COURTAULDS NORTHERN TEXTILES LIMITED
Registered No. 150022

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 1992.

Review of the Business

During the year the company has not traded and has not incurred any liabilities. Consequently, it has made neither profit nor loss.

Dividends and Reserves

The directors do not recommend the payment of a dividend (1991 £nil). There was no movement in reserves.

Directors and Directors' Interests

The directors of the company during the year were:-

A Hartell
R K Bryan Resigned 31.12.92

Miss K L Bridgock was appointed a director on 1 January 1993.

The beneficial interests of the directors in office at 31 December 1992 and of their families, in the share and loan capital of Courtaulds Textiles plc and its subsidiaries were as follows:-

<table>
<thead>
<tr>
<th>Courtaulds Textiles plc 25p Ordinary shares</th>
<th>31.12.92</th>
<th>31.12.91</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td>Options (a)</td>
<td>Shares</td>
</tr>
<tr>
<td>A Hartell</td>
<td>44</td>
<td>5,192</td>
</tr>
<tr>
<td>R K Bryan</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

(a) The number of shares over which executive directors had options under the Courtaulds Textiles Savings-Related Share Option Scheme (subscription price 208p).

No change occurred in these interests before 3 March 1993.

Other Information

During the year the company maintained liability insurance for its officers.

The company was not a close company within the meaning of the Income and Corporation Taxes Act 1988.

Auditor

A special resolution has been passed at a General Meeting under Section 253A of the Companies Act 1985 exempting the company from the obligation to appoint an auditor.

On behalf of the board

A HARTELL
Secretary

27 JUL 1993

3 March 1993
COURTAULDS NORTHERN TEXTILES LIMITED

Balance Sheet as at 31 December 1992

<table>
<thead>
<tr>
<th>Note</th>
<th>31.12.92 £</th>
<th>31.12.91 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Called up share capital</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Profit and Loss account</td>
<td>(100)</td>
<td>(100)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>***</td>
<td>***</td>
</tr>
</tbody>
</table>

The Company was dormant (within the meaning of Section 252 of the Companies Act 1985) throughout the year ended 31 December 1992.

Approved by the Board on 3 March 1993

Director
COURTAULDS NORTHERN TEXTILES LIMITED

STATEMENT OF ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

NOTES TO THE ACCOUNTS

1. None of the directors received any emoluments in respect of their services to the Company (1991 Error).

2. Share Capital

<table>
<thead>
<tr>
<th></th>
<th>1992</th>
<th>1991</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorised, allotted and fully paid 100 Ordinary Shares of £1 each</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

3. Ultimate Parent Undertaking

The largest and smallest group in which the results of the company are consolidated is Courtaulds Textiles plc, a company registered in England and Wales. Copies of the Courtaulds Textiles plc group accounts can be obtained from:

13/14 Margaret Street
London W1A 3DA