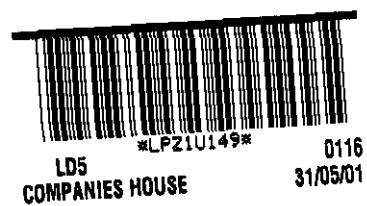


Zeus Land Investments Limited

Report and Accounts

3 February 2001



Registration number 601220

Zeus Land Investments Limited
Report and accounts
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Zeus Land Investments Limited
Directors and officers

DIRECTORS

H.M. Jones

P.E. Rowley (resigned 29 January 2001)

H.Weir (appointed 29 January 2001)

SECRETARY

M. H. Stokes

REGISTERED OFFICE

North West House

119 Marylebone Road

London NW1 5PX

AUDITORS

PricewaterhouseCoopers

1 Embankment Place

London WC2N 6RH

Zeus Land Investments Limited

Directors' report

The directors present their report and financial statements for the year ended 3 February 2001.

Principal activities and review of the business

The Company operates as an investment company within Kingfisher plc and intends to continue to do so for the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to £2,000 (2000:£1,000). The directors do not recommend the payment of a dividend for the financial year (2000:£nil). The retained profits for the year of £2,000 (2000:£1,000) have been transferred to reserves.

Elective Resolution

On 2 December 1991 the Company passed an elective resolution whereby it would dispense with the holding of an annual general meeting until the election was revoked. Further elective resolutions were passed at the same time that the Company would dispense with :

- a) the laying of the annual report and financial statements before the company in general meeting and
- b) the requirement to reappoint annually the auditors of the Company in general meeting.

Directors and directors' interests

The directors of the Company, who served during the financial year, are:

P.E. Rowley (resigned 29 January 2001)

H.M. Jones

H.Weir (appointed 29 January 2001)

None of the directors has any beneficial interest in the shares of the Company. The interests of H. Weir in the share capital of the ultimate holding company, Kingfisher plc, at the end of the year are shown in the financial statements of that company.

The other director had the following interest in 12.5p Ordinary shares of Kingfisher plc:

	As at 30 Jan 2000	As at 3 Feb 2001
H.M. Jones	12,907	15,711

Options for 12.5p Ordinary shares in Kingfisher plc :

	As at 30 Jan 2000	Options Granted	Options Exercised	As at 3 Feb 2001
H.M. Jones	57,931	59,516	(2,804)	114,643

Zeus Land Investments Limited
Directors' report

The market price of Kingfisher plc shares at 3 February 2001 was 480p and the range during the year was 353.75p to 630p. The options were exercised on 1 August 2000 at an exercise price of 184.5p. The market price of the shares on this date was 545p.

GOING CONCERN

The directors confirm that, after making enquiries, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing these accounts.



M.H. Stokes
Secretary
24 May 2001

Zeus Land Investments Limited
Statement of directors' responsibilities

The following statement is made with a view to distinguishing for shareholders the respective responsibilities of the directors and the auditors in relation to the financial statements.

The directors are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit for the year to that date. In preparing the financial statements the directors are required:

To ensure that the Company keeps accounting records which disclose with reasonable accuracy at any time of the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

To take such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

To apply suitable accounting policies in a consistent manner and supported by reasonable and prudent judgements and estimates where necessary.

To comply with all applicable accounting standards (except where any departures from this requirement are explained in the Notes to the Financial Statements).

To prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business.

Zeus Land Investments Limited

Auditors' report to the members of Zeus Land Investments Limited

We have audited the accounts on pages 6 to 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. As described on page 4, this includes responsibility for preparing financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the 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 accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 3 February 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers
Chartered Accountants and
Registered Auditors

London

May 2001

Zeus Land Investments Limited
Profit and Loss Account
for the year ended 3 February 2001

	Notes	2001 £000	2000 £000
Income from investments	5	<u>2</u>	<u>1</u>
Profit on ordinary activities before taxation	4	2	1
Taxation on profit on ordinary activities	6	-	-
Profit on ordinary activities after taxation		<u>2</u>	<u>1</u>
Dividends payable		-	-
Retained profit for the year	11	<u>2</u>	<u>1</u>

The result for the year arises solely from continuing operations.

The Company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

Zeus Land Investments Limited
Balance Sheet
as at 3 February 2001

	Notes	2001 £000	2000 £000
Fixed assets			
Investments	7	3,679	3,679
Current assets			
Debtors	8	116,969	116,967
Creditors: amounts falling due within one year	9	(15,095)	(15,095)
Net current assets		101,874	101,872
Net Assets		<u>105,553</u>	<u>105,551</u>
Capital and reserves			
Called up share capital	10	100,050	100,050
Profit and loss account	11	5,503	5,501
Equity Shareholders' funds:	12	<u>105,553</u>	<u>105,551</u>

The financial statements on pages 6 to 10 were approved by the Board of Directors and were signed on its behalf by:-

H.Weir
Director
24 May 2001



Zeus Land Investments Limited
Notes to the Accounts
at 3 February 2001

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements are made up to the nearest Saturday to 31 January, so as to coincide with its ultimate holding company.

The Company's ultimate holding company is Kingfisher plc and the cashflows of the Company are shown in the consolidated Group Cashflow Statement of Kingfisher plc, which is publicly available. Consequently the Company is exempt under the terms of Financial Reporting Standard No.1 from publishing a cashflow statement.

The financial statements contain information about Zeus Land Investments Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under Section 228 of the Companies Act 1985 from publishing consolidated financial statements as it and its subsidiaries are included by full consolidation in the consolidated financial statements of its parent, Kingfisher plc which is registered in England and Wales.

The Company is also exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Kingfisher plc group.

Interest receivable is accrued on a daily basis. Dividend income is recognised when declared.

Transactions denominated in foreign currencies are translated into sterling at contracted rates or where no contract exists, at average monthly rates.

Fixed asset investments are stated at cost except when there has been a permanent diminution in their value when they are stated at net realisable value.

2 Employees

The Company had no employees during the financial year, (2000:nil).

3 Directors' remuneration

None of the directors of the Company received any remuneration from the Company or from any of its subsidiaries in respect of the financial year ended 3 February 2001 (2000:nil).

4 Profit on ordinary activities before taxation

Auditors' remuneration is borne by the parent company.

5 Income from investments

	2001 £000	2000 £000
Dividends received from listed investments	<u>2</u>	<u>1</u>

Zeus Land Investments Limited
Notes to the Accounts
at 3 February 2001

6 Tax on profit on ordinary activities	2001 £000	2000 £000
United Kingdom corporation tax at 30% (2000:30.16%)	-	-

7 Investments

	Investments in subsidiary undertakings £000	Other investments £000	Total £000
Cost			
At 30 January 2000	3,651	28	3,679
Additions	-	-	-
Disposals	-	-	-
At 3 February 2001	3,651	28	3,679
Other investments		2001 £000	2000 £000
Listed investments		28	28
Unlisted investments		-	-
		28	28
Valuation:			
Listed investments - market value		47	34

Interests in Group Undertakings

The following companies are subsidiary undertakings of the Company at 3 February 2001.

	<u>Country of Registration</u>	<u>Class of Share</u>	<u>Main Activity</u>
Kingfisher Exports (Ireland) Ltd	Eire	Ordinary	Dormant
Kingfisher Limited	Bermuda	Ordinary	Investment
Kingfisher International Holdings Ltd	England & Wales	Ordinary	Investment
Kingfisher Investments Ireland	England & Wales	Ordinary	Non-trading
Kingfisher Finance Ireland	England & Wales	Ordinary	Non-trading
B&Q (Guernsey) Ltd	Guernsey	Ordinary	Dormant
Kingfisher Asia Pacific Limited	Hong Kong	Ordinary	Management Services

All the companies are 100% owned. In the opinion of the directors the aggregate value of the investments in the subsidiaries is not less than the amount stated in the Company's balance sheet.

Zeus Land Investments Limited
Notes to the Accounts
at 3 February 2001

8 Debtors: amounts falling due within one year	2001	2000
	£000	£000
Amounts due from group undertakings	116,969	116,967
Other debtors	-	-
	<u>116,969</u>	<u>116,967</u>
9 Creditors: amounts falling due within one year	2001	2000
	£000	£000
Amounts owed to group undertakings	<u>(15,095)</u>	<u>(15,095)</u>
10 Share capital	2001	2000
	£000	£000
Authorised:		
100,100,000 ordinary shares of £1 each	<u>100,100</u>	<u>100,100</u>
Allotted and fully paid:		
100,050,002 ordinary shares of £1 each	<u>100,050</u>	<u>100,050</u>
11 Profit and loss account	2001	2000
	£000	£000
At start of year	5,501	5,500
Retained profit for the financial year	<u>2</u>	<u>1</u>
At end of year	<u>5,503</u>	<u>5,501</u>
12 Reconciliation of movements in shareholders' funds	2001	2000
	£000	£000
Profit for the financial year	<u>2</u>	<u>1</u>
Net addition to shareholders' funds	<u>2</u>	<u>1</u>
Opening shareholders' funds	105,551	105,550
Closing shareholders' funds	<u>105,553</u>	<u>105,551</u>

13 Ultimate holding company

The parent company and ultimate holding company is Kingfisher plc, which is registered in England and Wales. Copies of the annual report and financial statements of Kingfisher plc can be obtained from The Secretary, Kingfisher plc, North West House, 119 Marylebone Road, London NW1 5PX.