

STEMCOR SHIPPING LIMITED

(Registered Number 2017839)

DIRECTORS' REPORT

1. The company has not traded during the year ended 31 December 2003. Having met the requirements of Section 249AA of the Companies Act 1985, the company has dispensed with the appointment of auditors and the requirement to produce audited accounts.
2. The members of the board during the year ended 31 December 2003 were:

Roderick J.A. Smith
Andrew S. Goldsmith

The directors held no interest in the company's shares during the year. The interests of directors in the shares of the ultimate parent company are as follows:-

	Ordinary Shares		Options	
	2003	2002	2003	2002
Roderick Smith	10,000	2,300	2,625	6,900
Andrew Goldsmith	2,200	1,000	-	-

The directors are eligible to participate in a sharesave scheme of the ultimate parent company, Stemcor Holdings Limited. The exercise price of the share options is £3.60, exercisable between 1st June 2006 and 1st December 2006.

By order of the Board

Roderick Smith
Roderick Smith
Company Secretary

11 June 2004

Level 27, CityPoint
1 Ropemaker Street
London EC2Y 9ST



BALANCE SHEET AS AT 31 DECEMBER 2003

	<u>2003</u>	<u>2002</u>
Current assets		
Debtors	<u>£10</u>	<u>£10</u>
Capital and reserves		
Allotted and fully paid share capital	<u>£10</u>	<u>£10</u>

The authorised share capital is £100.

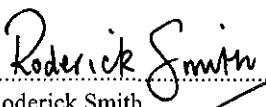
The ultimate holding company of Stemcor Shipping Limited is Stemcor Holdings Limited which is incorporated in the United Kingdom and registered in England and Wales. The largest and smallest group which consolidates the company's accounts is Stemcor Holdings Limited. Copies of the ultimate holding company accounts can be obtained from: Companies House, Crown Way, Cardiff CF4 3UZ.

For the year ended 31st December 2003 the company was entitled to exemption under section 249a(1) of the Companies Act 1985. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249b(2). The directors acknowledge their responsibility for:

- (i) ensuring the company keeps accounting records which comply with section 221; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 11th June 2004.

Signed on behalf of the Board of Directors


..... Director
Roderick Smith