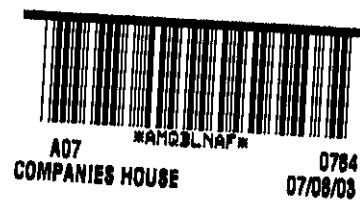


Registered no: 1989256

RHONE-POULENC RORER LIMITED
Annual report
for the year ended 31 December 2002



RHONE-POULENC RORER LIMITED
Annual report
for the year ended 31 December 2002

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RHONE-POULENC RORER LIMITED

Directors and advisers

Directors

D.J. Nicholls

D.H.T. Rees

Secretary and registered office

D.J. Nicholls

Aventis House
50 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4AH

Registered auditors

PricewaterhouseCoopers LLP
Chartered Accountants
1 Embankment Place
London WC2N 6RH

RHONE-POULENC RORER LIMITED

Directors' report for the year ended 31 December 2002

The directors present their report and the audited financial statements for the year ended 31 December 2002.

Principal activities

The company is an investment holding company.

Review of business

The company did not trade during the year. The year end financial position remains satisfactory.

Dividends and transfers to reserves

The results for the year ended 31 December 2002 are shown on page 6. The directors do not recommend the payment of a dividend in respect of the year (2001: £Nil) and therefore the profit of £1,625,000 for the year ended 31 December 2002 (2001: £Nil) will be transferred to reserves.

Directors

The directors at the date of this report are shown on page 2. Directors who served during the year were as follows:

J.P. Mitchum resigned 13 December 2002

D.J. Nicholls

D.H.T. Rees

None of the directors at 31 December 2002 had an interest in the shares or debentures of the company during the year, or of any group company incorporated in Great Britain.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year 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 the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 2002. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

RHONE-POULENC RORER LIMITED

Registered auditors

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 20 January 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors of the company will be proposed at the next general meeting of the company.

By order of the board



D.J. Nicholls

Company secretary

8 July 2003

RHONE-POULENC RORER LIMITED

Independent auditors' report to the members of Rhone-Poulenc Rorer Limited

We have audited the financial statements, which comprise the profit and loss account, the balance sheet and the related notes, which have been prepared under the historical cost convention.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

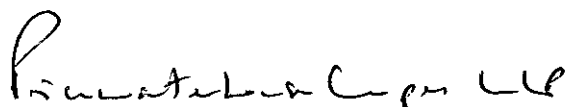
Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
8 July 2003

RHONE-POULENC RORER LIMITED

Profit and loss account

for the year ended 31 December 2002

	Notes	2002 £000	2001 £000
Profit on ordinary activities before taxation	5	-	-
Tax on profit on ordinary activities	6	1,625	-
Profit for the financial year	11	<u>1,625</u>	<u>-</u>

The company has no recognised gains and losses other than those dealt with above and therefore no separate statement of total recognised gains and losses has been presented.

Profit on ordinary activities before taxation and profit for the financial year as stated above, are no different to their equivalents calculated on the historical cost basis.

All of the company's activities are continuing.

RHONE-POULENC RORER LIMITED

Balance sheet at 31 December 2002

	Notes	2002 £000	2001 £000
Fixed assets			
Investments			
Shares in group undertakings	7	69	69
Other	8	<u>3,074</u>	<u>3,074</u>
		3,143	3,143
Net current assets			
Debtors	9	26,888	25,263
Total assets		<u>30,031</u>	<u>28,406</u>
Capital and reserves			
Called-up share capital	10	101	101
Share premium account		3,142	3,142
Profit and loss account	11	26,788	25,163
Equity shareholders' funds	12	<u>30,031</u>	<u>28,406</u>

The financial statements on pages 6 to 11 were approved by the board of directors on 8 July 2003 and were signed on its behalf by:



D.H.T. Rees
Director

RHONE-POULENC RORER LIMITED

Notes to the financial statements for the year ended 31 December 2002

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. The main accounting policies are set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention.

Investments

Investments are valued at cost less provision for any permanent diminution in value. Investments consist solely of investments in a subsidiary company and a 12.14% holding in a fellow subsidiary company.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised on permanent differences. No deferred tax adjustment was required in the current year.

2 Turnover

The company has not traded during the year (2001: Nil).

3 Directors' emoluments

There were no directors' emoluments payable in respect of the year (2001: Nil).

4 Employee information

The company had no employees, other than the directors, during the year (2001: Nil).

5 Profit on ordinary activities before taxation

Audit fees and administration costs have been accounted for on a group basis and not charged to the company.

6 Taxation

(a) Analysis of credit for the year

	2002 £000	2001 £000
Receipt for group relief	<u>1,625</u>	<u>-</u>

RHONE-POULENC RORER LIMITED

(b) Factors affecting tax credit for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 30%. The differences are explained below:

	2002 £000	2001 £000
Profit on ordinary activities before tax	-	-
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	-	-
Effects of:		
Double taxation relief	1,625	-
Current tax credit for year (note 6(a))	<u>1,625</u>	<u>-</u>

7 Investments in group undertakings

	£000
Shares at cost:	
At 1 January 2002 and 31 December 2002	<u>69</u>

The company has a 98.5% interest in the share capital and voting rights of Rorer Finanziaria SpA. Rorer Finanziaria SpA is incorporated and registered in Italy with share capital consisting of ordinary shares of Lit1,000 each and is engaged in the pharmaceuticals business.

The directors consider that the values of the net assets of the subsidiary are not less than the cost of the investment.

8 Other investments

	£000
Shares at cost:	
At 1 January 2002 and 31 December 2002	<u>3,074</u>

The company has a 12.14% direct interest in the share capital and voting rights of Aventis Pharma SpA. This interest increases to 15.32% when taking into account shares held by the company's subsidiary, Rorer Finanziaria SpA.

9 Debtors

	2002 £000	2001 £000
Amounts falling due within one year		
Amounts owed by affiliated undertaking	25,581	21,911
Other debtors	1,307	3,352
	<u>26,888</u>	<u>25,263</u>

RHONE-POULENC RORER LIMITED

10 Called-up share capital

	2002 £000	2001 £000
Authorised		
500,000 ordinary shares of £1 each	<u>500</u>	<u>500</u>
Allotted, called up and fully paid		
101,000 ordinary shares of £1 each	<u>101</u>	<u>101</u>

11 Profit and loss account

	£000
At 1 January 2002	25,163
Profit for the year	1,625
At 31 December 2002	<u>26,788</u>

12 Reconciliation of movements in shareholders' funds

	2002 £000	2001 £000
Opening shareholders' funds	28,406	28,406
Profit for the year	1,625	-
Closing shareholders' funds	<u>30,031</u>	<u>28,406</u>

13 Consolidated accounts

Consolidated accounts have not been prepared because Rhone-Poulenc Rorer Limited is a wholly owned subsidiary of Aventis Pharma Holdings Limited, a company incorporated in Great Britain.

14 Related party transactions

As a wholly owned subsidiary of Aventis SA advantage has been taken of the exemption afforded by Financial Reporting Standard 8 from disclosing related party transactions with entities that are part of the Aventis SA group. There were no other related party transactions.

15 Cash flow statements

The company has taken advantage of the exemption in Financial Reporting Standard 1 (Revised) from the requirement to publish a cash flow statement on the grounds that the consolidated accounts of the ultimate parent undertaking are publicly available.

16 Contingent liability

In the normal course of business the company has given a limited cross undertaking in respect of bank loans and overdrafts of a number of its holding and fellow subsidiary companies in the United Kingdom. The amount to which this cross undertaking relates can vary on a daily basis but was £Nil at 31 December 2002 (2001: £Nil).

RHONE-POULENC RORER LIMITED

17 Parent companies

At 31 December 2002 the ultimate parent undertaking and controlling party was Aventis SA, a company incorporated in France. Copies of the accounts of the ultimate parent can be obtained from Espace Europeen de l'Entreprise, Avenue de l'Europe, Schiltigheim 67300, France.

The immediate parent undertaking is Aventis Pharma (UK) Investments Limited, which is registered in England and Wales. The registered office of the company is Aventis House, 50 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4AH.