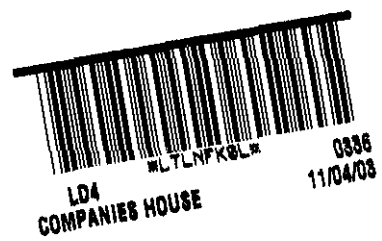


NAMPAK PLC

Report and Financial Statements

30 September 2002

**Deloitte & Touche
London**



REPORT AND FINANCIAL STATEMENTS 2002**CONTENTS****Page**

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DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2002.

PRINCIPAL ACTIVITIES

The group's principal activities are 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.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The retained profit for the year amounted to £4.9m (2001 – £7.5m loss).

The group also had interests in the garden and housewares market for plastic products. During the current and prior year these interests were disposed of as management had taken the decision to strategically develop the groups position in packaging. As such the results of the Brands portfolio are included as discontinued activities.

Subsequent to the balance sheet date, the entire interest held in two subsidiaries, Plysu Protection Systems Limited and Nampak Iberica S.L., were sold by way of management buy-out. The effective dates of the respective disposals were 8 January 2003 and 18 March 2003.

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

DIVIDENDS

The Directors do not recommend the payment of a dividend for the period (2001 – £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 throughout the period (except as noted), and to the date of the report were as follows:

Executive

SS Nobbs	(resigned 30 June 2002)
ND Templeton Ward	(resigned 1 January 2003)
JWC Sayers	
RI Moore	
GE Bortolan	
JE Crick	
JD Oesch	
T Evans	

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

DIRECTORS' REPORT (continued)**RESEARCH AND DEVELOPMENT**

Expenditure on research and development amounted to £0.2m in the year (2001 - £0.2m). All costs are written off to the profit and loss 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 2002 was 63 days (2001 - 66 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.

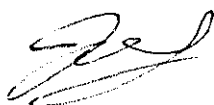
EMPLOYEE PARTICIPATION

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



JD Oesch
Secretary

1 April 2003

120 Station Road
Woburn Sands
Milton Keynes
MK17 8SE

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 period and of the profit or loss of the group 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;
- 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 internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NAMPAK PLC

We have audited the financial statements of Nampak Plc for the year ended 30 September 2002 which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the reconciliation of movements in consolidated shareholders' funds, the balance sheets and the related notes 1 to 30. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of 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 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 and the group's affairs as at 30 September 2002 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**Deloitte & Touche**

Chartered Accountants and
Registered Auditors
London

3.4. 2003

CONSOLIDATED PROFIT AND LOSS ACCOUNT
For the year ended 30 September 2002

	Note	Before exceptional items £m	Exceptional items (Note 5) £m	2002 £m	2001 £m
Continuing operations		163.1	-	163.1	153.0
Discontinued operations		0.7	-	0.7	6.8
GROUP TURNOVER	2	163.8	-	163.8	159.8
Cost of sales	3	(121.6)	(4.2)	(125.8)	(128.1)
Gross profit		42.2	(4.2)	38.0	31.7
Distribution costs	3	(14.2)	-	(14.2)	(13.9)
Administrative costs	3	(20.0)	-	(20.0)	(21.5)
Continuing operations:		9.2	(4.2)	5.0	(0.1)
Discontinued operations		(1.2)	-	(1.2)	(3.6)
OPERATING PROFIT/(LOSS)	4	8.0	(4.2)	3.8	(3.7)
Profit on disposal of fixed assets				4.1	-
Loss on sale of operations				-	(0.8)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE INTEREST				7.9	(4.5)
Net interest payable	8			(2.0)	(3.7)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION				5.9	(8.2)
Tax (charge)/credit on profit/(loss) on ordinary activities	9			(0.9)	0.7
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION				5.0	(7.5)
Equity minority interest				(0.1)	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR				4.9	(7.5)

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 2002

	Total 2002 £m	Total 2001 £m
Profit/(loss) for the financial year	4.9	(7.5)
Exchange gain on foreign currency net investments	0.1	0.7
Total recognised gains and losses for the financial year	5.0	(6.8)

RECONCILIATION OF MOVEMENTS IN CONSOLIDATED SHAREHOLDERS' FUNDS

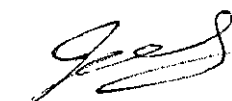
	2002 £m	2001 £m
Profit/(loss) for the financial year	4.9	(7.5)
Other net recognised gains related to the year	0.1	0.7
New share capital issued including share premium	-	20.0
Net addition to shareholders' funds	5.0	13.2
Opening shareholders' funds	62.5	49.3
Closing shareholders' funds	67.5	62.5

CONSOLIDATED BALANCE SHEET
30 September 2002

	Note	£m	2002 £m	£m	2001 £m
FIXED ASSETS					
Intangible assets	11		1.1		1.4
Tangible assets	12		90.1		89.3
			<u>91.2</u>		<u>90.7</u>
CURRENT ASSETS					
Stocks	14	9.3		9.2	
Debtors	15	30.5		40.1	
Cash at bank and in hand		10.0		8.4	
		<u>49.8</u>		<u>57.7</u>	
CREDITORS: amounts falling due within one year	16	(45.8)		(41.2)	
NET CURRENT ASSETS			<u>4.0</u>		<u>16.5</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			95.2		107.2
CREDITORS: amounts falling due after more than one year	17		(20.7)		(39.7)
PROVISIONS FOR LIABILITIES AND CHARGES	19		(6.8)		(4.9)
NET ASSETS			<u>67.7</u>		<u>62.6</u>
CAPITAL AND RESERVES					
Called up equity share capital	21		4.9		4.9
Share premium account	22		21.5		21.5
Profit and loss account	22		41.1		36.1
Shareholders' funds			<u>67.5</u>		<u>62.5</u>
Minority interest			0.2		0.1
Equity shareholders' funds			<u>67.7</u>		<u>62.6</u>

These financial statements were approved by the Board of Directors on 1 April 2003.

Signed on behalf of the Board of Directors



JD Oesch
Director

COMPANY BALANCE SHEET
30 September 2002

	Note	£m	2002 £m	£m	2001 £m
FIXED ASSETS					
Goodwill	11		0.1		0.2
Tangible assets	12		67.1		66.2
Investments	13		22.7		20.9
CURRENT ASSETS					
Stocks	14	5.3		5.1	
Debtors	15	33.3		43.4	
Cash		5.5		5.9	
		<u>44.1</u>		<u>54.4</u>	
CREDITORS: amounts falling due within one year	16	(38.2)		(34.1)	
NET CURRENT ASSETS			<u>5.9</u>		<u>20.3</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			95.8		107.6
CREDITORS: amounts falling due after more than one year	17		(20.7)		(39.7)
PROVISIONS FOR LIABILITIES AND CHARGES	19		(6.4)		(4.4)
NET ASSETS			<u>68.7</u>		<u>63.5</u>
CAPITAL AND RESERVES					
Called up equity share capital	21		4.9		4.9
Share premium account	22		21.5		21.5
Merger reserve	22		1.7		1.7
Profit and loss account	22		40.6		35.4
Equity shareholders' funds			<u>68.7</u>		<u>63.5</u>

These financial statements were approved by the Board of Directors on 1 April 2003.

Signed on behalf of the Board of Directors



JD Oesch

Director

NOTES TO THE ACCOUNTS**For the year ended 30 September 2002****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom 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 2002. 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 ACCOUNTS (continued)
For the year ended 30 September 2002**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 tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

The group adopted FRS 19 "Deferred Tax" during the year, which involved moving from a partial provision basis for deferred tax to a full provision basis. There has been no impact on current or prior year results; accordingly, a restatement of comparatives is not required.

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.

Government grants

Government grants are credited to the profit and loss account evenly during the development phase of the project to which they relate.

Leased assets

Assets held under finance lease and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital outstanding and is charged to the profit and loss account over the period of the lease. All other leases are regarded as 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 ACCOUNTS (continued)

For the year ended 30 September 2002

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 2002	United Kingdom £m	Rest of Europe £m	Rest of World £m	Group £m
Turnover by destination:				
Continuing	115.8	46.6	0.7	163.1
Discontinuing	0.7	-	-	0.7
	<hr/>	<hr/>	<hr/>	<hr/>
Sales to third parties	116.5	46.6	0.7	163.8
	<hr/>	<hr/>	<hr/>	<hr/>
Turnover by origin:				
Continuing operations				
Total sales	119.5	46.2	-	165.7
Inter-country	(2.4)	(0.2)	-	(2.6)
	<hr/>	<hr/>	<hr/>	<hr/>
	117.1	46.0	-	163.1
Discontinued operations	0.7	-	-	0.7
	<hr/>	<hr/>	<hr/>	<hr/>
Sales to third parties	117.8	46.0	-	163.8
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets				
Continuing operations	58.4	33.4	-	91.8
	<hr/>	<hr/>	<hr/>	<hr/>
Unallocated net assets				(24.1)
				<hr/>
Total net assets				67.7
				<hr/>

NOTES TO THE ACCOUNTS (continued)

For the year ended 30 September 2002

2. TURNOVER AND OPERATING ASSETS (continued)

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>

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

	2002			2001		
	Continuing £m	Discontinued £m	Total £m	Continuing £m	Discontinued £m	Total £m
Cost of sales	124.8	1.0	125.8	120.9	7.2	128.1
Distribution costs	14.1	0.1	14.2	13.1	0.8	13.9
Administrative expenses	19.2	0.8	20.0	19.1	2.4	21.5
	<u>158.1</u>	<u>1.9</u>	<u>160.0</u>	<u>153.1</u>	<u>10.4</u>	<u>163.5</u>

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002**4. OPERATING PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION**

	Total 2002 £m	Total 2001 £m
This is stated after charging:		
Depreciation on tangible fixed assets – owned	13.2	14.1
Auditors' remuneration:		
Audit fees – company £0.1m (2001 – £0.1m)	0.1	0.1
Non-audit fees to the auditors and their associates – company £0.1m (2001 – £0.1m)	0.1	0.1
Rentals under operating leases		
Hire of plant and machinery	0.1	0.1
Other	0.7	0.7
Research and development	0.2	0.2
Amortisation of goodwill	0.2	0.2
Amortisation of negative goodwill	-	0.3
Exceptional costs (note 5)	4.2	8.4
	<hr/>	<hr/>

5. EXCEPTIONAL COSTS

	2002 £m	2001 £m
Costs of reorganisation		
Cost of sales	4.2	6.2
Distribution costs	-	0.1
Administrative expenses	-	2.1
	<hr/>	<hr/>
	4.2	8.4
	<hr/>	<hr/>

The reorganisation of the group's operations has continued during the year. Of the charge for the year, £2.0m is included within provisions at the year end date.

NOTES TO THE ACCOUNTS (continued)**For the year ended 30 September 2002****6. DIRECTORS' EMOLUMENTS**

	2002	2001
	£'000	£'000
The remuneration of the directors was as follows:		
Salary	647	601
Bonus	162	44
Benefits	123	43
Pension contributions	61	33
	<hr/>	<hr/>
	993	721
Compensation for loss of office	271	-
	<hr/>	<hr/>
	1,264	721
	<hr/>	<hr/>
Highest paid Director's emoluments	240	271
Highest paid Director's pension contribution	13	11
	<hr/>	<hr/>
	253	282
	<hr/>	<hr/>

Four directors are members of a defined benefit scheme (2001 – four) and two are members of a defined contribution scheme (2001 – one)

7. STAFF COSTS

Information regarding the group's employees is as follows:

	2002	2001
	£m	£m
Wages and salaries	37.6	36.3
Social security costs	4.1	4.1
Other pension costs (see note 27)	1.7	1.8
	<hr/>	<hr/>
	43.4	42.2
	<hr/>	<hr/>
	Numbers	Numbers
Average number of employees of the group:	1,832	1,848
	<hr/>	<hr/>

8. NET INTEREST PAYABLE

	2002	2001
	£m	£m
Interest payable and similar charges:		
On bank loans and overdrafts	0.3	0.5
Intergroup loans	1.7	3.2
	<hr/>	<hr/>
	2.0	3.7
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

9. TAX CHARGE/(CREDIT) ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	2002	2001
	£m	£m
UK corporation tax at 30% (2001 – 30%)	-	-
Prior year adjustment	0.1	0.1
Group relief	1.2	-
Overseas taxation	0.4	0.1
	<hr/>	<hr/>
Current taxation charge for the year	1.7	0.2
Credit for deferred taxation	(0.8)	(0.9)
	<hr/>	<hr/>
Total taxation charge/(credit) for the year	0.9	(0.7)

	2002	2001
	£m	£m
Profit/(loss) on ordinary activities before taxation	5.9	(8.2)
	<hr/>	<hr/>
Profit charge/(credit) at 30% thereon:	1.8	(2.5)
Effects of:		
Prior year adjustment	0.1	0.1
Overseas tax not sheltered by UK losses	0.4	0.1
Non deductible expenditure	1.0	1.7
Non taxable income	(1.4)	(0.2)
Net capital allowances	(0.2)	(0.5)
Losses not utilised in year	-	1.5
	<hr/>	<hr/>
Current tax charge for the year	1.7	0.2

10. DISPOSAL

	2002	2001
	£m	£m
Net assets disposed of :		
Fixed assets	-	0.6
Stock	-	1.6
	<hr/>	<hr/>
	-	2.2
Costs of disposal	-	0.2
	<hr/>	<hr/>
	-	2.4
Proceeds	-	1.6
	<hr/>	<hr/>
Loss on disposal	-	(0.8)

The Brands division of Nampak plc is not considered to be part of the group's core activities of packaging and as such a decision was therefore taken to dispose of these activities. During the year, the group disposed of the majority of the divisions assets and trade, and the remaining assets and trade of the division were closed during the current year.

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

11. INTANGIBLE FIXED ASSETS

	Goodwill £m	Negative goodwill £m	Total goodwill £m
Group			
Cost			
At 1 October 2001	2.0	(0.6)	1.4
Exchange rate adjustments	(0.1)	-	(0.1)
At 30 September 2002	1.9	(0.6)	1.3
Amortisation			
At 1 October 2001	(0.6)	0.6	-
Charge for year	(0.2)	-	(0.2)
At 30 September 2002	(0.8)	0.6	(0.2)
Net book value			
At 30 September 2002	1.1	-	1.1
At 30 September 2001	1.4	-	1.4
Company			
Cost			
At 1 October 2001 and 30 September 2002	0.5	(0.6)	(0.1)
Amortisation			
At 1 October 2001	(0.3)	0.6	0.3
Charge for year	(0.1)	-	(0.1)
At 30 September 2002	(0.4)	0.6	0.2
Net book value			
At 30 September 2002	0.1	-	0.1
At 30 September 2001	0.2	-	0.2

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.

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

12. TANGIBLE FIXED ASSETS

Group	Land & buildings			Plant and machinery	Total
	Freehold £m	Long leasehold £m	Short leasehold £m		
Cost or valuation					
At 1 October 2001	36.7	0.7	0.5	180.9	218.8
Exchange rate adjustments	0.1	-	-	0.5	0.6
Additions	-	-	-	17.4	17.4
Disposals	(2.8)	-	-	(19.7)	(22.5)
At 30 September 2002	34.0	0.7	0.5	179.1	214.3
Depreciation					
At 1 October 2001	7.7	-	0.5	121.3	129.5
Exchange rate adjustments	-	-	-	0.3	0.3
Charge for year	0.5	-	-	12.7	13.2
Disposals	(0.6)	-	-	(18.2)	(18.8)
At 30 September 2002	7.6	-	0.5	116.1	124.2
Net book value					
At 30 September 2002	26.4	0.7	-	63.0	90.1
At 30 September 2001	29.0	0.7	-	59.6	89.3

Included within fixed assets are non depreciable assets:

Group	2002 £m	2001 £m
Land and buildings	11.5	12.2
Plant and machinery in the process of commissioning	17.7	11.7
	29.2	23.9

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

12. TANGIBLE FIXED ASSETS (continued)

Company	Land & buildings			Plant and machinery	Total
	Freehold	Long leasehold	Short leasehold		
Cost or valuation					
At 1 October 2001	25.1	0.7	0.5	137.4	163.7
Additions	-	-	-	14.7	14.7
Intra-group transfers	-	-	-	(0.6)	(0.6)
Disposals	(2.8)	-	-	(19.5)	(22.3)
At 30 September 2002	22.3	0.7	0.5	132.0	155.5
Depreciation					
At 1 October 2001	3.9	-	0.5	93.1	97.5
Charge for year	0.3	-	-	9.6	9.9
Intra-group transfers	-	-	-	(0.3)	(0.3)
Disposals	(0.6)	-	-	(18.1)	(18.7)
At 30 September 2002	3.6	-	0.5	84.3	88.4
Net book value					
At 30 September 2002	18.7	0.7	-	47.7	67.1
At 30 September 2001	21.2	0.7	-	44.3	66.2

Included within fixed assets are non depreciable assets:

Company	2002 £m	2001 £m
Land and buildings	9.2	9.9
Plant and machinery in the process of commissioning	15.8	8.9
	25.0	18.8

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

Group and company	2002 £m	2001 £m
Land and buildings at 1978 open market valuation	2.9	2.9
Aggregate depreciation thereon	(1.0)	(0.9)
Net book value at 30 September 2002	1.9	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 2002	0.7	0.7

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

13. INVESTMENTS HELD AS FIXED ASSETS

Company	Shares in subsidiary undertakings £m	Loans to subsidiary undertakings £m	Total £m
At 1 October 2001	17.6	3.3	20.9
Recapitalisation of subsidiary	1.9	-	1.9
Write down of investment	(0.1)	-	(0.1)
At 30 September 2002	19.4	3.3	22.7

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
Nampak Iberica S.L. Φ	Spain		

Sale of moulded plastics containers

		Dormant companies	
Nampak Belgium N.V.	Belgium	AMK Plastics Limited	Great Britain
Nampak France S.A.	France	Plysu Containers Limited	Great Britain
Nampak Deutschland GmbH	Germany	Paklite Limited	Great Britain
		Simon Renfrew Containers Limited	Great Britain

Sale of plastics protection system

Plysu Protection Systems Limited	Great Britain	Overseas holding company	
		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 3% minority interest in Nampak Iberica S.L.

14. STOCKS

	Group		Company	
	2002 £m	2001 £m	2002 £m	2001 £m
Raw materials and consumables	4.8	4.6	2.7	2.4
Work in progress	0.2	0.3	0.1	0.2
Finished goods	4.3	4.3	2.5	2.5
	9.3	9.2	5.3	5.1

There is no material difference between the balance sheet value of stocks and their replacement cost.

NOTES TO THE ACCOUNTS (continued)**For the year ended 30 September 2002****15. DEBTORS**

	Group		Company	
	2002	2001	2002	2001
	£m	£m	£m	£m
Trade debtors	24.4	28.3	13.3	16.4
Amounts owed by group undertakings	0.2	5.5	16.0	22.7
Other debtors	3.4	4.2	2.6	2.9
Prepayments and accrued income	2.5	2.1	1.4	1.4
	<u>30.5</u>	<u>40.1</u>	<u>33.3</u>	<u>43.4</u>

Included within group other debtors £0.2m (2001 – £0.2m) and group prepayments £0.8m (2001 – £0.9m), are amounts due after more than one year.

Included within company prepayments is £0.8m (2001 – 0.9m), are amounts due after more than one year.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2002	2001	2002	2001
	£m	£m	£m	£m
Bank loans and overdrafts	7.0	-	5.8	-
Trade creditors	24.9	27.8	17.7	19.5
Amounts due to group undertakings	1.7	1.1	5.2	4.8
Other taxes and social security	4.0	3.8	3.2	3.1
Corporation tax	0.6	0.8	0.3	0.2
Other creditors and accruals	7.6	7.7	6.0	6.5
	<u>45.8</u>	<u>41.2</u>	<u>38.2</u>	<u>34.1</u>

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

	Group		Company	
	2002	2001	2002	2001
	£m	£m	£m	£m
Bank loans	-	9.1	-	9.1
Loans from parent undertaking	20.7	30.6	20.7	30.6
	<u>20.7</u>	<u>39.7</u>	<u>20.7</u>	<u>39.7</u>

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

18. ANALYSIS OF LOANS

	Group		Company	
	2002 £m	2001 £m	2002 £m	2001 £m
Bank loans and overdrafts				
Within one year	5.8	-	5.8	-
Between one and within two years	-	9.1	-	9.1
Loans from parent undertaking				
Between two and within five years	20.7	30.6	20.7	30.6
	<u>26.5</u>	<u>39.7</u>	<u>26.5</u>	<u>39.7</u>

Included within bank loans a Euro facility provided by Barclays Bank of £5.8m (2001 - £9.1m), this is unsecured and is repayable in full by February 2003. The group has no secured borrowings (2001 - £nil).

19. PROVISIONS FOR LIABILITIES AND CHARGES

Group	Deferred taxation provisions £m	Pensions £m	Other £m	Total £m
At 1 October 2001	2.6	1.7	0.6	4.9
(Released)/charged to profit and loss account	(0.8)	1.1	2.7	3.0
Utilised	-	-	(1.1)	(1.1)
At 30 September 2002	<u>1.8</u>	<u>2.8</u>	<u>2.2</u>	<u>6.8</u>
Company	Deferred taxation provisions £m	Pensions £m	Other £m	Total £m
At 1 October 2001	2.5	1.5	0.4	4.4
(Released)/charged to profit and loss account	(0.8)	1.0	2.7	2.9
Utilised	-	-	(0.9)	(0.9)
At 30 September 2002	<u>1.7</u>	<u>2.5</u>	<u>2.2</u>	<u>6.4</u>

Pensions provision relates to SSAP24 (note 27).

Other provisions relate to contractually committed losses and reorganisation expenditure.

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

20. DEFERRED TAXATION

Group	2002		2001	
	Provided £m	Unprovided £m	Provided £m	Unprovided £m
Accelerated capital allowances	1.8	-	2.6	-
<hr/>				
Company	2002		2001	
	Provided £m	Unprovided £m	Provided £m	Unprovided £m
Accelerated capital allowances	1.7	-	2.5	-
<hr/>				

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

	2002 £m	2001 £m
Authorised		
54,000,000 (2001 – 54,000,000) ordinary shares of 10 pence each	5.4	5.4
<hr/>		
Allotted, called up and fully paid		
48,630,280 (2001 – 48,630,280) ordinary shares of £0.1 each	4.9	4.9
<hr/>		

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 2001	21.5	36.1	57.6
Retained profit for the year	-	4.9	4.9
Currency translation differences on foreign currency	-	0.1	0.1
<hr/>			
At 30 September 2002	21.5	41.1	62.6
<hr/>			

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

22. RESERVES (continued)

Company	Share premium account £m	Merger reserve £m	Profit and loss account £m	Total £m
At 1 October 2001	21.5	1.7	35.4	58.6
Retained profit for the year	-	-	5.1	5.1
Exchange movement on loans	-	-	0.1	0.1
At 30 September 2002	<u>21.5</u>	<u>1.7</u>	<u>40.6</u>	<u>63.8</u>

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 profit of £5.1m (2001 – £6.4m loss).

24. ACQUISITIONS

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	<u>10.9</u>
Proceeds	<u>10.9</u>
Profit on transfer of trade	<u>-</u>

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

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002**25. CAPITAL COMMITMENTS**

	Group		Company	
	2002	2001	2002	2001
	£m	£m	£m	£m
Contracted for but not provided for in the financial statements	1.2	5.7	1.0	4.8

26. OPERATING LEASE COMMITMENTS

	Group		Company	
	2002	2001	2002	2001
	£m	£m	£m	£m
Plant and machinery which expire:				
Between two and five years	0.2	0.1	0.2	0.1
Land and buildings which expire:				
Within one year	0.1	0.1	0.1	0.1
Between two and five years	-	0.3	-	0.3
Over five years	0.3	-	0.2	-
	0.4	0.4	0.3	0.4

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002

27. PENSION COSTS

UK defined benefit schemes

The group participates in two defined benefit schemes: Nampak plc Staff Pension and the Nampak plc Pension Plan. 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 which 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 (2001 - £1.3m). Contributions of £0.3m (2001 - £0.5m) were made by the group for these two plans. Amounts included in respect of pensions are £2.5m (2001 - £1.5m) in provisions for liabilities and charges.

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.

Transitional FRS 17 disclosures

The additional disclosures required by FRS 17 during the transitional period for the defined benefit schemes are set out below. They are based on the most recent actuarial valuations described above, which have been updated by independent professionally qualified actuaries to take account of the requirements of FRS 17.

The financial assumptions (per annum) used in the update were as follows:

	Nampak plc Staff Pension		Nampak plc Pension Plan	
	2002	2001	2002	2001
Rate of increases in salaries	4.0%	5.0%	3.25%	4.5%
Rate of increase in pensions in payment	2.5%	3.0%	2.5%	3.0%
Rate of revaluation of deferred pensions	2.5%	3.0%	2.5%	3.0%
Discount rate	6.0%	6.25%	6.0%	6.25%
Inflation assumption	2.5%	3.0%	2.5%	3.0%

The value of the schemes' assets and the expected rate of return were:

	Expected rate of return		Expected rate of return	
		2002		2001
		£m		£m
Equities	8.25%	22.9	7.5%	30.2
Bonds	5.0%	13.5	5.0%	8.1
Other	4.5%	0.4	4.5%	3.8
Total market value of assets		36.8		42.1
Present value of scheme liabilities		(46.7)		(49.2)
Net pension liability		(9.9)		(7.1)
Related deferred tax asset		2.9		2.1
Net pension deficit		(7.0)		(5.0)

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002**27. PENSION COSTS (continued)**

Analysis of the amount charged to operating profit:

	2002 £m
Current service costs	2.1

Analysis of the amount credited to other finance income:

	2002 £m
Expected return on pension scheme assets	2.8
Interest on pension scheme liabilities	(3.1)
Total finance income	(0.3)

Analysis of the amount recognised in the consolidated statement of total recognised gains and losses (STRGL):

	2002 £m
Actual returns less expected return on pension scheme assets	(7.4)
Experience gains and losses arising on scheme liabilities	1.8
Changes in assumptions underlying the present value of scheme liabilities	4.9
Actuarial loss recognised in STRGL	(0.7)

Movement in surplus during the year:

	2002 £'m
Deficit at beginning of year	(7.1)
Movement in year:-	
Current service cost	(2.1)
Contributions	0.3
Other finance income	(0.3)
Actuarial loss	(0.7)
Deficit at the end of year	(9.9)

History of experience gains and losses:

	2002
Difference between the expected and actual return on scheme assets	
Amount (£m)	(7.4)
Percentage of scheme assets (%)	(20%)
Experience gains and losses on scheme liabilities	
Amount (£m)	1.8
Percentage of present value of the scheme liabilities (%)	(4%)
Total amount recognised in statement of total recognised gains and losses	
Amount (£m)	(0.8)
Percentage of present value of the scheme liabilities (%)	(2%)

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002**27. PENSION COSTS (continued)**

If FRS17 had been adopted in these financial statements, the Group's net assets and profit and loss reserve would have been as follows: -

	2002 £m	2001 £m
Net assets excluding pension liability	67.7	62.6
Pension liability	(7.0)	(5.0)
	<hr/> 60.7	<hr/> 57.6
<i>Less: SSAP24 items included in net assets that will be reversed on implementation of FRS 17</i>	2.5	1.5
	<hr/> 63.2	<hr/> 59.1
	<hr/> <hr/>	<hr/> <hr/>
	2002 £m	2001 £m
Profit and loss reserve excluding pension liability	41.1	36.1
Pension liability	(7.0)	(5.0)
	<hr/> 34.1	<hr/> 31.1
<i>Less: SSAP24 items included in net assets that will be reversed on implementation of FRS 17</i>	2.5	1.5
	<hr/> 36.6	<hr/> 32.6
	<hr/> <hr/>	<hr/> <hr/>

The disclosed pension scheme liability of £9.9m (2001 – 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 2002, 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.

NOTES TO THE ACCOUNTS (continued)
For the year ended 30 September 2002**27. PENSION COSTS (continued)**

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

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 (2001 – £0.2m).

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 £0.2m (2001 – £0.3m). Amounts included in respect of pensions are £0.3m (2001 – £0.2m) in provisions for liabilities and charges.

Group

Amounts included in the balance sheet in respect of pensions are £2.8m (2001 – £1.7m) 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 which prepares consolidated accounts and includes the company, 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 which prepares consolidated accounts and includes the company, 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.

30. SUBSEQUENT EVENTS

Subsequent to the balance sheet date, the entire interest held in two subsidiaries, Plysu Protection Systems Limited and Nampak Iberica S.L., were sold by way of management buy-out. The effective dates of the respective disposals were 8 January 2003 and 18 March 2003.