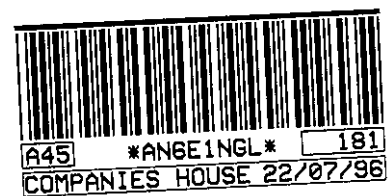


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Tulip International (UK) Limited
Report and Accounts

30 September 1995



Tulip International (UK) Limited

Registered No. 1330427

DIRECTORS

O Toft Christensen

M S G Forbes

R Drake

S A Thomsen

SECRETARY

R Drake

AUDITORS

Ernst & Young

Compass House

80 Newmarket Road

Cambridge

CB5 8DZ

BANKERS

Barclays Bank plc

4 Bridge Street

Thetford

Norfolk

IP24 3AB

REGISTERED OFFICE

Caxton Way

Thetford

Norfolk

IP24 3SB

Tulip International (UK) Limited

DIRECTORS' REPORT

The directors present their annual report and accounts for the year ended 30 September 1995.

RESULTS AND DIVIDEND

The loss on ordinary activities after taxation for the year ended 30 September 1995 amounts to £19,481,000 (1994 - profit £905,000) and is dealt with as shown in the profit and loss account.

The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITY

The principal activity of the company is an investment holding and co-ordinating company.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

During the year the company continued to act as an investment holding and co-ordinating company for its two UK operating divisions, Bacon and Cooked Meats.

Trading conditions were difficult during the past year for the UK Group with Sterling declining in value against the Danish Krone and rising raw material prices. These cost increases adversely affected the subsidiaries profitability and therefore a decision has been taken to adjust the carrying value of the investment in Tulip International (UK) Ltd's books. The outlook for the next year looks more positive with price rises catching up with cost increases to provide the platform for turnaround.

DIRECTORS AND THEIR INTERESTS

O T Christensen (Danish)

M S G Forbes

F Lindelov (Danish) (resigned 6 June 1996)

J W Andersen (Danish) (resigned 6 June 1996)

R Drake (appointed 7 November 1995)

S A Thomsen (Danish) (appointed 20 June 1996)

No director holds any shares in the company.

Under the provisions of the Articles of Association none of the directors retire by rotation.

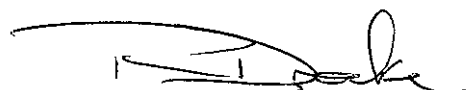
FIXED ASSETS

Changes in fixed assets are set out in Note 8.

AUDITORS

An elective resolution pursuant to s386 of the Companies Act 1985 has been passed whereby the company is not obliged to re-appoint auditors annually, Ernst & Young therefore continue as auditors.

By order of the Board



R Drake
Secretary

27 June 1996

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, 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, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company 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 to enable them to ensure that the accounts comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS

to the members of Tulip International (UK) Limited

We have audited the accounts on pages 5 to 10, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

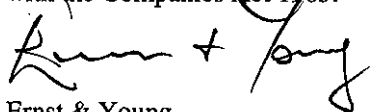
BASIS OF OPINION

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 September 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
Cambridge
28 June 1996

Tulip International (UK) Limited

PROFIT AND LOSS ACCOUNT

for the year ended 30 September 1995

	<i>Notes</i>	<i>1995</i> <i>£'000</i>	<i>1994</i> <i>£'000</i>
Administrative expenses		-	3
OPERATING PROFIT	3	-	3
Provision against investments in subsidiary undertakings		(19,501)	-
Interest receivable	5	25	975
Interest payable	5	(5)	(73)
		(19,481)	902
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(19,481)	905
Tax on (loss)/profit on ordinary activities	7	-	-
(LOSS)/PROFIT FOR THE YEAR	13	(19,481)	905

A statement of the movement on reserves is given in note 13.

The results for the current and comparative periods as stated above represent the total recognised gains for the periods and are also the results as stated on an historical cost basis.

Tulip International (UK) Limited

BALANCE SHEET at 30 September 1995

	<i>Notes</i>	<i>1995 £'000</i>	<i>1994 £'000</i>
FIXED ASSETS			
Investments	8	16,670	16,171
CURRENT ASSETS			
Debtors	9	6,813	332
CREDITORS: amounts falling due within one year	10	6,461	-
NET CURRENT ASSETS		352	332
TOTAL ASSETS LESS CURRENT LIABILITIES		17,022	16,503
CAPITAL AND RESERVES			
Called up share capital	11	7,436	7,436
Share premium account	12	275	275
Capital reserve	14	26,000	6,000
Revaluation reserve	12	-	3,178
Profit and loss account	12	(16,689)	(386)
EQUITY SHAREHOLDER'S FUNDS		17,022	16,503



M S G Forbes
Director

27 June 1996

Tulip International (UK) Limited

NOTES TO THE ACCOUNTS

at 30 September 1995

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

Deferred taxation

Deferred taxation primarily represents the amount required to allow for the difference between depreciation and the corresponding allowances for taxation, being credited and charged for tax purposes in different years from those in the accounts.

2. PARENT UNDERTAKING

The parent undertaking is Tulip International A/S.

In accordance with s228 Companies Act 1985 group accounts have not been prepared as the company is a wholly owned subsidiary undertaking of another company in the EC which prepared group accounts. These accounts present financial information about the company as an individual undertaking and not about its group.

3. OPERATING PROFIT

This is stated after charging/(crediting)

	1995 £'000	1994 £'000
The company		
Auditors' remuneration - audit services	-	(3)
The group		
Auditors' remuneration - audit services	30	25
Auditors' remuneration - non-audit services	32	10

Auditors' remuneration is borne by the subsidiary undertaking Tulip International (UK) Bacon Division Limited.

4. DIRECTORS' EMOLUMENTS

	1995 £'000	1994 £'000
Other emoluments	157	118
Emoluments (excluding pension contributions) of the Chairman	nil	nil
Emoluments (excluding pension contributions) of the highest paid director	85	71

The emoluments (excluding pension contributions) of the directors fell within the following ranges:

	1995 No	1994 No
£nil - £5,000	2	2
£40,001 - £45,000	-	1
£55,001 - £60,000	1	-
£70,001 - £75,000	-	1
£85,001 - £90,000	1	-

Directors' emoluments are paid by subsidiary undertakings.

Tulip International (UK) Limited

NOTES TO THE ACCOUNTS at 30 September 1995

5. INTEREST

	1995 £'000	1994 £'000
<i>Interest receivable</i>		
From subsidiary undertakings	23	936
Other interest receivable	2	39
	<u>25</u>	<u>975</u>
<i>Interest payable</i>		
Bank interest	-	26
Interest payable to parent undertaking	5	-
Interest payable to subsidiary undertakings	-	47
	<u>5</u>	<u>73</u>

6. DEFERRED TAXATION

Deferred taxation is not provided because the directors have concluded on reasonable evidence that any reversal of timing differences will not give rise to a tax charge in the foreseeable future.

7. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

No tax charge arises on the result for the year due to the availability of group relief.

8. INVESTMENTS

	<i>Subsidiary Undertakings £'000</i>	<i>Other Investments £'000</i>	<i>Total £'000</i>
Cost or valuation:			
At 1 October 1994	18,611	20	18,631
Additions	20,000	-	20,000
At 30 September 1995	<u>38,611</u>	<u>20</u>	<u>38,631</u>
Provisions against investments in subsidiary undertakings:			
At 1 October 1994	2,460	-	2,460
Provided during the year	19,501	-	19,501
At 30 September 1995	<u>21,961</u>	<u>-</u>	<u>21,961</u>
Net Book Value			
At 30 September 1995	<u>16,650</u>	<u>20</u>	<u>16,670</u>
At 30 September 1994	<u>16,151</u>	<u>20</u>	<u>16,171</u>

The cost of investments in subsidiary undertakings held at valuation was £13,186,000 (1994 - £6,186,000) and the net asset value of these investments at 30 September 1995 was £6,186,000 (1994 - £3,182,000).

Tulip International (UK) Limited

NOTES TO THE ACCOUNTS

at 30 September 1995

8. INVESTMENTS (continued)

In the opinion of the directors the aggregate value of investments in subsidiary undertakings is not less than the amounts as stated above.

Other investments represents a holding of 15% Exchequer Stock 1997 stated at cost.

Details of the investments in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country registration and operation</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
Tulip International (UK) Bacon Division Limited	England and Wales	Ordinary shares	100%	Processing, packing, sale and distribution of meat products
Tulip International (UK) Cooked Meats Division Limited	England and Wales	Ordinary shares	100%	Processing, packing, sale and distribution of meat products
Tulip International (UK) Croydon Limited	England and Wales	Ordinary shares	100%	Non-trading company
Tulip International (UK) Wellingborough Limited	England and Wales	Ordinary shares	100%	Non-trading company

9. DEBTORS

	<i>1995 £'000</i>	<i>1994 £'000</i>
Amounts owed by parent undertaking	-	249
Amounts owed by subsidiary undertakings	6,730	3
Prepayments and accrued income	83	80
	<u>6,813</u>	<u>332</u>

10. CREDITORS : amounts falling due within one year

	<i>1995 £'000</i>	<i>1994 £'000</i>
Amounts owed to parent undertaking	6,456	-
Other creditors	5	-
	<u>6,461</u>	<u>-</u>

Tulip International (UK) Limited

NOTES TO THE ACCOUNTS at 30 September 1995

11. CALLED UP SHARE CAPITAL

The called-up share capital of the company at the beginning and the end of the year was:

	1995 £'000	Authorised 1994 £'000	1995 £'000	Allotted, called up and fully paid 1994 £'000
Ordinary shares of £1 each	7,500	7,500	7,436	7,436

12. STATEMENT OF MOVEMENT ON RESERVES

	Share premium account £'000	Revaluation reserve £'000	Profit & loss account £'000
As restated at 2 October 1993	275	3,178	(1,291)
Profit for year ended 30 September 1994	-	-	905
At 30 September 1994	275	3,178	(386)
Loss for year ended 30 September 1995	-	-	(19,481)
Transfer of revaluation reserve	-	(3,178)	3,178
At 30 September 1995	275	-	(16,689)

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	1995 £'000	1994 £'000
(Loss)/profit for the year and net (reduction from)/ addition to shareholder's funds	(19,481)	905
Opening shareholder's funds	16,503	15,598
Capital contribution	20,000	-
Closing shareholder's funds	17,022	16,503

14. CAPITAL RESERVE

The capital reserve of £26,000,000 represents a capital contribution from the parent company. £5,000,000 was contributed in 1989, £1,000,000 was contributed in 1993 and a further £20,000,000 was contributed in 1995.

15. ULTIMATE PARENT COMPANY

The ultimate parent company is Tulip International A/S incorporated in Denmark.

The parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is Tulip International A/S, incorporated in Denmark.

Copies of the group accounts can be obtained by writing to The Company Secretary, Tulip International (UK) Limited, Caxton Way, Thetford, Norfolk, IP24 3SB.