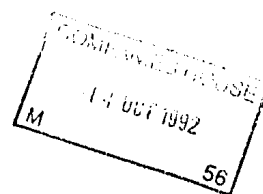


**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

ACCOUNTS

**FOR THE PERIOD ENDED
31 DECEMBER 1991**

Registered Number: 1557088



**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY
ACCOUNTS
FOR THE PERIOD ENDED
31 DECEMBER 1991**

Registered number: 1557088

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

**REPORT OF THE DIRECTORS
FOR THE PERIOD ENDED 31 DECEMBER 1991**

1. The directors present their report and the audited accounts for the thirteen month period ended 31 December 1991.

ACCOUNTING REFERENCE DATE

2. The group changed its accounting reference date from 30 November to 31 December.

PRINCIPAL ACTIVITIES

3. The principal activity of the company during the period was that of a dealer in pharmaceuticals. Its subsidiary's principal activity was that of a dealer in health products.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

4. The profit for the period is set out in the profit and loss account on page 4.
5. It is anticipated that the group will continue to trade profitably in the forthcoming year.

DIVIDENDS

6. The directors do not recommend the payment of a dividend for the period.

FIXED ASSETS

7. The movements in fixed assets are shown in notes 8 and 9 to the accounts.

RESEARCH AND DEVELOPMENT

8. The group is involved in developing pharmaceutical products for sale and use in human medicine.

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

**REPORT OF THE DIRECTORS
FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd**

DIRECTORS AND THEIR INTERESTS

9. The directors of the company at 31 December 1991, all of whom have been directors for the whole of the period ended on that date, were:

W. Gerard
M.E.P. Noble
P.E. Duckworth
D.P.N. Tierney (Irish)
D.W. Peffers
D.K. Davies

Mr. Duckworth has a 25% (1990: 25%) interest in the shares of Forum (Holdings) Limited, the company's immediate parent undertaking. None of the remaining directors held any beneficial interest in the shares of the company, and other group undertakings during the period.

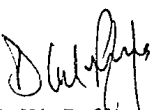
CLOSE COMPANY PROVISIONS

10. As far as the directors are aware, the close company provisions of the Income and Corporation Taxes Act 1988, do not apply to the company.

AUDITOR

11. A resolution to reappoint Coopers & Lybrand (formerly Coopers & Lybrand Deloitte) as the group's auditor will be proposed at the annual general meeting.

BY ORDER OF THE BOARD



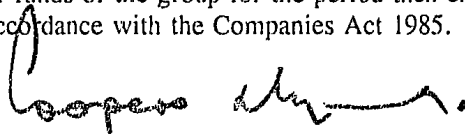
D.W. Peffers
Secretary

17 June 1992

**REPORT OF THE AUDITOR TO THE MEMBERS OF
BRITANNIA PHARMACEUTICALS LIMITED**

We have audited the accounts set out on pages 4 to 16 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and the group at 31 December 1991 and of the profit and source and application of funds of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



COOPERS & LYBRAND

Chartered Accountants
and Registered Auditor
LONDON,
17 June 1992

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 1991**

		Thirteen months to 31 December 1991 £	Year ended 30 November 1990 £
	Notes		
Turnover	2	13,177,113	9,899,887
Cost of sales		(7,320,927)	(5,608,536)
Gross profit		5,856,186	4,291,351
Distribution costs		(463,347)	(341,679)
Administration expenses		(4,563,858)	(3,132,288)
Operating profit		828,981	817,384
Interest receivable	5	341,693	297,478
Interest payable	5	(22,031)	(28,597)
Profit on ordinary activities before taxation	6	1,148,643	1,086,265
Tax on profit on ordinary activities	7	(381,659)	(328,353)
Profit on ordinary activities after taxation		766,984	757,912
Minority interests		(15,509)	(25,682)
Profit for the financial period	16	751,475	732,230
Statement of Retained Profits			
Accumulated profits brought forward		2,672,895	1,940,665
Retained profit for the financial period		751,475	732,230
Retained profits carried forward	16	3,424,370	2,672,895

The notes on pages 8 to 16 form part of these accounts.

Auditor's report page 3.

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

CONSOLIDATED BALANCE SHEET - 31 DECEMBER 1991

		31 December 1991 Notes	£	30 November 1990 £
Fixed assets				
Intangible assets	8		439,380	209,455
Tangible assets	9		125,080	153,116
			<u>564,460</u>	<u>362,571</u>
Current assets				
Stocks	10		893,552	1,055,495
Debtors	11		4,355,749	4,394,739
Cash at bank and in hand			628,312	260,818
			<u>5,877,613</u>	<u>5,711,052</u>
Creditors: amounts falling due within one year	12		(2,851,950)	(3,248,911)
Net current assets			<u>3,025,663</u>	<u>2,462,141</u>
Total assets less current liabilities			<u>3,590,123</u>	<u>2,824,712</u>
Provision for liabilities and charges				
Deferred taxation			-	(1,573)
			<u>3,590,123</u>	<u>2,823,139</u>
Capital and reserves				
Called up share capital	15		1,000	1,000
Profit and loss account	16		3,424,370	2,672,895
			<u>3,425,370</u>	<u>2,673,895</u>
Minority interests			<u>164,753</u>	<u>149,244</u>
			<u>3,590,123</u>	<u>2,823,139</u>

The accounts on pages 4 to 16 were approved by the board of directors on 17 June 1992 and were signed on its behalf by:

P.E. Duckworth

D.W. Peffers

)
)
) Directors

The notes on pages 8 to 16 form part of these accounts.

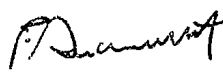

Auditor's report page 3.

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

COMPANY BALANCE SHEET - 31 DECEMBER 1991

		31 December 1991 £	30 November 1990 £
	Notes		
Fixed assets			
Intangible assets	8	439,380	209,455
Tangible assets	9	83,580	115,787
Investments in subsidiaries	17	99	99
		<hr/>	<hr/>
		523,059	325,341
		<hr/>	<hr/>
Current assets			
Stocks	10	430,033	339,976
Debtors	11	2,179,855	3,490,115
Cash at bank and in hand		628,312	260,818
		<hr/>	<hr/>
		3,238,200	4,090,909
		<hr/>	<hr/>
Creditors: amounts falling due within one year	12	(3,456,604)	(4,566,844)
		<hr/>	<hr/>
Net current liabilities		(218,404)	(475,935)
		<hr/>	<hr/>
Total assets less current liabilities		304,655	(150,594)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	15	1,000	1,000
Profit and loss account	16	303,655	(151,594)
		<hr/>	<hr/>
		304,655	(150,594)
		<hr/>	<hr/>

The accounts on pages 4 to 16 were approved by the board of directors on 17 June 1992 and were signed on its behalf by:

P.E. Duckworth	)	
D.W. Peffers	)	
)	Directors

The notes on pages 8 to 16 form part of these accounts.

Auditor's report page 3.

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

**CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE PERIOD ENDED 31 DECEMBER 1991**

	Thirteen months to 31 December 1991	Year ended 30 November 1990
	£	£
Source of funds		
Profit on ordinary activities before taxation less minority interests	1,133,134	1,060,583
Adjustment for items not involving movement of funds:		
Depreciation	100,730	64,178
Minority interests in the retained profit of the period	15,509	25,682
Profit on sales of tangible fixed assets	(147)	(8,217)
	<u>116,092</u>	<u>81,643</u>
Funds generated from operation	1,249,226	1,142,226
Funds from other sources		
Sales proceeds of tangible fixed assets	34,685	10,309
Application of funds		
Corporation tax paid	(388,351)	(364,264)
Purchase of tangible fixed assets	(107,232)	(29,312)
Research and development costs	(229,925)	(209,455)
	<u>558,403</u>	<u>549,504</u>
Movements in working capital		
Stocks	(161,943)	55,364
Debtors excluding amounts due from group undertakings	(162,735)	533,640
Creditors falling due within one year excluding bank overdraft, taxation and amounts due to group undertakings	(483,488)	(447,450)
Amounts due from/to group undertakings (net)	1,032,941	(139,471)
	<u>224,775</u>	<u>2,083</u>
Movement in net liquid funds:		
Cash at bank and in hand	367,494	260,800
Bank overdraft	(33,866)	286,621
	<u>558,403</u>	<u>549,504</u>

The notes on pages 8 to 16 form part of these accounts.

Auditor's report page 3.

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1991**

1. PRINCIPAL ACCOUNTING POLICIES

The accounts have been prepared in accordance with the applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies of the group, which have been applied consistently, is set out below:

(a) Basis of accounting

These accounts have been prepared under the historical cost convention.

(b) Basis of consolidation

The consolidated accounts include the accounts of the company and its subsidiary. Intra group transactions are eliminated fully upon consolidation.

(c) Intangible fixed assets

Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on specific projects is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period expected to benefit from the related project, which is expected to be between three and five years.

(d) Tangible fixed assets

Tangible fixed assets are stated at their purchase price, together with any incidental expenses of acquisition.

Provision for depreciation is made so as to write off the cost of tangible fixed assets on a straight line basis, over the expected useful economic life of the assets concerned. The principal annual rates used for this purpose are:

% p.a. on cost

Plant and machinery	20
Office equipment	20
Motor vehicles	25

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd**

1. PRINCIPAL ACCOUNTING POLICIES cont'd

(e) Stocks

Stocks are stated at the lower of cost and net realisable value. In general cost is determined on a first in first out basis and includes transport and packaging costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

(f) Deferred tax

Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability will crystallise. Provision is made at the rate which is expected to be applied when the liability is expected to crystallise.

(g) Foreign currencies

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction was entered into. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. Exchange gains or losses are included in operating profit. Where there are related or matching forward contracts in respect of trading transactions, the rates of exchange specified in those contracts are used.

(h) Lease obligations

Rentals paid under operating leases are charged to the profit and loss account as incurred.

(i) Pensions

The company operates a defined contributions pension scheme for the group. The pension cost charged to the profit and loss account of the group represents the contributions payable by the group during the accounting period.

2. TURNOVER

The turnover and pre-tax results are wholly attributable to the Group's main activity and are substantially generated within the UK.

BRITANNIA PHARMACEUTICALS LIMITED AND SUBSIDIARY COMPANY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd

3. DIRECTORS' EMOLUMENTS

The remuneration paid to the directors of Britannia Pharmaceuticals Limited was:

	Thirteen months to 31 December 1991	Year ended 30 November 1990
	£	£
Fees	-	-
Other emoluments (including pension contributions and benefits in kind)	365,369	243,446
	<u>365,369</u>	<u>243,446</u>

Fees and other emoluments (excluding pension contributions) include amounts paid to:

	Thirteen months to 31 December 1991	Year ended 30 November 1990
	£	£
Chairman	Nil	Nil
Highest paid director	<u>106,956</u>	<u>104,209</u>

The number of directors (including the chairman and the highest paid director) who received fees and other emoluments (excluding pension contributions) in the following ranges was:

	Thirteen months to 31 December 1991	Year ended 30 November 1990
	No.	No.
£0 - £5,000	2	2
£40,001 - £45,000	-	1
£45,001 - £50,000	1	-
£50,001 - £55,000	-	1
£70,001 - £75,000	-	1
£95,001 - £100,000	1	-
£100,001 - £105,000	1	1
£105,001 - £110,000	1	-

4. EMPLOYEE INFORMATION

- (a) The average number of persons employed by the group (including directors) during the period was:

	Thirteen months to 31 December 1991	Year ended 30 November 1990
	44	38
	<u>44</u>	<u>38</u>

BRITANNIA PHARMACEUTICALS LIMITED AND SUBSIDIARY COMPANY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd

4. EMPLOYEE INFORMATION cont'd

(b) Employment costs of all employees included above:

	Thirteen months to 31 December 1991 £	Year ended 30 November 1990 £
Gross wages and salaries (including directors' remuneration)	1,336,278	912,903
Employer's national insurance and state pension contributions	165,628	94,483
Employer's pension contributions under the group pension scheme	43,896	18,997
	<u>1,545,802</u>	<u>1,026,383</u>

5. INTEREST RECEIVABLE AND PAYABLE

	Thirteen months to 31 December 1991 £	Year ended 30 November 1990 £
Interest payable: Group undertakings	22,031	28,597
Interest receivable: Group undertakings	341,693	297,478

6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging/(crediting):

	Thirteen months to 31 December 1991 £	Year ended 30 November 1990 £
Auditor's remuneration - holding company	11,682	8,250
subsidary	11,096	9,000
Depreciation of tangible fixed assets	100,730	64,178
Profit on disposal of fixed assets	(147)	(8,217)
Operating leases - motor vehicles	35,321	-
- property	53,544	-
Research and development costs	62,093	-

Included in administrative expenses are development costs of £824,000 (1990: £241,000) recharged by a fellow subsidiary undertaking.

**BRITANNIA PHARMACEUTICALS LIMITED
AND SUBSIDIARY COMPANY**

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd**

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge is based on the profit on ordinary activities for the period and comprises:

	Thirteen months to 31 December 1991 £	Year ended 30 November 1990 £
United Kingdom Corporation tax at 33.3% (1990: 34.3%)		
Current	383,232	328,643
Deferred	(1,573)	-
Under provision in previous years	-	(290)
	<u>381,659</u>	<u>328,353</u>

8. INTANGIBLE FIXED ASSETS

	Group and Company £
Development costs	
Amount reclassified from prepayments at 1 December 1990	209,455
Additions	229,925
	<u>439,380</u>
At 31 December 1991	
	<u>439,380</u>
Amortisation	
At 1 December 1990 and 31 December 1991	-
	<u>-</u>
Net book value	
At 31 December 1991	439,380
	<u>439,380</u>
Net book value	
At 30 November 1990	-
	<u>-</u>

Development costs include expenditure totalling £209,455 which was reclassified, having been included previously in prepayments for 1990. This treatment now more accurately reflects the company's research and development activities.

BRITANNIA PHARMACEUTICALS LIMITED AND SUBSIDIARY COMPANY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd

9. TANGIBLE FIXED ASSETS

Group	Plant and machinery	Motor vehicles	Office equipment	Total
Cost	£	£	£	£
At 1 December 1990	26,105	213,386	38,990	278,481
Group transfers in	8,920	140,324	6,810	156,054
Expenditure	7,332	-	13,349	20,681
Disposals	-	(76,807)	-	(76,807)
At 31 December 1991	42,357	276,903	59,149	378,409
Depreciation				
At 1 December 1990	16,883	92,068	16,414	125,365
Group transfers in	1,443	64,054	4,006	69,503
Charge for the period	6,740	82,392	11,598	100,730
Disposals	-	(42,269)	-	(42,269)
At 31 December 1991	25,066	196,245	32,018	253,329
Net book value				
At 31 December 1991	17,291	80,658	27,131	125,080
Net book value				
At 30 November 1990	9,222	121,318	22,576	153,116
Company		Motor vehicles	Office equipment	Total
Cost		£	£	£
At 1 December 1990		173,810	38,990	212,800
Group transfers in		120,934	6,810	127,744
Expenditure		-	13,349	13,349
Disposals		(76,807)	-	(76,807)
At 31 December 1991		217,937	59,149	277,086
Depreciation				
At 1 December 1990		80,599	16,414	97,013
Group transfers in		56,735	4,006	60,741
Charge for the period		66,423	11,599	78,022
Disposals		(42,270)	-	(42,270)
At 31 December 1991		161,487	32,019	193,506
Net book value				
At 31 December 1991		56,450	27,130	83,580
Net book value				
At 30 November 1990		93,211	22,576	115,787

BRITANNIA PHARMACEUTICALS LIMITED AND SUBSIDIARY COMPANY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd

10. STOCKS

	Group		Company
	31 December 1991	30 November 1990	31 December 1991
	£	£	£
Finished goods and goods for resale	893,552	1,055,495	430,033
			339,976

If stocks had been determined by reference to their replacement cost rather than by reference to their historical cost, the amount of stocks shown above would not be materially different.

11. DEBTORS

	Group		Company
	31 December 1991	30 November 1990	31 December 1991
	£	£	£
Trade debtors	1,848,957	1,848,798	1,211,697
Other debtors	37,644	127,505	19,721
Amounts owed by group undertakings	2,391,050	2,267,305	922,697
Prepayments and accrued income	78,098	151,131	26,140
	4,355,749	4,394,739	2,179,855
			3,490,115

12. CREDITORS

Amounts falling due within one year:

	Group		Company
	31 December 1991	30 November 1990	31 December 1991
	£	£	£
Bank overdraft	115,176	81,310	-
Trade creditors	1,779,675	1,075,367	1,366,825
Amounts owed to group undertakings	-	909,196	1,247,020
Other creditors including taxation and social security	623,915	738,409	577,236
Accruals and deferred income	333,184	444,629	265,523
	2,851,950	3,248,911	3,456,604
			4,566,844

Other creditors includes corporation tax payable of £426,070 (1990: £431,189) in relation to group liabilities and £379,391 (1990: £267,890) in respect of the company.

BRITANNIA PHARMACEUTICALS LIMITED AND SUBSIDIARY COMPANY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd

13. OPERATING LEASES

At 31 December 1991 Forum (Holdings) Limited had undertaken lease agreements resulting in the group having legal annual commitments under non-cancellable operating leases, as set out below:

	31 December 1991	30 November 1990
	£	£
On leases expiring:		
Within one year - motor vehicles	-	2,651
Between two and five years - motor vehicles	50,498	4,419
- property	111,990	-
	<u>162,488</u>	<u>7,070</u>

14. CONTINGENT LIABILITIES

An unlimited multilateral bank guarantee exists between the company and the following group undertakings: Forum (Holdings) Limited, Forum Chemicals and Britannia Health Products Limited in respect of bank facilities granted by Midland Bank plc.

The company's immediate parent undertaking, Forum (Holdings) Limited, has a fixed and floating charge over the company's assets.

15. CALLED UP SHARE CAPITAL

	31 December 1991	30 November 1990
	£	£
Authorised, allotted, called up and fully paid 1,000 ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

16. PROFIT AND LOSS ACCOUNT

	31 December 1991	30 November 1990
	£	£
Dealt with and carried forward in:		
The accounts of Britannia Pharmaceuticals Limited	303,655	(151,594)
The accounts of Britannia Health Products Limited	3,120,715	2,824,489
	<u>3,424,370</u>	<u>2,672,895</u>

Britannia Pharmaceuticals Limited has not presented its own profit and loss account as permitted by Section 230 of the Companies Act 1985. The profit for the financial period dealt with in the accounts of Britannia Pharmaceuticals Limited amounted to £455,249 (1990: £244,280).

BRITANNIA PHARMACEUTICALS LIMITED AND SUBSIDIARY COMPANY

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 DECEMBER 1991 cont'd

17. SUBSIDIARY UNDERTAKINGS

The company has the following subsidiaries:

	Country of Registration	Description of Shares Held	Equity Held	Main Activity
Britannia Health Products Limited	England	Ordinary £1 shares	95%	Merchant of health foods
Britannia Pharmaceuticals (Wales) Limited	England	Ordinary £1 shares	100%	Dormant
Quantum Generics Limited	England	Ordinary £1 shares	100%	Dormant

The two latter companies are not consolidated as they have not traded since incorporation.

18. ULTIMATE AND IMMEDIATE PARENT UNDERTAKINGS

The company is a direct subsidiary of Forum (Holdings) Limited, incorporated in England. The ultimate parent undertaking is Ajinomoto Co., Inc., incorporated in Japan. Copies of the ultimate parent's consolidated accounts may be obtained from The Secretary, Ajinomoto Co., Inc., 15-1 Kyobashi 1-chome, Chuo-Ku, Tokyo 104, Japan.