

CORE NOMINEES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1996

Registered Company Number 2424514



CORE NOMINEES LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 1996.

PRINCIPAL ACTIVITIES

The company holds investments as nominee for Credit Lyonnais Securities.

BUSINESS REVIEW

The company has not traded during the year and has received no income and incurred no expenditure, consequently the company has made neither a profit nor a loss nor any other recognised gains or losses (1995: £nil).

DIVIDENDS

The directors do not recommend the payment of a dividend (1995: £nil).

DIRECTORS

The directors who served during the year were as follows:

BF Armstrong
MNC Kerr-Dineen
SP McLaughlin
FC Melul
GC Mordaunt

DIRECTORS' INTERESTS

None of the directors had an interest in the shares of the Company or any other shares required to be disclosed under Schedule 7(2) of the Companies Act 1985.

SHARE CAPITAL

There were no changes during the year in the company's authorised or issued share capital.

CORE NOMINEES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by the Companies Act 1985 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 or loss for the financial year.

The directors consider that in preparing the financial statements on pages 4 to 5, the company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed.

The directors have the responsibility to prepare the financial statements on a going concern basis, where this is considered appropriate.

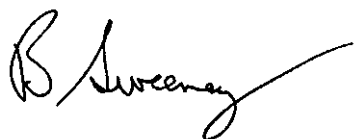
The directors have responsibility for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

AUDITORS

The auditors, Price Waterhouse, have expressed their willingness to continue in office and a resolution will be proposed for their reappointment at the Annual General Meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'B Sweeney', with a long, sweeping horizontal stroke extending to the right.

B Sweeney
Secretary

20 February 1997

AUDITORS' REPORT TO THE SHAREHOLDERS OF CORE NOMINEES LIMITED FOR THE YEAR ENDED 31 DECEMBER 1996

We have audited the financial statements on pages 4 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

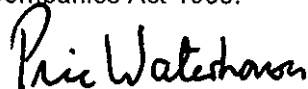
Basis of opinion

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 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 financial statements 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 31 December 1996 and have been properly prepared in accordance with the Companies Act 1985.



PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors
London

20 February 1997

CORE NOMINEES LIMITED

BALANCE SHEET AT 31 DECEMBER 1996

| | <u>Note</u> | <u>1996</u> £ | <u>1995</u> £ |
|--|-------------|------------------|------------------|
| CURRENT ASSETS | | | |
| Amount due from Credit Lyonnais Securities | | <u>2</u> | <u>2</u> |
| | | <u>2</u> | <u>2</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 5 | <u>2</u> | <u>2</u> |
| SHAREHOLDERS' FUNDS | | <u>2</u> | <u>2</u> |

Approved by the Board of Directors on 20 February 1997


BF Armstrong


SP McLaughlin

The notes on page 5 form an integral part of the financial statements.

CORE NOMINEES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1996

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

2 CASHFLOW STATEMENT

The company has not traded since incorporation and accordingly a cashflow statement has not been prepared as required under Financial Reporting Standard 1.

3 RESULTS

The company has not traded since incorporation and accordingly no profit and loss account has been prepared and no disclosures under Financial Reporting Standard 3 are required.

The parent company, Credit Lyonnais Securities, bears the administration costs of the company and in consideration thereof the company makes no charge to Credit Lyonnais Securities for holding securities and loan stock or receiving dividends as nominee. There is, therefore, no income or expenditure for the year.

4 DIRECTORS AND EMPLOYEES

The company has no employees. The directors, none of whom spends a material amount of time on the company's business, are remunerated by other companies within the Credit Lyonnais Capital Markets PLC Group. The remuneration was accordingly disclosed in the financial statements of those companies.

5 SHARE CAPITAL

| | <u>1996</u> £ | <u>1995</u> £ |
|---|------------------|------------------|
| Authorised: 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |
| Allotted, and fully paid: 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> |

6 CONTINGENT LIABILITIES

There is a contingent liability in respect of stocks and shares registered in the name of the company.

7 HOLDING COMPANIES

Group financial statements are prepared in the UK by the company's intermediate holding company, Credit Lyonnais Capital Markets PLC, a company registered in England. Group financial statements can be obtained from the company secretary, Broadwalk House, 5 Appold Street, London EC2A 2DA.

The company's ultimate holding company is Credit Lyonnais S.A., a company registered in France. Group financial statements can be obtained from 19 boulevard des Italiens, 75002 Paris, France.