

ABF (Overseas) Limited

**Directors' report and financial
statements**

Registered number 3313345

14 September 2002



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Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 14 September 2002.

Principal activities

In the course of the period the principal activity was the holding of shares in subsidiary companies. The principal activity of the subsidiaries was the manufacture and sale of food products.

Business review and future developments

During the period the company transferred investments with a book value of £200,000 to ABF Investments plc. The company also made a disposal of fixed asset investments, resulting in a loss of £145,753.

During the period the company wrote down its investment in ABF North America by £140,501,638 and on 18 October 2002 sold it to ABF (UK) Limited for a consideration equal to book value of £93,804,000.

Trading results, dividends and transfer to reserves

The company received a dividend of £71,889,054 (2001: £673,867) during the period. The directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the period were as follows:

JG Bason
HJ Davenport
PJ Jackson (resigned 23 July 2002)
PA Russell
RS Mendelsohn (nee Schofield)

Notification of an interest in, or right to subscribe for, the shares of this company and shares in or debentures of other group companies by JG Bason and PA Russell was not required because at the end of the period each was also a director of a company of which this company is a wholly owned subsidiary undertaking. RS Mendelsohn notified no interests.

Directors' report *(continued)*

Directors and directors' interests *(continued)*

The following director had outstanding options to acquire ordinary shares in Associated British Foods plc as follows:

	At 15 September 2001 shares of 5 15/22p each	Granted	At 14 September 2002 shares of 5 15/22p each	Exercise price	Date from which exercisable	Expiry date
HJ Davenport	50,000	-	50,000	561.5p	28 April 2003	27 April 2008
	30,000	-	30,000	484.0p	17 January 2004	16 January 2011

No director had at any time during the period any material interest in a contract with the company, other than service contracts.

By order of the board



RS Mendelsohn
Secretary

Weston Centre
Bowater House
68 Knightsbridge
London
SW1X 7LQ

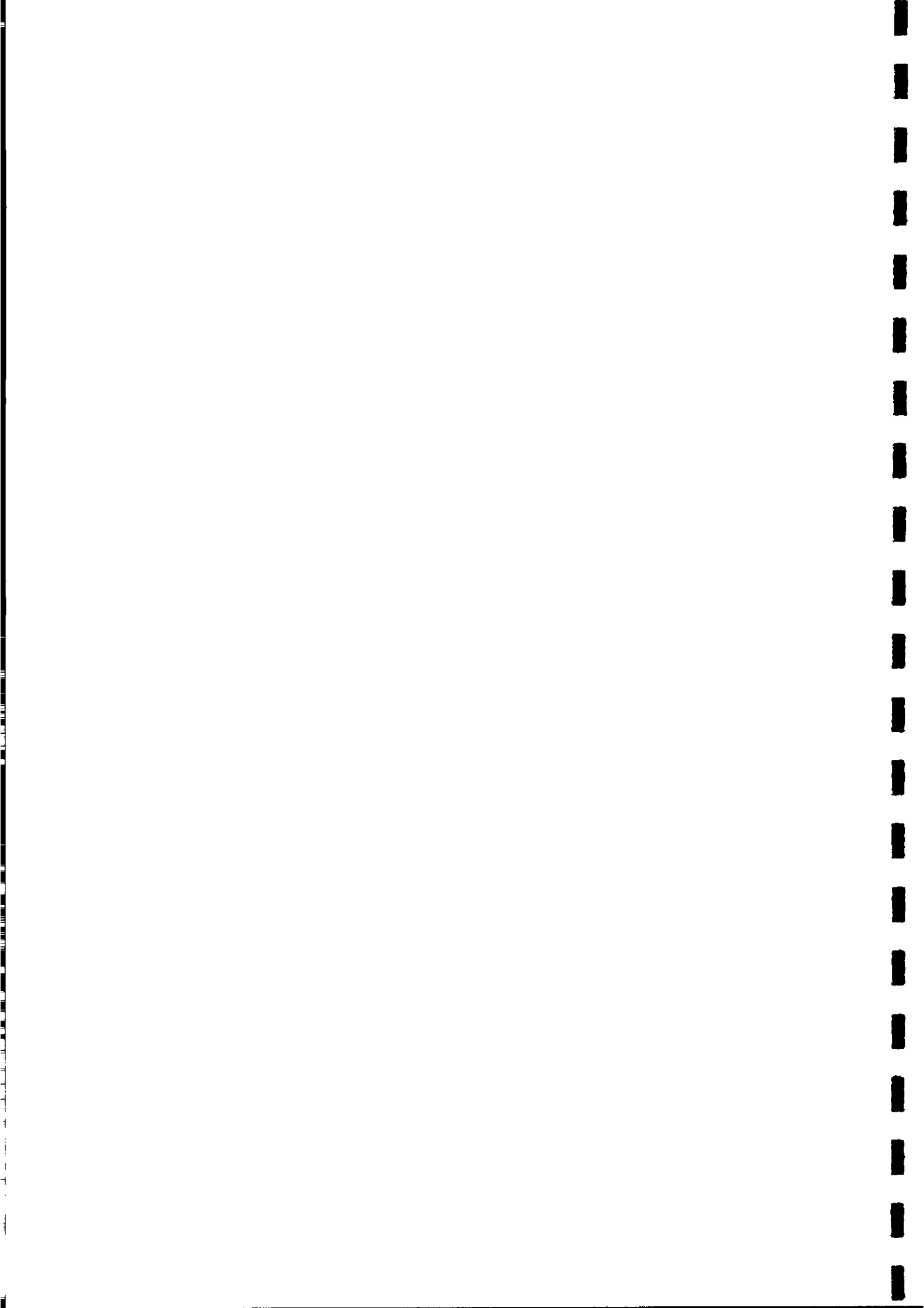
12 JUNE 2003

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 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the 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 enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.





KPMG Audit Plc

PO Box 695
8 Salisbury Square
London
EC4Y 8BB

Independent auditors' report to the members of ABF (Overseas) Limited

We have audited the financial statements on pages 5 to 10.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit 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 affairs of the company as at 14 September 2002 and of its profit for the 52 week period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
Chartered Accountants
Registered Auditor

12 June 2003

Profit and loss account

for the period ended 14 September 2002

	Note	52 week period ended 14 September 2002 £	52 week period ended 15 September 2001 £
Amounts written off fixed asset investments		(140,501,638)	-
Loss on sale of fixed asset investments		(145,753)	-
Income from fixed asset investments	4	71,889,054	673,867
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(68,758,337)	673,867
Tax on profit on ordinary activities	5	-	-
		<hr/>	<hr/>
(Loss)/profit on ordinary activities after taxation		(68,758,337)	673,867
Retained profit brought forward		2,168,404	1,494,537
		<hr/>	<hr/>
Retained (loss)/profit carried forward		(66,589,933)	2,168,404
		<hr/>	<hr/>

There are no recognised gains or losses other than the profit for the period and the previous period.

There is no material difference between the company's results as reported and on our historical cost basis. Accordingly no note of historical cost profits and losses has been prepared.

Balance sheet

at 14 September 2002

	Notes	14 September 2002 £	15 September 2001 £
Fixed assets			
Investments	6	853,567,837	994,735,499
Current assets			
Debtors	7	12,000	-
Current liabilities			
Creditors: amounts falling due within one year	8	(895,169,730)	(967,567,095)
Net current liabilities		(895,157,730)	(967,567,095)
Net (liabilities)/assets		(41,589,893)	27,168,404
Capital and reserves			
Called up share capital	9	25,000,040	25,000,000
Profit and loss account		(66,589,933)	2,168,404
Total shareholders' funds		(41,589,893)	27,168,404

These financial statements were approved by the board of directors on 12 JUNE 2003 and were signed on its behalf by:



PA Russell
Director

Notes

(forming part of the financial statements)

1 Accounting reference date

The accounting reference date of the company is the Saturday nearest to 15 September. Accordingly, these financial statements have been prepared for the 52 week period ended 14 September 2002.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

Cash flow statement

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking. A group cash flow statement is included in the financial statements of ABF Investments plc.

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose transactions with entities that are part of the group or investees of the group qualifying as related parties, as 90% or more of the voting rights of the company are controlled within the group and the company was included in the consolidated financial statements of the group which are publicly available.

Income from fixed asset investments

Dividend income is recognised on a receipts basis.

3 Directors' emoluments and auditors' remuneration

The directors received no emoluments in respect of their services to the company (2001: £Nil).

The auditors' remuneration was borne by the holding company in both the current and previous period.

4 Income from fixed asset investments

	52 week period ended 14 September 2002 £	52 week period ended 15 September 2001 £
Income from shares in joint venture	372,708	673,867
Income from shares in group undertakings	71,516,346	-
	<u>71,889,054</u>	<u>673,867</u>

Notes (continued)

5 Tax on profit on ordinary activities

(a) Factors affecting current tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	52 week period ended 14 September 2002 £	52 week period ended 15 September 2001 £
(Loss)/profit on ordinary activities before tax	(68,758,337)	673,867
(Loss)profit on ordinary activities before tax at the standard rate of corporation tax of 30% (2001: 30%)	(20,627,501)	202,160
Losses not deductible for tax purposes	42,194,217	-
Other income not subject to corporation tax	(21,566,716)	(202,160)
Total current tax	-	-

(b) Factors that may affect future tax charges

There are no factors that are expected to affect future tax charges.

Notes (continued)

6 Fixed asset investments

Shares	Subsidiary undertakings £	Joint ventures £	Total £
<i>Cost</i>			
At beginning of period	989,557,901	5,177,598	994,735,499
Additions	10,540	-	10,540
Disposals	(476,564)	-	(476,564)
Transfer	(200,000)	-	(200,000)
Amounts written off investments	(140,501,638)	-	(140,501,638)
At end of period	848,390,239	5,177,598	853,567,837

Principal subsidiary undertakings

	Place of incorporation or registration (if overseas)	Class of shares held	Percentage of shares held
Beauvallet Investments Limited	Jersey	Ordinary	100%
Soublier Investments Limited	Jersey	Ordinary	100%
Bonuit Investment Limited	Jersey	Ordinary	100%
Portelet Investments Limited	Jersey	Ordinary	100%
George Weston Foods Limited *	Australia	Ordinary	81%
Food Investments Pty Limited	Australia	Ordinary	100%
AB Enzyme GmbH	Germany	Ordinary	100%
AB Enzyme OY	Finland	Ordinary	100%
ABF North America Inc	US	Ordinary	100%

* Indirect investments

Group financial statements have not been prepared as the company is a wholly owned subsidiary undertaking of ABF Investments plc and therefore exempt under S228 Companies Act 1985. ABF Investments plc, which is registered in England, prepares group financial statements which include this company.

Principal joint ventures

Roal OY	Finland	Ordinary	50%
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In the opinion of the directors the investments in the company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

Notes (continued)

7 Debtors

	14 September 2002 £	15 September 2001 £
Amounts falling due within one year		
Corporation Tax	12,000	-

8 Creditors

	14 September 2002 £	15 September 2001 £
Amounts falling due within one year		
Amounts owed to group undertakings: Parent and fellow subsidiary undertakings	895,169,730	967,567,095

9 Called up share capital

	14 September 2002		15 September 2001	
	Number	£	Number	£
<i>Authorised</i>				
Ordinary shares of £1 each	26,000,000	26,000,000	25,000,000	25,000,000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	25,000,040	25,000,040	25,000,000	25,000,000

10 Post balance sheet event

On 18 October 2002 the company sold its investment in ABF North America Inc to ABF (UK) Limited for a consideration equal to book value of £93,804,000.

11 Holding company

The ultimate holding company and controlling party as defined by FRS8, is Wittington Investments Limited which is incorporated in Great Britain and registered in England.

The largest group in which the results of the company are consolidated is that headed by Wittington Investments Limited. The smallest group in which they are consolidated is that headed by ABF Investments plc, which is incorporated in Great Britain and registered in England. The consolidated financial statements of these groups are available to the public and may be obtained from Companies House.