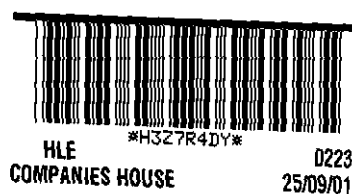


YARE PACKAGING LIMITED

Report and Financial Statements

31 December 2000



Deloitte & Touche
1 Woodborough Road
Nottingham
NG1 3FG

REPORT AND FINANCIAL STATEMENTS 2000

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REPORT AND FINANCIAL STATEMENTS 2000

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

F T Allan
G D King
C M Parsons
J Usher

SECRETARY

F T Allan

REGISTERED OFFICE

2 Franks Road
Bardon Hill
Coalville
Leicestershire
LE67 1TT

AUDITORS

Deloitte & Touche
Chartered Accountants
1 Woodborough Road
Nottingham
NG1 3FG

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the 12 month period ended 31 December 2000.

ACTIVITIES

The company operates principally as a holding company.

REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS

The company was dormant during the year.

DIVIDENDS AND TRANSFER TO RESERVES

Details of the results for the year are shown in the profit and loss account on page 4. The directors do not propose to pay a dividend (1999: paid £32.35 per share).

DIRECTORS AND THEIR INTERESTS

The directors who served during the year are listed below.

F T Allan
G D King
C M Parsons
J Usher

In accordance with the Articles of Association, the directors are not required to retire by rotation. There are no share interests requiring disclosure in accordance with the provisions of the Companies Act.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

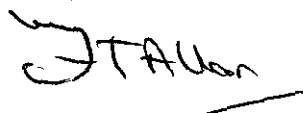
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 financial statements comply with the Companies Act 1985. They are also responsible for the company's system of internal financial control and for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Pursuant to s386 Companies Act 1985, an elective resolution was passed on 17th August 1999 dispensing with the requirement to appoint auditors annually. Therefore, Deloitte & Touche are deemed to continue as auditors.

Approved by the Board of Directors
and signed on behalf of the Board


F T Allan

Secretary

12 July 2001



YARE PACKAGING LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 the company's affairs as at 31 December 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

Chartered Accountants and
Registered Auditors

13 August 2001

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2000

	Note	12 months ended 31 December 2000 £	18 months ended 31 December 1999 £
TURNOVER	2	-	-
Administrative expenses		-	(578,750)
OPERATING LOSS		-	(578,750)
Income from shares in group undertakings		-	920,546
Interest payable	3	-	(19,882)
PROFIT ON ORDINARY ACTIVITIES BEFORE & AFTER TAXATION		-	321,914
Dividends	5	-	(323,476)
RETAINED LOSS FOR THE FINANCIAL PERIOD		-	(1,562)

All the above results relate to the company's activities prior to the transfer of trade to Mondi Packaging Limited. Accordingly, the trading activities of Yare Packaging Limited are treated as discontinued from 31 December 1999.

The company has no recognised gains or losses other than the result for the financial period.

BALANCE SHEET
31 December 2000

	Note	2000 £	1999 £
FIXED ASSETS			
Investment in subsidiary	6	28,800	28,800
CREDITORS: amounts falling due within one year – amounts due to group undertakings		<u>(18,800)</u>	<u>(18,800)</u>
NET CURRENT LIABILITIES		<u>(18,800)</u>	<u>(18,800)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,000	10,000
		<u>10,000</u>	<u>10,000</u>
CAPITAL AND RESERVES			
Called up share capital	7	10,000	10,000
EQUITY SHAREHOLDERS' FUNDS	8	<u>10,000</u>	<u>10,000</u>

The company was dormant (within the meaning of section 250 of the Companies Act 1985) throughout the financial year ended 31 December 2000.

These financial statements were approved by the Board of Directors on *12 July 2001*.

Signed on behalf of the Board of Directors



GD KING
Director

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards.

Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption to prepare and deliver group accounts, as the company is a subsidiary of Anglo American plc.

Cash flow statement

The company is exempt from preparing a cash flow statement on the basis that a consolidated cash flow statement which includes the company is presented in the financial statements of the ultimate parent undertaking, Anglo American plc.

Turnover

Turnover is the total amount receivable by the company for goods supplied as a principal and for services provided, excluding VAT and trade discounts.

Investments

Investments are included at cost less provision for any impairment.

2. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit on ordinary activities before taxation are attributable to the company's principal activity, that of a holding company and are carried out in the United Kingdom. The auditors' remuneration is borne by the parent company.

3. INTEREST PAYABLE

	12 months ended 31 December 2000 £	18 months ended 31 December 1999 £
On bank loans	-	19,882

4. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The average number of employees of the company (including directors) during the period was nil (1999: nil)

5. DIVIDENDS

	12 months ended 31 December 2000 £	18 months ended 31 December 1999 £
Ordinary dividend on equity shares paid £nil per ordinary share (1999: £32.35)	-	323,476

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

6. INVESTMENTS IN SUBSIDIARY

At 31 December 2000 the company held 27,550 ordinary shares of £1 each and 1000 3½% preference shares of £1 each in Great Yarmouth Cardboard Box Company Limited, a company registered in England and Wales, a dormant company. This represents 100% of the share capital of the company.

	£
Cost	
At 1 January 2000 and 31 December 2000	607,550
Amounts written off	
At 1 January 2000	578,750
Provided in the period	-
At 31 December 2000	578,750
Net book value	
At 31 December 2000	28,800
At 31 December 1999	28,800

7. CALLED UP SHARE CAPITAL

	2000 £	1999 £
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	12 months ended 31 December 2000 £	18 months ended 31 December 1999 £
Profit for the financial period	-	321,914
Dividends	-	(323,476)
Net movement in shareholders' funds	-	(1,562)
Opening shareholders' funds	10,000	11,562
Closing shareholders' funds	10,000	10,000

NOTES TO THE ACCOUNTS

Year ended 31 December 2000

9. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Flametone Limited, the company is exempt from the requirements of FRS8 to disclose transactions with other members of the group headed by Anglo American plc.

10. CONTROLLING PARTIES

The company's ultimate parent company and controlling party is Anglo American plc, a company which is incorporated in the UK. Copies of the group financial statements of Anglo American plc are available from the Registrar of Companies, Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

Anglo American plc is the only company producing group accounts.

The company's immediate parent company is Flametone Limited.