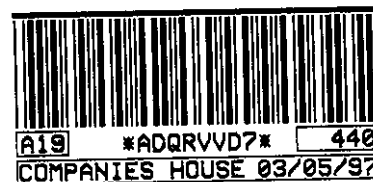


General Cable Investments Limited

Annual Report

For the year ended 31 December 1996

Registered Number: 2885920



General Cable Investments Limited

Directors: D J Miller
P X Galteau

Secretary J M Laver

Registered Office: 37 Old Queen Street
London
SW1H 9JA

General Cable Investments Limited

Directors' report for the year ended 31 December 1996

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

Principal Activities

During the year the company continued activities as an investment company in the UK cable communications industry.

Review of business and future development

The profit and loss account for the year is set out on page 5. During the year an interim dividend was paid on the fixed rate cumulative redeemable preference shares. No ordinary dividend is proposed (1995: £Nil). The directors recommend that the retained profit of £183,087 (1995: £40,090) be transferred to reserves.

The Company intends to continue its principal activities for the foreseeable future.

Directors and directors' interests

The directors of the company during the period were as follows:-

D J Miller

P X Galteau (appointed 2 April 1996)

The directors had no interest in the shares of the company at any time during the period. Their interests in other group companies are shown in the financial statements of General Cable PLC.

Directors' Responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in

General Cable Investments Limited

Directors' Responsibilities (continued)

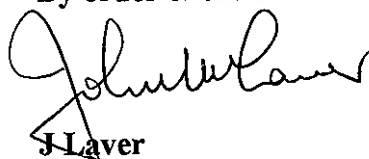
the preparation of the financial statements for the year ended 31 December 1996. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with section 385 of the Companies Act 1995, a resolution to re-appoint Coopers & Lybrand as auditors to the company will be proposed at the Annual General Meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'J. Laver', is written over the printed name.

J. Laver

Company Secretary

18 March 1997

General Cable Investments Limited

Report of the auditors to the members of General Cable Investments Limited

We have audited the financial statements on pages 5 to 11.

Respective responsibilities of directors and auditors

As described on pages 2 and 3 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.

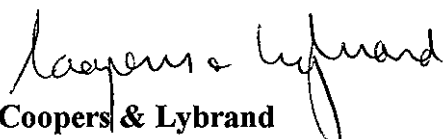
Basis of opinion

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 at 31 December 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand

Chartered Accountants and Registered Auditors

London

18 March 1997

General Cable Investments Limited

Profit & loss account

For the year ended 31 December 1996

	Notes	1996 £	1995 £
Turnover - continuing operations	2	-	-
Administrative expenses		(89)	-
Operating loss - continuing operations		<u>(89)</u>	<u>-</u>
Interest receivable		7,633,942	3,719,468
Profit on ordinary activities before taxation		<u>7,633,853</u>	<u>3,719,468</u>
Taxation	6	(1,357,610)	-
Profit on ordinary activities after taxation		<u>6,276,243</u>	<u>3,719,468</u>
Non equity dividends and appropriations	4	(6,093,156)	(3,679,378)
Retained profit for the financial year	13	<u><u>183,087</u></u>	<u><u>40,090</u></u>

The company has no recognised gains or losses other than those listed above and therefore no separate statement of total recognised gains and losses has been presented.

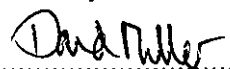
There is no difference between the profit on ordinary activities and the retained profit for the year stated above, and their historical cost equivalents.

General Cable Investments Limited

Balance sheet at 31 December 1996

	Notes	1996 £	1995 £
Fixed assets			
Investments	7	11,673,000	11,673,000
Current assets			
Debtors: amounts falling due within one year	8	2,139,369	582,709
Debtors: amounts falling due after more than one year	8	100,000,000	100,000,000
Bank and cash:		57,424	1,040,090
		<u>102,196,793</u>	<u>101,622,799</u>
Creditors: amounts falling due in less than one year	9	1,973,614	582,707
Net current assets		<u>100,223,179</u>	<u>101,040,092</u>
Total assets less current liabilities		<u>111,896,179</u>	<u>112,713,092</u>
Creditors: amounts falling due in more than one year	10	11,673,000	12,673,000
Net assets		<u><u>100,223,179</u></u>	<u><u>100,040,092</u></u>
Share capital and reserves			
Called up share capital (includes non-equity capital)	11	100,002	100,002
Share premium	12	99,900,000	99,900,000
Profit and loss account	13	223,177	40,090
		<u>100,223,179</u>	<u>100,040,092</u>
Equity shareholders' funds		223,179	40,092
Non equity shareholders' funds		100,000,000	100,000,000
Total shareholders' funds	14	<u><u>100,223,179</u></u>	<u><u>100,040,092</u></u>

The financial statements were approved and signed on behalf of the board on 18 March 1997 by.



Director

General Cable Investments Limited

Notes to the financial statements for the year ended 31 December 1996

1 Accounting policy

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

Basis of accounting

These financial statements have been prepared under the historical cost basis of accounting.

Deferred taxation

Deferred taxation has been calculated using the liability method. Deferred taxation is recognised on the timing differences, likely to reverse, at the rates of taxation anticipated to be in force at the time of the reversal. Deferred taxation is not recognised on timing differences which, in the opinion of the directors, will probably not reverse.

Cash flow statement

The Company is exempt from producing a Cash Flow Statement on the grounds that it is a wholly owned subsidiary of a company incorporated in Great Britain.

2 Turnover

The company had no turnover during the period.

3 Directors' emoluments

No director received any emoluments in respect of their services to the Company.

4 Dividends payable and appropriations

	1996 £	1995 £
On non-equity shares:		
6.0768% cumulative redeemable preference shares		
Dividend	5,477,152	3,096,671
Appropriation	616,004	582,707
	<u>6,093,156</u>	<u>3,679,378</u>

General Cable Investments Limited

Notes to the financial statements for the year ended 31 December 1996

5 Auditors' remuneration

The auditors' remuneration is borne by the immediate holding company General Cable PLC.

6 Tax on profit on ordinary activities

	1996 £	1995 £
UK corporation tax @ 33% (1995:33%)	2,715,220	1,031,405
Deferred taxation	-	195,930
Group relief	(1,357,610)	(1,227,335)
	<u>1,357,610</u>	<u>-</u>

Group relief represents the utilisation of tax losses from The Cable Corporation Limited, a fellow subsidiary.

Deferred taxation is fully provided in the financial statements

7 Investments

	£
At 1 January 1996	11,673,000
Additions	-
At 31 December 1996	<u><u>11,673,000</u></u>

The investment relates to a 5.73% holding in The Yorkshire Cable Group Limited a company engaged in the UK cable communications industry and registered in England.

The ability of the company to recover its investment is dependent upon the continued successful development of the cable communications industry.

In connection with the fixed rate cumulative redeemable preference shares issued by the company the shares in Yorkshire Cable Group Limited are subject to a charge in favour of Crosby Sterling Limited.

General Cable Investments Limited

**Notes to the financial statements
for the year ended 31 December 1996**

8 Debtors	1996	1995
	£	£
Amounts falling due within one year		
Amounts owed by parent undertaking	2,139,369	582,709
	<u>2,139,369</u>	<u>582,709</u>
Amounts falling due after more than one year		
Amounts owed by parent undertaking	100,000,000	100,000,000
	<u>102,139,369</u>	<u>100,582,709</u>
	=====	=====
9 Creditors: amounts falling due in less than one year	1996	1995
	£	£
Group relief payable	1,357,610	-
Other creditors	616,004	582,707
	<u>1,973,614</u>	<u>582,707</u>
	=====	=====
10 Creditors: amounts falling due after more than one year	1996	1995
	£	£
Amounts owed to parent undertaking	11,673,000	12,673,000
	<u>11,673,000</u>	<u>12,673,000</u>
	=====	=====

The loan is interest free and has no fixed repayment term.

General Cable Investments Limited

Notes to the financial statements for the year ended 31 December 1996

11 Called up share capital	1996 £	1995 £
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(a) Authorised

Equity		
1,000 (1995: 1,000) ordinary shares of £1 each	1,000	1,000
Non-equity:		
100,000 (1995: 100,000) 6.0768% cumulative redeemable preference shares of £1 each.	100,000	100,000

(b) Allotted, called up and fully paid

Equity		
2 (1995: 2) ordinary shares of £1 each	2	2
Non-equity:		
100,000 (1995: 100,000) 6.0768% cumulative redeemable preference shares of £1 each.	100,000	100,000
	100,002	100,002

The fixed rate redeemable preference shares issued may be redeemed, at the option of the Company following the exercise of any right of the holder or holders of the majority of such shares to require the parent company; or the exercise by the parent company of any right, to purchase the shares from an existing holder or holders. They may be redeemed between the date of subscription and 25 November 2015 at par. If they are still outstanding at 25 May 2015 they must be redeemed at par. The shares are non-voting and have a preferential right to return of capital on a winding up.

12 Share premium	£
At 1 January 1996	99,990,000
Share issues in year	-
At 31 December 1996	99,990,000

General Cable Investments Limited

Notes to the financial statements for the year ended 31 December 1996

13 Profit and Loss Account	£
At 1 January 1996	40,090
Retained profit	183,087
At 31 December 1996	<u><u>223,177</u></u>

14 Reconciliation of movements in shareholders' funds	£
Opening shareholders' funds	100,040,092
Profit for the financial year	183,087
Closing shareholders' funds	<u><u>100,223,179</u></u>

15 Ultimate Holding Company

Until 6 August 1996 the ultimate holding company was Compagnie Générale des Eaux S.A. which is incorporated and registered in France. A copy of the financial statements may be obtained from 52 Rue d'Anjou, 75008 Paris.

Until 6 August 1996 General Cable PLC, a company registered in England was the intermediate parent company. After this date General Cable PLC is the ultimate holding company. A copy of the financial statements may be obtained from the registered office, 37 Old Queen Street, London, SW1H 9JA.