

CARLTON HOLDINGS LIMITED**REPORT OF THE DIRECTORS****FOR THE YEAR ENDED 31 MARCH 1998**

During the above financial year the Company has not traded and there has been no income or expenditure.

Mr. D. W. Hamilton and Mr. P. A. Baren were Directors of the Company throughout the year.

Mr. D. W. Hamilton is a Director of the Company's ultimate holding company, Norcros plc, and therefore his interests in the shares of Norcros plc are disclosed in the financial statements of Norcros plc.

According to the register kept by the Company, the interests of the directors, in office at 31 March 1998, in the shares of Norcros p.l.c., were as follows:

	<u>Ordinary Shares of 25p each</u>	
	<u>At 31 March 1998</u>	<u>At 1 April 1997</u>
P. A. Baren	48,000 + 3,482 #	38,000 +
+	Shares represented by options to purchase acquired under the terms of the Norcros p.l.c. 1996 Executive Share Option Scheme at prices between 72.5p and 90.5p per share exercisable at various dates up to August 2007.	
#	Shares represented by options to purchase acquired under the terms of the Norcros p.l.c. Savings Related Share Option Scheme at an option price of 56p per share, and exercisable in September 2000.	

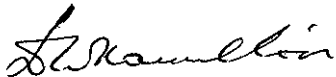
Except for the above none of the Directors has a disclosable interest in the shares or debenture stock of any company in the Norcros Group.

Save in respect of the Norcros p.l.c. Savings Related Share Option Scheme and the Norcros p.l.c. Executive Share Option Schemes, no arrangements to which the Company was party subsisted at the end of the year or at any time in the year to enable the Directors to acquire any interest by the acquisition of shares or debentures of the Company or of any other body corporate.



None of the Directors had a beneficial interest in any significant contract to which the Company either directly or indirectly was a party during the year.

By Order of the Board

A handwritten signature in cursive script, appearing to read 'D.W. Hamilton'.

D.W. Hamilton
Secretary

Date: 24 June 1998

Wheatlands Manor,
Park Lane,
Finchampstead,
Wokingham,
Berkshire.
RG40 4QG

CARLTON HOLDINGS LIMITEDBALANCE SHEETAT 31 MARCH 1998

	1998 £'000	1997 £'000
CURRENT ASSETS		
Debtors: amounts due from Parent Company	2,779	2,779
	<hr/>	<hr/>
CAPITAL AND RESERVES		
Called-up Share Capital - 1,000,000 ordinary shares of £1 each	1,000	1,000
Profit and Loss Account	1,779	1,779
EQUITY SHAREHOLDERS' FUNDS	<hr/>	<hr/>
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The company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the financial period ended 31 March 1998.

Approved by the Board on 24 June 1998

D.W. Hamilton



P A Baren



)
) Directors
)

NOTES:1. Ultimate Holding Company

The company's ultimate holding company is Norcros p.l.c., a company incorporated in Great Britain and registered in England and Wales.