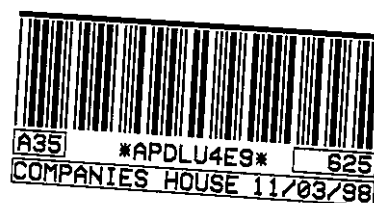


ABITEC Limited

Directors' report and financial statements

13 September 1997

Registered number 482099



Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 13 September 1997.

Business review and future developments

The activities of the company and its subsidiaries are controlled by Associated British Foods plc. During the period the main activities of the companies remained unchanged and the directors anticipate that any future developments would be related to these activities.

Directors

At the beginning of the period the directors were MJ O'Neill (Managing), THM Shaw, MS Mackuin and JM MacEwan. The board remained the same throughout the year and in the period to date.

Interests of Directors in shares and debentures

Notification of interests by THM Shaw was not required because at the end of the period he was a director of the company of which this company is a wholly owned subsidiary. The other directors each notified no interests.

According to the register of directors' interests, no rights to subscribe for shares in this company or shares in or debentures of any other group company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Principal activities

The company is a holding company and in the course of the period the principal activity of the company and its subsidiary companies was the manufacture and sale of food products.

Results

The profit on operations was £1,050,000 (1996 : £1,279,138). After providing £435 for payment of corporation tax there was a surplus of £1,049,565 which was added to reserves.

Creditor payment policy

The company does not trade on its own account. The creditor payment policy of its subsidiary undertakings are disclosed in the financial statements of those companies.

Directors' report *(continued)*

Auditors

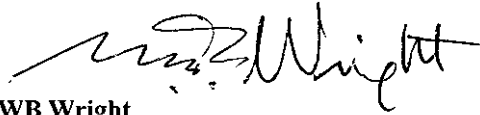
During the period, KPMG resigned as auditors and KPMG Audit Plc were appointed auditors in their stead.

Pursuant to a shareholders' resolution the company is not obliged to re-appoint its auditors annually and KPMG Audit Plc will therefore continue in office.

By order of the board



MR Gore
Joint Secretary



WB Wright
Joint Secretary

16 October 1997

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 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 to 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

Norfolk House
Silbury Boulevard
Central Milton Keynes
MK9 2HA

Report of the auditors to the members of ABITEC Limited

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

Respective responsibilities of directors and auditors

As described on page 3 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 at 13 September 1997 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*

1 December 1997

Profit and loss account
for the period ended 13 September 1997

		52 week period ended 13 September 1997 £	52 week period ended 14 September 1996 £
	<i>Note</i>		
Profit on sale of subsidiary undertaking		-	229,138
Income from shares in group undertakings		1,050,000	1,050,000
		<hr/>	<hr/>
Profit on ordinary activities before taxation		1,050,000	1,279,138
Tax on profit on ordinary activities	4	(435)	(70,000)
		<hr/>	<hr/>
Retained profit for the financial period		1,049,565	1,209,138
Retained profit brought forward		3,356,354	2,147,216
		<hr/>	<hr/>
Retained profit carried forward		4,405,919	3,356,354
		<hr/> <hr/>	<hr/> <hr/>

A statement of movements on reserves is given in note 9.

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 a historical cost basis. Accordingly, no note of historical cost profits and losses has been prepared.

Balance sheet
at 13 September 1997

	<i>Note</i>	13 September 1997		14 September 1996	
		£	£	£	£
Fixed assets					
Investments	5		75,100		75,100
Current assets					
Debtors	6	19,002,863		16,083,369	
Creditors: amounts falling due within one year	7	(14,585,486)		(12,715,557)	
Net current assets			4,417,377		3,367,812
Net assets			4,492,477		3,442,912
Capital and reserves					
Called up share capital	8		86,558		86,558
Profit and loss account	9		4,405,919		3,356,354
Shareholders' funds - equity interests			4,492,477		3,442,912

These financial statements were approved by the board of directors on 16 October 1997 and were signed on its behalf by:



MJ O'Neill
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 13 September 1997.

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 accounting rules and in accordance with applicable accounting standards.

The company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group accounts and to deliver them to the Registrar of Companies. The financial statements present information about the undertaking as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 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 Associated British Foods plc.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

3 Directors and employees

The average number of employees in the company during the period was nil (1996: Nil).

No director received any remuneration from the company in the period.

The number of directors employed by ABITEC Limited was 4 (1996: 4).

Notes (continued)

4 Taxation on profit on ordinary activities

	52 week period ended 13 September 1997 £	52 week period ended 14 September 1996 £
UK corporation tax at 33% (1996: 33%) on the profit for the period on ordinary activities	-	70,000
Adjustment in respect of prior periods	435	-
	<hr/> 435 <hr/>	<hr/> 70,000 <hr/>

5 Investments

Shares in subsidiary undertakings

	£
At beginning and end of period	75,100
	<hr/>

The company owns the following holdings in the ordinary share capital of the subsidiary companies:

	1997 %	1996 %
AB Ingredients Limited	75	75
AB Technology Limited	100	100

All subsidiaries are incorporated and operate principally in Great Britain and are registered in England and Wales.

In the opinion of the directors, the aggregate value of the assets of the company consisting of shares in, or amounts owing from, the company's subsidiary undertakings is not less than the aggregate of the amounts at which those assets are included in the company's balance sheet.

Notes (continued)

6 Debtors

	13 September 1997 Due within one year £	14 September 1996 Due within one year £
Amounts owed by group undertakings		
Parent and fellow subsidiary undertakings	11,616,718	9,290,980
Subsidiary undertakings	7,386,145	6,792,389
	<hr/>	<hr/>
	19,002,863	16,083,369
	<hr/> <hr/>	<hr/> <hr/>

7 Creditors

	13 September 1997 £	14 September 1996 £
Amounts falling due within one year		
Amounts owed to group undertakings		
Subsidiary undertakings	14,515,486	12,645,557
Corporation tax	70,000	70,000
	<hr/>	<hr/>
	14,585,486	12,715,557
	<hr/> <hr/>	<hr/> <hr/>

8 Called up share capital

	13 September 1997		14 September 1996	
	Number	£	Number	£
<i>Authorised</i>				
Ordinary shares of £1 each	57,583	57,583	57,583	57,583
Deferred shares of £1 each	29,017	29,017	29,017	29,017
	<hr/>	<hr/>	<hr/>	<hr/>
	86,600	86,600	86,600	86,600
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	57,541	57,541	57,541	57,541
Deferred shares of £1 each	29,017	29,017	29,017	29,017
	<hr/>	<hr/>	<hr/>	<hr/>
	86,558	86,558	86,558	86,558
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

9 Reserves

	Profit and loss account £
At beginning of period	3,356,354
Retained profit for the period	1,049,565
	<hr/>
At end of period	4,405,919
	<hr/> <hr/>

10 Reconciliation of movements in shareholders' funds

	13 September 1997 £	14 September 1996 £
Opening shareholders' funds	3,442,912	2,233,774
Profit for the financial period	1,049,565	1,209,138
	<hr/>	<hr/>
Closing shareholders' funds	4,492,477	3,442,912
	<hr/> <hr/>	<hr/> <hr/>

11 Parent company

The ultimate parent company is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

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 and Wales.

Copies of the group accounts of ABF Investments plc are available from Weston Centre, Bowater House, 68 Knightsbridge, London SW1X 7LR.