

**MCNEIL LABORATORIES LIMITED****REPORT OF THE DIRECTORS**  
**IN RESPECT OF THE YEAR ENDED 31 DECEMBER 1996**

1. The directors present herewith the accounts of the Company for the year ended 31st December 1996.

**Results**

2. The Company has not traded during the period and has made neither profits nor losses.

**Directors**

3. The directors of the Company at 31st December 1996 all of whom have been directors for the whole of the period ended on that date unless otherwise stated were:-

Dr R J Donnelly  
Mr D C Jackson  
Mr P T Tattle

**Directors' Interests in Shares**

4. According to the register to be kept under Section 325 of the Companies Act 1985, no director had, either at the beginning or the end of the period ended 31st December 1996, any interest in the shares of the Company or any other group company which are required by Section 324 of the Act to be notified to the Company.

**Auditors**

5. In accordance with the provision of Section 252 of the Companies Act 1985, the Company being a dormant company within the meaning of the said section, Section 384 of the Companies Act 1985 shall not apply, and accordingly that no auditors will be appointed.

BY ORDER OF THE BOARD



M J BURGESS  
**SECRETARY**

Saunderton  
High Wycombe  
Bucks

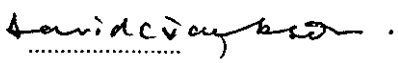
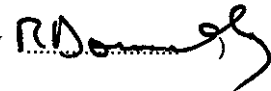
9 September 1997



MCNEIL LABORATORIES LIMITEDBALANCE SHEET - 31 DECEMBER 1996

<u>CURRENT ASSETS</u>	<u>1996</u> £	<u>1995</u> £
Amount due from parent company (Cilag Limited)	100	100
	—	—
	100	100
	—	—
<u>CAPITAL EMPLOYED</u>		
SHARE CAPITAL (Note 2)	100	100
	—	—

The Company remained dormant throughout the financial year.

D C JACKSON  )  
 ) Directors  
 R J DONNELLY  )  
 )

Date: 9 September 1997

NOTES TO THE ACCOUNTS

1. Holding Company

The directors regard Johnson & Johnson Inc which is incorporated in the United States of America as the Company's ultimate holding company.

2. Share Capital

	<u>1996</u> £	<u>1995</u> £
Ordinary Shares of £1 each:		
Authorised	50,000	50,000
	—	—
Issued and fully paid	100	100
	—	—

3. Trading

The Company did not trade during the year ended 31st December 1996 and it has made neither profits nor losses.

4. Directors' Emoluments

No director received any emoluments in respect of his services to the company for the period ended 31st December 1996.