified actuary on the basis of triennial valuations using the projected unit credit method of valuation. The most recent valuations were at 1 April 2000. The assumptions which have the most significant effect on the results of the valuations are those relating to the rate of return on investments and the rates of increase in salaries and pensions.

The following assumptions were used for the purpose of the pension cost calculations;

	Nampak plc Staff Pension Plan	Nampak plc Pension Plan
Rate of increases in salaries	5.0%	4.5%
Rate of increase in pensions in payment	3.0%	3.0%
Rate of revaluation of deferred pensions in excess of the GMP	3.0%	3.0%
Discount rate	6.25%	6.25%
Inflation assumption	3.0%	3.0%

The most recent actuarial valuations for SSAP24 purposes showed that the aggregate market value of the schemes' assets was £54.5m and that the actuarial value of those assets (£46.9m) represented 125% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The pension cost for the year for the two plans amounted to £1.3m (2000 – £1.5m). Contributions of £0.5m (2000 £1.2m) were made by the group for these two plans. Amounts included in respect of pensions are £1.5m (2000 £0.7m) in provisions for liabilities and charges.

The assets in the scheme and the expected rate of return as required under FRS 17:

	Expected rate of return	Total £m
Equities	7.5%	30.2
Bonds	5.0%	8.1
Other	4.5%	3.8
		<hr/>
Total market value of assets		42.1
Present value of scheme liabilities		(49.2)
		<hr/>
Net pension liability		(7.1)
Related deferred tax asset		2.1
		<hr/>
Net pension deficit		(5.0)
		<hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

27. PENSION COSTS (continued)

If FRS 17 had been adopted in these financial statements, the Group's net assets and profit and loss reserve as at 30 September 2001 would have been as follows:

	£m
Net assets excluding pension liability	62.6
Pension liability	(5.0)
	<hr/> 57.6
Less: SSAP 24 items included in net assets that will be reversed on implementation of FRS 17	<hr/> 1.5
Net assets on FRS 17 basis	<hr/> 59.1 <hr/>
	£m
Profit and loss reserve excluding pension liability	36.1
Pension liability	(5.0)
	<hr/> 31.1
Less: SSAP 24 items included in net assets that will be reversed on implementation of FRS 17	<hr/> 1.5
Profit and loss reserve on FRS 17 basis	<hr/> 32.6 <hr/>

The disclosed pension scheme liability of £7.1m has been calculated in accordance with the requirements of the accounting standard FRS 17 as published by the Accounting Standards Board in December 2000. This standard requires pension scheme funding levels to be assessed using a number of prescribed assumptions. The disclosed position is specific to the accounting date and the same calculation carried out on a different date (even in close proximity), can lead to volatile funding level differences. Given the exact date of these calculations and the position of stock markets at the end of September 2001, we believe that the figures must be viewed against this background.

This volatility arises because, like many other pension schemes, the Trustees invest predominantly in equities, in the expectation that, over the long term, superior returns can be obtained compared to investment in, say, bonds. However the liabilities are assessed having regard to the returns available on high quality corporate bonds. This means that the assets and liabilities can often behave very differently leading to volatile funding level changes (up and down) at successive accounting dates. The latest accounting year was one where equities performed very poorly compared to corporate bonds.

The company, in conjunction with the Trustess of both pension plans, regularly reviews investment performance and strategy to ensure these have regard to appropriate funding objectives.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2001

27. PENSION COSTS (continued)

UK defined contribution schemes

The group continues to operate defined contribution schemes for the benefit of the employees. The assets of the scheme are held in a fund independent from those of the company. The pension costs were £0.2m (2000 – £0.3m).

Overseas schemes

There are five overseas schemes in force, targeting benefits based upon final pensionable pay, with contributions being charged to the profit and loss account in order to spread the cost of pensions over the employees' average working lives with the group.

The guaranteed benefits are funded through insurance contracts. Any future surpluses which arise from these benefits will be used to reduce the group's contributions. The pension cost for these schemes was £0.3m (2000 - £0.2m). Amounts included in respect of pensions are £0.2m (2000 – £0.2m) in provisions for liabilities and charges.

Group

Amounts included in the balance sheet in respect of pensions are £1.7m (2000 - £0.9m) in provisions for liabilities and charges.

28. RELATED PARTY DISCLOSURE

The company has taken advantage of the exemption granted by paragraph 3 (c) of Financial Reporting Standard 8 not to disclose related party transactions with Nampak group companies.

29. ULTIMATE PARENT COMPANY

The immediate parent company and controlling entity, and the parent of the smallest group is Nampak Holdings (UK) PLC, a company incorporated in Great Britain and registered in England and Wales.

The ultimate parent company and controlling entity, and the parent of the largest group is Nampak Limited, a company incorporated in South Africa. Copies of the group financial statements are available from Nampak Limited, PO Box 784324, Sandton 2146, South Africa.