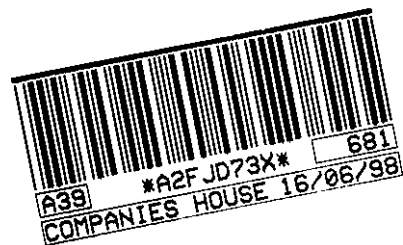


Containers Packaging (Europe) Limited

Directors' report and financial statements

30 June 1997

Registered number 3051255



Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 1997.

Principal activities

The company has not traded since incorporation and acts as a holding company for investments in subsidiary undertakings.

Directors and directors' interests

The directors who held office during the year were as follows:

A R F Hobson	Resigned 31 January 1998
C D V Nixon	Resigned 31 January 1998
E J Marshall	Resigned 27 June 1997
A J Clarke	Appointed 2 June 1997
J M Gallagher	Appointed 2 June 1997

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

By order of the board



J M Gallagher
Secretary

Date 1 June 1998

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Report of the auditors, KPMG, to the members of Containers Packaging (Europe) Limited

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. 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 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 30 June 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



*Chartered Accountants
Registered Auditors*

37 Hills Road
Cambridge
CB2 1XL

Date 3 June 1998

Profit and loss account
for the year ended 30 June 1997

	Note	1997 £000	1996 £000
Exceptional charge	2	(19,376)	-
		<hr/>	<hr/>
Operating loss		(19,376)	-
Interest payable and similar charges		(7)	-
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(19,383)	-
Tax on loss on ordinary activities		-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation		(19,383)	-
		<hr/>	<hr/>
Retained loss for the financial year		(19,383)	-
		<hr/>	<hr/>

There are no recognised gains and losses other than those disclosed in the profit and loss account.

The accounts are prepared on an unmodified historical cost basis and the loss reported is based upon historical cost.

Balance Sheet
at 30 June 1997

	<i>Note</i>	1997 £000	1997 £000	1996 £000	1996 £000
Fixed assets					
Investments	2		117,294		65,131
Creditors: amounts falling due within one year	3	(41,840)		(131)	
Net current liabilities			(41,840)		(131)
Total assets less current liabilities			75,454		65,000
Creditors: amounts falling due after one year	4		(29,837)		-
Net assets			45,617		65,000
Capital and reserves					
Called up share capital	5		65,000		65,000
Profit and loss account			(19,383)		-
			45,617		65,000

These financial statements were approved by the board of directors and were signed on its behalf by:



A J Clarke
Director

Date *1st June* 1998

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The immediate parent company, Amcor Packaging (Europe) Ltd, has undertaken to make sufficient funds available to enable the company to meet its liabilities as and when they fall due.

Group accounts have not been prepared as the company is a wholly owned subsidiary of Amcor Packaging (Europe) Limited and is included in the group accounts of that company. These financial statements present information about the company as an individual undertaking and not about its group.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Amcor Limited (incorporated in Australia), and its cash flows are included within the consolidated cash flow statement of that company.

As Containers Packaging (Europe) Limited is a wholly owned subsidiary of Amcor Limited, advantage has been taken of the exemption in Financial Reporting Standard 8 to not disclose transactions or balances with entities which form part of the group. The consolidated financial statements of Amcor Limited can be obtained from the address given in note 6.

2 Fixed asset investments

	Shares in group undertakings £000	Loans to group undertakings £000	Total £000
<i>Cost</i>			
At 1 July 1996	63,389	1,742	65,131
Additional investments	71,576	-	71,576
Repayments	-	(37)	(37)
	<hr/>	<hr/>	<hr/>
At 30 June 1997	134,965	1,705	136,670
	<hr/>	<hr/>	<hr/>
Provision for write down in carrying value			
<i>Exceptional charge</i>	(19,376)	-	(19,376)
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 30 June 1997	115,589	1,705	117,294
	<hr/>	<hr/>	<hr/>
At 30 June 1996	63,389	1,742	65,131
	<hr/>	<hr/>	<hr/>

Shares in group undertakings comprise £63,173,000 (1996: £63,389,000) in respect of shares held in subsidiaries and £52,416,000 (1996: nil) in respect of shares in fellow subsidiaries.

Notes (continued)

2 Fixed asset investments (continued)

The principal companies in which the company's immediate interest at the year end is more than 10% are as follows:

	Country of incorporation	Principal activity	Class and percentage of shares held
<i>Subsidiary undertakings</i>			
Litografia A Romero SA	Spain	folding carton manufacture	ordinary 83%
Prestige Packaging Limited	UK	non trading	ordinary 100%
Rentsch Holding Berlin GmbH	Germany	holding company	ordinary 94%
Rentsch Polska Spolikaz oo	Poland	folding carton manufacture	ordinary 100%
Rig Rentsch Industrie-Holding AG	Switzerland	folding carton manufacture	ordinary 100%
Strabo BV	Netherlands	holding company	ordinary 100%
<i>Fellow subsidiary undertakings</i>			
Amcor Emballages SA	France	holding company	ordinary 48%

A full list of the indirect subsidiary undertakings is given in the consolidated accounts of Amcor Packaging (Europe) Limited.

3 Creditors: amounts falling due within one year.

	1997 £000	1996 £000
Amounts owing to parent company	63	-
Amount due on acquisition of Strabo BV	41,683	-
Sundry creditors and accruals	94	131
	<u>41,840</u>	<u>131</u>

4 Creditors: amounts falling due after one year.

	1997 £000	1996 £000
Amounts owing to parent company and fellow subsidiaries	<u>29,837</u>	<u>-</u>

5 Called up share capital

	1997 £000	1996 £000
<i>Authorised</i>		
Equity: Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<i>Allotted, called up and fully paid</i>		
Equity: Ordinary shares of £1 each	<u>65,000</u>	<u>65,000</u>

Notes (continued)

6 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Amcor Packaging (Europe) Limited registered in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Amcor Limited, incorporated in Australia. The consolidated accounts of this group are available to the public and may be obtained from Amcor Limited, Southgate Tower East, 40 City Road, South Melbourne, Victoria 3205, Australia. The smallest group in which they are consolidated is that headed by Amcor Packaging (Europe) Limited. The consolidated accounts of this group are available to the public and may be obtained from Amcor Packaging (Europe) Limited, Unit 8, Arden Court, Arden Road, Alcester, Warwickshire, B49 6HN.