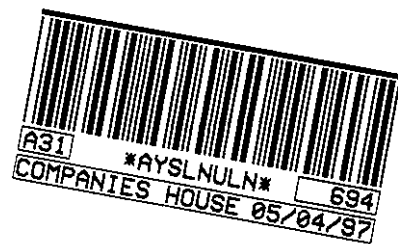


PARC CONTINENTAL LIMITED
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 1996



PARC CONTINENTAL LIMITED

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company is that of a holding company.

RESULTS AND DIVIDENDS

The results of the company for the year are set out in detail on page 4. The directors do not recommend the payment of a dividend (1995 : £Nil). The retained loss for the year of £24,056 (1995 : profit of £70,144) will be transferred to reserves.

DIRECTORS AND DIRECTORS' INTERESTS

The directors who held office during the year were as follows:-

J D L Baird

S A Jack

The disclosable interest of S A Jack in the shares and debentures of group companies is shown in the directors' report of Kleinwort Benson Limited.

None of the directors had any other disclosable interests in the shares or debentures of any group company. The directors are exempt from disclosing their interests in the shares or debentures of the ultimate parent company, Dresdner Bank AG, as it is incorporated outside the UK.

AUDITORS

The company has passed an elective resolution in accordance with section 379A of the Companies Act 1985 to dispense with the annual appointment of the auditors; accordingly Coopers & Lybrand will remain in office.

Approved by the board of Directors
and signed on behalf of the Board



A Morrison
Secretary

25th March 1997

PARC CONTINENTAL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors 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 of the company for that period. In preparing those financial statements, 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;
- prepare the financial statements on a 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 financial statements comply with the Companies Act 1985. 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.

PARC CONTINENTAL LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of 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.

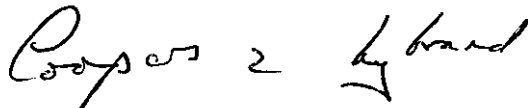
Basis of opinion

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 of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants
and Registered Auditors

Embankment Place
London

1 April 1997

PARC CONTINENTAL LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 December 1996

	Note	1996 £	1995 £
Interest receivable from subsidiary undertakings		4,135	8,627
Provision against investment in subsidiary undertakings		(10,072)	(5,971)
Provision against amounts due from subsidiary undertakings		-	52,493
Other Income		-	2,003
Exchange (loss)/gain		(14,319)	15,839
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(20,256)	72,991
Tax charge	3	(3,800)	(2,847)
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(24,056)	70,144
		<hr/>	<hr/>

All amounts shown above derive from continuing activities.

There are no recognised gains or losses for the year or the previous year other than the profit/(loss) on ordinary activities after taxation disclosed above. Accordingly no statement of total recognised gains and losses is given.

A statement showing the movement in the profit and loss account reserve is set out in note 8 on page 8.

The notes on pages 6 to 8 form an integral part of these financial statements.

PARC CONTINENTAL LIMITED

BALANCE SHEET

as at 31 December 1996

	Note	1996 £	1995 £
FIXED ASSETS			
Investment in subsidiary undertakings	4	33,260	43,332
CURRENT ASSETS			
Debtors - amounts falling due within one year	5	236,380	322,155
CREDITORS: amounts falling due within one year	6	(1,134)	(72,925)
NET CURRENT ASSETS		235,246	249,230
TOTAL ASSETS LESS CURRENT LIABILITIES		268,506	292,562
CAPITAL AND RESERVES			
Called up share capital	7	4,507,902	4,507,902
Profit and loss account	8	(4,239,396)	(4,215,340)
EQUITY SHAREHOLDERS' FUNDS		268,506	292,562

These financial statements were approved by the Board of Directors on 25th March 1997

Signed on behalf of the Board of Directors

Stephen A. Jack

S.A. JACK - DIRECTOR

The notes on pages 6 to 8 form an integral part of these financial statements.

PARC CONTINENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 1996

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The principal accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Basis of consolidation

In accordance with section 228(2) of the Companies Act 1985, group accounts have not been prepared as the company is itself a wholly owned subsidiary of Parc International Limited, incorporated in Great Britain. The company's subsidiary undertakings are consolidated in the accounts of Kleinwort Benson Group plc, an intermediate parent undertaking.

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Any translation differences which arise are dealt with in the profit and loss account.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are stated in the balance sheet at cost, less provisions for any permanent diminution in value.

Related party transactions

Parc Continental Limited is a wholly owned subsidiary of Parc International Limited. The ultimate parent undertaking is Dresdner Bank AG. The company has taken advantage of the exemption available in Financial Reporting Standard No.8 not to disclose inter- group related party transactions.

Cash flow statement

These financial statements do not include a cash flow statement as required by Financial Reporting Standard No.1 as a consolidated cash flow statement is prepared by Kleinwort Benson Group plc, an intermediate parent undertaking.

2. ADMINISTRATIVE EXPENSES

Costs of administration are borne by an intermediate parent undertaking. These include the remuneration of the auditors. None of the directors received any emoluments in respect of their services to the company.

PARC CONTINENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 1996

3. TAX CREDIT/(CHARGE)

	1996 £	1995 £
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Taxation is based on the profit/(loss) for the year and comprises:-

Group relief payable at 33% of taxable profit (1995-33%)	1,365	2,847
Adjustment relating to prior years	2,435	-
	<hr/>	<hr/>
	3,800	2,847
	<hr/>	<hr/>

4. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

COST	£
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At 1 January and 31 December 1996	3,064,852
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PROVISION FOR DIMINUTION IN VALUE

1 January 1996	3,021,520
Charged in the year	10,072

31 December 1996	3,031,592
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NET BOOK VALUE

31 December 1996	33,260
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31 December 1995	43,332
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The company holds, directly or indirectly, the entire ordinary share capital of the following subsidiaries, the majority of which are engaged in the business of providing equipment hire services:

Parctec Mietprogramme GmbH	Austria
KBPM SA *	France
Parc GmbH	Germany
Symbol Rent GmbH *	Germany
Exchange Rental GmbH *	Germany
Intergraph Rent GmbH *	Germany
CERL (Hong Kong) Limited	Hong Kong
Southash Limited	Jersey
Parc Limited *	Great Britain (registered in England and Wales)
Edinburgh House Limited	Great Britain (registered in England and Wales)

* denotes indirectly held investments

PARC CONTINENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS **31 December 1996**

5. DEBTORS: amounts falling due within one year | | 1996 | 1995 | |--|-------------|-------------| | | £ | £ |

Amounts owed by subsidiary undertakings	236,380	322,155
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6. CREDITORS: amounts falling due within one year | | 1996 | 1995 | |--|-------------|-------------| | | £ | £ |

Group relief payable	1,134	72,925
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7. CALLED UP SHARE CAPITAL

	1996	1995
	£	£

Authorised: 5,000,000 ordinary shares of £1 each	5,000,000	5,000,000
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Allotted and fully paid 4,507,902 ordinary shares of £1 each	4,507,902	4,507,902
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8. COMBINED RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Issued share capital 1996 £	Profit & loss account 1996 £	Total 1996 £	Total 1995 £
1 January 1996	4,507,902	(4,215,340)	292,562	222,418
Profit/(loss) attributable to members of the company	-	(24,056)	(24,056)	70,144
At 31 December 1996	4,507,902	(4,239,396)	268,506	292,562

9. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Dresdner Bank AG, a company incorporated in Germany. For consolidation purposes, Kleinwort Benson Group plc, a company incorporated in Great Britain and registered in England and Wales, is the parent undertaking of the smallest group of which the company is a member. Copies of the consolidated financial statements of both of these companies, for the year ended 31 December 1996 will be filed in due course at the Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.