

ELDERS WALKER MILLICAN (HOLDINGS) LIMITED

(Company Registration Number: 1374272)

REPORT AND ACCOUNTS

YEAR ENDED 31 MARCH 2002



PILKINGTON

ELDERS WALKER MILLICAN (HOLDINGS) LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2002**

The directors present their annual report and accounts of the Company for the year ended 31 March 2002.

Activities

The Company has not traded during the year.

Directors

The following were directors of the Company during the year:

Mr J McKenna
Miss S E Lennon
Mr C R Bayley
Mr I Smith

On October 26, 2002 Mr I Smith was appointed as a director.

Directors' Interests

None of the Directors had any interest in the shares of the company at 31 March 2002 and 31 March 2001

The interest of the directors in shares or options in shares of the holding company, Pilkington plc, at 31 March 2002 and 2001 were as follows:

	<u>Ordinary Shares</u> <u>of 50p each</u>	
	2002	2001
Mr J McKenna	57,895	21,599
Miss S E Lennon	5,599	5,339
Mr C R Bayley	16,602	9,377
Mr I Smith	-	-

	<u>Shares under Option</u>					
	At 1.4.01	Options granted *	Options granted **	Options exercised	Options lapsed	At 31.3.02
Mr J McKenna	327,738	45,689	-	82,568	8,616	282,243
Miss S E Lennon	11,959	-	-	-	-	11,959
Mr C R Bayley	153,738	33,663	2,398	37,064	6,460	146,275
Mr I Smith ***	11,786	31,105	-	-	-	42,891

Options granted under the Pilkington Executives' Share Option Scheme * were at 116p and options granted under the Pilkington Savings Related Share Option Scheme ** were at 105p. Mr I Smith *** from date of appointment

ELDERS WALKER MILLICAN (HOLDINGS) LIMITED
REPORT OF THE DIRECTORS (CONTINUED)

In addition to the above disclosure of shares under option, Mr J McKenna and Mr C R Bayley participate in Pilkington's deferred bonus plan, under which certain senior executives in the Pilkington Group are entitled to invest half or all of their performance-related bonus, after tax, in the company's shares which, if deposited with the trustees of the plan for a minimum period of three years, would be matched by Pilkington. The plan matches the shares purchased on a two-for-one basis at the net level (equivalent to 1.2-for-one at the gross level). Pilkington funds the trustees of the plan to enable them to purchase the matching shares at the same time as the participant purchases his shares.

The following directors held options to acquire, at no additional cost, the following number of matching shares under the plan.

	Options held at 01.04.01	Exercised during year	Granted during year	Options held at 31.03.02
Mr J McKenna	20,494	-	71,111	91,605
Mr C R Bayley	18,754	-	14,595	33,349

Statement of Directors' responsibilities

Company law requires the directors to prepare accounts 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 of the company for that period. In preparing those accounts, 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 accounts;
- prepare the accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with Section 250 of the Companies Act 1985 the Company has resolved not to appoint auditors.

By order of the Board



S.E. Lennon
 Director/Secretary

27th May 2002

ELDERS WALKER MILLICAN (HOLDINGS) LIMITED**BALANCE SHEET AS AT 31 MARCH 2002**

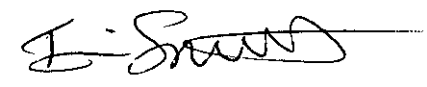
	Note	2002 £000	2001 £000
Current Assets			
Debtors - amounts due from group undertaking	4	1,871	1,871
Total assets less current liabilities		<u>£1,871</u>	<u>£1,871</u>
Financed by:			
Called-up share capital	5	1,650	1,650
Profit and loss account		221	221
Equity shareholders' funds		<u>£1,871</u>	<u>£1,871</u>

The directors confirm that the company is entitled to the audit exemption under section 249AA (1) of the Companies Act 1985 for 31 March 2002 and that the Members have not required the company to obtain an audit of its financial statements for the financial year in question in accordance section 249B (2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) Ensuring that the company keeps accounting records that comply with section 221.
- (b) Preparing financial statements that give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the company.

The accounts were approved by the board of Directors on 27th May 2002 and were signed on its behalf by:



Director

ELDERS WALKER MILLICAN (HOLDINGS) LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED
31 MARCH 2002

1 Accounting policies

The accounts have been prepared in accordance with the historical cost convention and in accordance with Accounting Standards applicable in the United Kingdom. A summary of the major accounting policies, which have been consistently applied, is set out below.

Cash flow

In accordance with paragraph 5 (a) of FRS 1, the company is not required to publish a cash flow statement.

Related parties

As the company is a subsidiary undertaking, where 90% or more of its voting rights are controlled within the Pilkington Group, it has taken advantage of the exemption permitted by FRS 8 not to disclose any transactions or balances with entities that are part of the Pilkington Group.

2 Results

The company has not traded during the year and has made neither profit nor loss.

3 Directors' emoluments and employee information

The emoluments of the directors in respect of services to this company and to a number of fellow subsidiary companies are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the parent company. Accordingly, there are no emoluments in respect of Mr McKenna, Miss Lennon, Mr Smith and Mr Bayley.

The company did not employ anyone during the year. All administrative duties are performed by employees of the ultimate holding company/a fellow subsidiary company.

4 Amounts due to/from group undertakings

The amounts due to/from group undertakings are unsecured, interest free and have no fixed repayment date.

5 Share capital

	2002	2001
	£000	£000
Authorise - 2,500,000 Ordinary shares of £1 each	2,500	2,500
Allotted, called up and fully paid		
1,650,000 Ordinary shares of £1 each	1,650	1,650

6 Contingent liabilities

At 31 March 2002 the Company had no contingent liabilities incurred in the ordinary course of business arising out of guarantees and other transactions.

7 Ultimate and immediate parent undertakings

The immediate parent undertaking and controlling party is Pilkington Brothers Limited, registered in England and Wales. The company has not prepared consolidated accounts as the directors regard the ultimate parent undertaking and controlling party to be Pilkington plc, a company registered in England and Wales. Pilkington plc has prepared consolidated accounts for the whole of the Pilkington Group, a copy of which can be obtained from the Company Secretary, Pilkington plc, Prescott Road, St Helens, WA10 3TT.