

Wellman Friction Products UK Corp.
Balance Sheet
December 31, 1997
In British Pounds

ASSETS

Current Assets		
Cash on Hand	12,085.63	
Stock Subscription Receivable	100.00	
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Total Current Assets		12,185.63
Property and Equipment		
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Total Property and Equipment		0.00
Other Assets		
	<hr/>	
Total Other Assets		0.00
		<hr/>
Total Assets		12,185.63
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LIABILITIES AND CAPITAL

Current Liabilities		
	<hr/>	
Total Current Liabilities		0.00
Long-Term Liabilities		
Notes Payable-SK Wellman Corp.	73,606.99	
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Total Long-Term Liabilities		73,606.99
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Total Liabilities		73,606.99
Capital		
Common Stock	100.00	
Retained Earnings	8,555.79	
Net Income	<70,077.15>	
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Total Capital		<61,421.36>
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Total Liabilities & Capital		12,185.63
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Wellman Friction Products UK Corp.
Income Statement
For the Twelve Months Ending December 31, 1997
In British Pounds

	Current Month	Year to Date
Revenues		
Professional Fees	<65,233.02>	0.00
Total Revenues	<65,233.02>	0.00
Cost of Sales		
Total Cost of Sales	0.00	0.00
Gross Profit	<65,233.02>	0.00
Expenses		
Bank Charges	148.34	1,688.74
Office Expense	0.00	405.08
Postage Expense	0.00	584.94
Rent or Lease Expense	528.75	6,345.00
Salaries Expense	3,439.75	46,500.00
Shipping Expense	213.99	2,392.63
Telephone Expense	444.10	7,075.43
UK Expenses	0.00	4,444.58
US Expense	0.00	640.75
Total Expenses	4,774.93	70,077.15
Net Income	<70,007.95>	<70,077.15>

For Management Purposes Only

Wellman Friction Products UK Corp.
Balance Sheet
December 31, 1996
In British Pounds

Assets

Cash on Hand	8,555.79
Stock Subscription Receivables	<u>100.00</u>

Total Assets 8,655.79

Liabilities & Capital

Notes Payable - SK Wellman 8,555.79

Common Stock 100.00

Total Liabilities and Capital 8,655.79