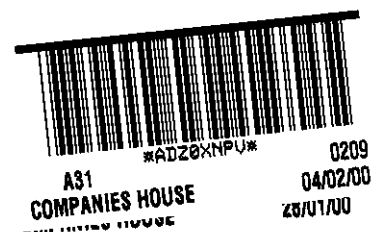


Lee Stainless Steel Services Limited

Report and Accounts

31 March 1999

Registered No. 482367



DIRECTORS' REPORT

Directors: E Cook
M R Lee

Secretary: E Cook

Registered Office: Trubrite Steel Works, Meadow Hall, Sheffield S9 1HU

The directors present their report and accounts for the period ended 31 March 1999.

ACCOUNTS

The financial statements of the company for the period ended 31 March 1999 are presented herewith. The company did not trade during the period under review and accordingly the accounts consist of a balance sheet only.

DIRECTORS AND THEIR INTERESTS

The Directors of the company during the period ended 31 March 1999 were those listed above together with Mr J V Henderson who resigned on 31 March 1999.

Directors' interests notifiable under the terms of the Companies Act 1985 were those listed below:

Carclo plc	Holdings of ordinary Shares of 5p each	
	31 March	31 March
	1998	1999
	No.	No.
E Cook	12,000	4,500

	Options to purchase Ordinary shares of 5p each			
	31 March	Granted	Exercised	As at
	1999	during	during	31 March
	No.	year	year	1998
E Cook	10,000	-	-	10,000
	6,250*	-	-	6,250*

*options granted under the Carclo Sharesave Option Scheme 1997

COMPANY STATUS

The company is a dormant company as defined by Section 250 of the Companies Act 1985.

By order of the board

E Cook *E Cook*
Secretary

21 January 2000

Lee Stainless Steel Services Limited

BALANCE SHEET

at 31 March 1999

	Notes	1999 £	1999 £
CURRENT ASSETS			
Amounts owed by group undertakings		1,000,000	1,000,000
CREDITORS: amounts falling due after more than one year			
Medium term loan from parent company		1,575,804	1,575,804
		<u>(575,804)</u>	<u>(575,804)</u>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Reserves		<u>(575,904)</u>	<u>(575,904)</u>
		<u>(575,804)</u>	<u>(575,804)</u>

The company was dormant throughout the financial year.

E Cook  Director

21 January 2000

NOTES TO THE ACCOUNTS

at 31 March 1999

1. PROFIT AND LOSS ACCOUNTS

The company has not traded during the period under review and, therefore, made neither a profit nor a loss. Accordingly, no profit and loss account has been prepared.

The company was a dormant company as defined by Section 250 of the Companies Act 1985 throughout the financial period. The directors have relied upon the exemptions under the provision of Section 250 Companies Act 1985 to omit an Auditor's Report.

2. ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention, as modified by the revaluation of land and buildings, and in accordance with applicable accounting standards.

3. GOING CONCERN

The accounts have been prepared on a going concern basis because the immediate parent undertaking has agreed to provide continuing support to the company to enable it to meet its debts as they fall due.

4. CALLED UP SHARE CAPITAL

	<i>Authorised</i>		<i>Allotted, called up fully paid</i>	
	<i>1999</i>	<i>1999</i>	<i>1999</i>	<i>1999</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	100	100	100	100

5. ULTIMATE PARENT COMPANY

The parent company and ultimate controlling party of the group of undertakings for which group accounts are drawn up and of which the company is a member is Carclo plc. Copies of Carclo plc's accounts can be obtained from Carclo House, PO Box 224, Fife Street, Sheffield S9 1YX.