

SMITH & NEPHEW ALBION LIMITED

DIRECTORS' REPORT

Directors P R Chambers (appointed 22 08 1994)
 C K Lomax (resigned 31 12 2007)
 P L Higgins (resigned 31 12 2007)
 G E M Parsons (appointed 20 03 2008)

The directors present their report for the year ended 31st December 2007

ACCOUNTS, ACTIVITIES AND AUDITORS

The directors submit the accounts of the company for the year ended 31st December 2007. The company is a dormant company within the meaning of S249AA of the Companies Act 1985 and accordingly, no auditors have been appointed. No changes in the books of account of the company have taken place during the year and any expenses have been met by another group company. The accounts, therefore, consist of a balance sheet only.

By order of the Board, 4 June 2008

PR Chambers

For and on behalf of
Smith & Nephew Nominee Services Limited
Secretary

Registered Office 15 Adam Street, London, WC2N 6LA
Registered Number 1484356



SMITH & NEPHEW ALBION LIMITED
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BALANCE SHEET AT 31st DECEMBER 2007

	NOTES	31 st December 2007 £	31 st December 2006 £
CURRENT ASSETS			
Amounts due from Group Companies		380,119	380,119
		-----	-----
NET ASSETS		380,119	380,119
		=====	=====
CAPITAL AND RESERVES			
Called up Share Capital	2	4	4
Profit and Loss Account		380,115	380,115
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SHAREHOLDERS FUNDS		380,119	380,119
		=====	=====

NOTES TO THE ACCOUNTS

- 1 The company's ultimate holding company is Smith & Nephew plc, incorporated in England and Wales
- 2 At 31st December 2007 and 31st December 2006 the share capital of the company was

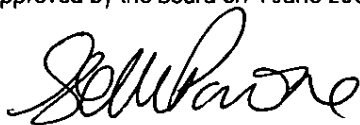
	Authorised £	Allotted, called up and fully paid £
Ordinary Shares of £1 each	100	4
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For the year ended 31st December 2007 the Company was entitled to exemption under S249AA (1) of the Companies Act 1985 ("CA") No members have required the Company to obtain an audit of its accounts for the year in question in accordance with S249B (2) CA

The Directors acknowledge their responsibility for

- a) Ensuring the Company keeps accounting records which comply with S221 CA,
- b) Preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of its financial year, and of its profit and loss for the financial year in accordance with S226 CA, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the Company

Approved by the Board on 4 June 2008



Director