

SCA NORDLINER (UK) LIMITED

(Registered No: 1120990)

Directors' Report and Accounts for the year ended 31 December 1998



SCA NORDLINER (UK) LIMITED**DIRECTORS' REPORT**

The directors present their report and accounts of the company for the year ended 31 December 1998.

RESULTS AND REVIEW OF ACTIVITIES

The Company did not trade during the year and consequently no profit and loss account has been prepared.

DIRECTORS

The directors who served during the year were:

C N Snape	(Resigned 22 June 1998)
A D Thorne	
R L Holdron	

None of the directors who held office during the year had any interest in the shares of the company or any of its holding companies incorporated in great Britain.



A J Staples
Secretary

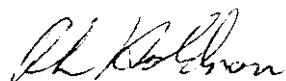
18 October 1999

SCA NORDLINER (UK) LIMITED**Balance sheet - 31 December 1998**

	Notes	<u>1998</u> £	<u>1997</u> £
Current assets			
Debtors	4	<u>339,552</u>	<u>339,552</u>
Capital and reserves			
Called up share capital	5	200,000	200,000
Profit and loss account	6	<u>139,552</u>	<u>139,552</u>
Equity Shareholders' funds		<u>339,552</u>	<u>339,552</u>

The company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the year ended 31 December 1998.

Approved by the Board of Directors on 18 October 1999.



R L Holdron
Director

SCA NORDLINER (UK) LIMITED

Notes to the financial statements for the year ended 31 December 1998

1. Principal Activity

The company has not traded on its own account and has not incurred any liabilities during this year. Consequently it has made neither profit nor loss.

2. Accounting policies

These accounts are based on the historic cost convention.

3. Directors' Emoluments

None of the directors received emoluments in respect of their service to the company during the year (1997 £nil).

4. Debtors

	<u>1998</u> £	<u>1997</u> £
Amounts falling due within one year owed by group undertakings	<u>339,552</u>	<u>339,552</u>

5. Share Capital

	<u>1997</u>	<u>1995</u>
Authorised		
200,000 ordinary shares of £1 each	<u>£200,000</u>	<u>£200,000</u>
Allotted, called up and fully paid		
200,000 ordinary shares of £1 each	<u>£200,000</u>	<u>£200,000</u>

SCA NORDLINER (UK) LIMITED

Notes to the financial statements for the year ended 31 December 1998.

6. Reserves

	Profit and Loss Account
At 1 January 1998 and 31 December 1998	£139,552
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7. Ultimate Holding Company

The Company's ultimate holding company is Svenska Cellulosa Aktiebolaget SCA, a company incorporated in Sweden.