

# GLYNWED INTERNATIONAL plc



GLYNWED IS A MAJOR

PROCESSOR OF METALS AND

PLASTICS, PROVIDING A VITAL

LINK BETWEEN PRODUCERS

OF BASIC MATERIALS

AND MANUFACTURERS OF

COUNTLESS FINISHED

PRODUCTS.

WITH LEADING BRANDS OF
ITS OWN, GLYNWED ALSO
CREATES QUALITY IN
FINISHED PRODUCTS
FOR THE HOME AND FOR
INDUSTRY.

THROUGH ITS

DISTRIBUTION OF

METALS AND PLASTICS,

GLYNWED DELIVERS

VALUE IN SPECIALIST

MATERIALS TO A

MULTIPLICITY OF

GUSTOMERS WORLDWIDE.



CHAIRMAN'S STATEMENT4
DIRECTORS & OFFICERS8
CONTENTS
GROUP STRUCTURE10
FINANCIAL REVIEW14
REVIEW OF DIVISIONAL OPERATIONS17
REPORT OF THE DIRECTORS38
SOURCE AND DISTRIBUTION OF VALUE ADDED42
CASH FLOW STATEMENT43
CONSOLIDATED PROFIT AND LOSS ACCOUNT44
CONSOLIDATED BALANCE SHEET45
COMPANY BALANCE SHEET46
NOTES TO THE ACCOUNTS47
AUDITOR'S REPORT67
SUMMARY OF COMPARATIVE FIGURES68
NOTICE OF MEETING70
1993 FINANCIAL CALENDAR72

the second secon



# CHAIRMAN'S STATEMENT



Despite poor trading conditions throughout 1992 which affected most of the market sectors in which Glynwed operates, the Group was able to increase pre-tax profits and earnings per share by almost 30%. This was largely due, as I forecast in my interim statement, to the measures taken by our management to reduce operating costs and adapt operations to lower levels of demand in order to improve competitiveness and manage cash.

Turnover at £906.4m was £43.5m down on the previous year but much of the shortfall was accounted for by lower metal market prices for aluminium, steel and copper.

Operating profit at £44.8m showed an increase of 10% and after interest of £11.7m (£15.4m) the pre-tax profit was £33.1m (£25.5m), an improvement of 30%. After a slightly reduced overall tax rate, earnings were £22.5m (£17.3m) or 10.95p (8.43p) per share. Although the dividend will be marginally uncovered, the Board is, against the background of our view of the outlook as given at

the end of this statement, proposing a final dividend of 7.5p, making an unchanged total for the year of 11.65p per ordinary share,

### GROUP OPERATIONS

In 1991 it was decided to discontinue three loss-making businesses: Amari World Steel, an international steels trader; Charles Davis, LME Metal Brokers; and Forti a joint venture plastic pipe manufacturer in Italy. The realisation of the assets involved in these businesses, together with the sale of a small nickel alloy business of our Metal Services division, in Germany, was achieved in the year under review. The closure of the Cashmores Scrap business, for which a provision was made in 1992, is now nearing completion.

The Group's continuing activities had mixed fortunes.

Against a poor industry background Consumer Products' businesses performed well, showing a strong finish in the final quarter of the year to record a profit improvement of 35% over the previous year. Flavel-Leisure increased its market share in the UK and demonstrated excellent growth in overseas markets, paralleling the continued export success of its sister business, sink manufacturer Leisure. Aga-Raybum and Falcon Catering Equipment both

continued to demonstrate excellent resilience in difficult trading conditions. Our management has taken the opportunity to reinforce

market leadership and strengthen competitiveness through the development of new products and markets in the UK and overseas.

The deep recession in the UK construction industry contin-

ued throughout the year, seriously affecting

the results of our cast iron Building Products'



operations. Cost cutting and corrective action, which included the closure of a foundry, ansured that the impact of significantly lower demand on operating profits was contained. The results of the Steels & Engineering division are worthy of special note. It is pleasing to report a 45% increase in the profits of the division in spite of the reduction in worldwide demand for steel, and the consequent margin erosion suffered by most major companies in the market. Whilst our hot rolled and bright drawn steel operations in particular experienced difficult market conditions and pressure on prices, the precision strip steel, steel tube and engineering businesses took advan-

tage of relatively more favourable conditions.

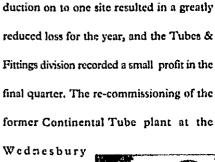


# CHAIRMAN'S STATEMENT CONTINUED

Our Metal Services division had to contend with lower market demand in both the UK and USA, which, combined with the fall in metal prices, was largely responsible for the disappointing turnover and profits. This outcome occurred despite an increase in sales tonnage and market share, and despite prompt, effective cost-cutting action by the management. The UK operations have been reorganised into a well balanced, more compact distribution network, which will strengthen the division's future performance. In the USA, on the other hand, a highly competitive market is likely to continue to cause the businesses there to struggle.

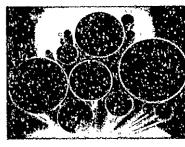
Results from the Plastics division were affected by a number of special factors caused by a deferment of investment in the UK distribution networks of both the gas and water industries; this had an adverse effect on sales of poly-

ethylene products to those important markets. Nevertheless, we are confident that the division will continue to be a focus for growth.



Finally, the reorganisation of copper tube pro-

Tube site in Bilston, West Midlands, is expected to take place later this year, subject



to market conditions.

# MANAGEMENT AND

#### BOARD

On the 1st October 1992 John Blakeley, an invaluable member of the corporate team, was promoted to the Board to fill the newly created position of Corporate Services Director.

John was formerly the Company Secretary and Legal Adviser to the Group. At the end of the year Terry O'Neill retired from the Board. Terry joined the Group



in 1977 as Chief Executive of the Consumer & Building Products division and was promoted to the Board in 1987. I would like to record my sincere thanks to Terry for his contribution to the Group over the past 16 years and to wish him well in his retirement.

Since the year-end the Group has announced a number of important management changes

to prepare the ground for the next phase in its development and growth and to provide for management succession. On the 1st February 1993 the Board was strengthened by the appointment of Bruce Ralph as

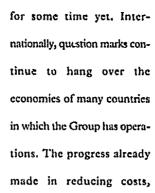
Group Managing Director and Chief Executive-Designate to take on the day to day running of the Group, whilst Bernard Doyle, formerly Chief Executive of the Steels & Engineering division, has undertaken a wide-ranging role as Operations Director. The Group has now been reorganised and a new generation of executives has been promoted to lead the Group's operating divisions and to be members of a new Operations Board.

As a result of these moves we now have a strong management team all of whom have a wealth of experience in their respective businesses.

I would like to thank my Board colleagues and all our employees worldwide for the contribution made by them during another difficult and demanding year.

#### OUTLOOK

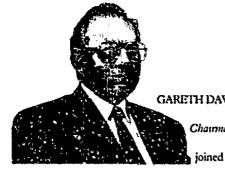
We believe that the worst of the recession in the UK is now past, although some sectors such as construction will not show any improvement



improving efficiency and eliminating loss makers has helped the Group achieve increased levels of profitability for four successive half-years and we are aiming to maintain this trend in 1993. However, it will certainly not be before the second half of the year that the benefit of interest rate reductions, and any other economic stimulus, can be expected to have any worthwhile impact on our results.

Cank Davis

Gareth Davies Chairman and Chief Executive 8th April 1993



GARETH DAVIES CBE, FCA (age 63)

Chairman and Chief Executive,
joined a Glynwed subsidiary,

JOHN ECCLES\* CBE (age 61) Deputy

Chairman, is Chief Executive of the Commonwealth Development Corporation,

## DIRECTORS & OFFICERS

Steel Parts, as accountant in January 1957.

He became Group Computer Manager in 1964 and was appointed to the Glynwed Board as Group Finance Director in 1969.

He was appointed Deputy Chairman in 1975, Managing Director in 1981, Group Chief Executive in 1984 and Chairman and Chief Executive in December 1986. Mr. Davies is also a non-executive director of Midlands Electricity plc.

BRUCE RALPH (age 53) Managing Director and Chief Executive - Designate, joined Glynwed in February 1993, having previously been Chief Executive of Dowty Group ple which he had joined, as Managing Director

previous career was with Ever Ready

Ltd, where he had responsibility for

of its industrial division, 10 years earlier. His

international operations, and Hanson plc, with whom he worked on mergers and acquisitions. Chairman of Chamberlin and Hill plc and a director of Courtaulds Textiles plc. He was appointed to the Glynwed Board in June 1972.



The Rt Hon JOHN BIFFEN\* MP

(age 62) became a director in November 1987. He is the Member of Parliament for Shropshire North and has held government office as Chief



Secretary to the Treasury, Secretary of State for Trade, Lord President of the Council, Lord Privy Seal and Leader of the House of Commons.

DAVID MILNE CA (age 56) Finance Director, joined the Board of Glynwed in May 1979,

from Wilmot Breeden
Holdings Ltd. His ressponsibilities include the
operation of Glynwed properties,

\* non executive

JOHN BLAKELEY (age 50) Corporate

Services Director, joined the Group in 1978 as legal adviser. In 1979

he became

Group Secretary and held this post until his appointment to the Glynwed Board in October 1992. His responsibilities now include insurance, management personnel, pensions and public relations as well as legal and other central services.

BERNARD DOYLE (age 53) Operations Director, joined the Group's Steel Division in 1983 from the BSG International group as



Managing Director of W Wesson. In January 1987 he was appointed Managing Director of the Hot Rolled sub-division of the Steels & Engineering

division. He was appointed Chief Executive of the division and to the Board of Glynwed in December 1990. He took on his present broader Group role in November 1992.

ALEXANDER MILLER (age 60) Chief Executive of the Metal Services division, joined the Group in July 1988 following the acquisition of Amari ple, of



which he was Deputy Group Managing Director. He was appointed to the Glynwed Board in January 1990.

DERRICK RICHARDSON (age 59) Chief Executive of the Plastics division and Tubes & Fittings division, joined Glynwed in 1974 to

take charge of the Group's engineering companies and in January 1984 became responsible for the Tubes & Fittings division. When the Group's plastics interests were brought together



in 1989 he became responsible for this division also. He was appointed to the Board of Glynwed in January 1987.

IAN SHEARMAN (age 61) Group Secretary, joined Glynwed from the Serck Group in

1983, as Legal Manager. He became Assistant Group Secretary in 1987, and was appointed to his present position in October 1992.



At the end of 1993, steps were taken to establish a corporate structure for the Glynwed Group which would reinforce

GROUP STRUCTURE

effective co-ordination of strategy across all Group operations. This involved the formation of a Group Operations Board

together with the divisional restructuring detailed on the following pages.

Of particular significance was the appointment of Bruce

Ralph, from TI Dowty ple, as Group Managing Director and Chief Executive-Designate, with particular responsibility for day to day operations. In support of Bruce Ralph and Group Chairman Gareth Davies, the Glynwed Board position of Operations Director has also been established. In this role, Bernard Doyle heads a team which provides resources and experience to group operations, in order to enhance their

performance and promote their effective development. This team will also play a major role in acquisition and disposal activities.

The new Operations Board comprises
Chairman Gareth Davies, Managing
Director Bruce Ralph, Finance Director
David Milne and Operations Director

Bernard Doyle, together with divisional
managing directors,
details of whom are
given on pages 12 and
13. Responding to the
Group Board, the

Operations Board oversees the implementation, at divisional operating levels, of Group strategy, and seeks to ensure that the Group's operating and financial criteria are achieved. With four Group Board members, the Operations Board provides a strong link between the Group's senior divisional management and the Group Board thus ensuring cohesive strategic and operational decisions.





### GLYNWED INTERNATIONAL



CONSUMER

POUNDRY

METAL SERVICES PLASTICS !

STREES & . NGINBERIN

Tunns &

PROPERTY

#### CONSUMER PRODUCTS

♦ Aga-Rayburn ♦ Falcon Catering Equipment ♦ Flavel-



Leisure • Leisure • Wholesale Catering Equipment.

#### FOUNDRY PRODUCTS

◆ Cassart Special Products ◆
Drainage Systems ◆ Glynwed
Foundries (Pipes & Fittings) ◆
Glynwed Brickhouse (Covers &
Gratings) ◆ Glynwed-BBI.



#### **METAL SERVICES**

◆ Aalco ◆ Active Service Metals ◆
Amari Acrospace ◆ Amari
Contract Services ◆ Amari Copper
Alloys ◆ Amari Metals ◆ Amari
Overseas ◆ Baigent & Bird ◆
Cashmores Stainless ◆ CJA
Stainless Steels ◆ Hub Aluminum



◆ Jera Metall ◆ Leichtmetall
 Castens & Krohn ◆ Slater Metals
 ◆ Stock Alloys.

### PLASTICS

Capper P-C → Durapipe → Enfield Industrial → FIP
 Formatura Iniezione Polimeri → Harrington Industrial
 Plastics → Innoge → MCA-Calder → Philmac → Townsend
 Polymer Engineering → Vulcathene.

#### STEELS & ENGINEERING

♦ Ansell Jones ♦ Columbia MBF ♦ Ductile Cold Mill ♦
 Ductile Hot Mill ♦ Ductile Sections ♦ Ductile Steel Processors ♦ Dudley Port Rolling Mills ♦ Firth Cleveland Steel Strip ♦ GB Steel Bar ♦ George Gadd ♦ Hub ♦
 Joseph Gillott & Sons ♦ J.B. & S. Lees ♦ La Dauphinoise ♦ Longmore Brothers ♦ Macreadys ♦
 Monmore Tubes ♦ Newman-

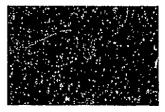
Tipper Tubes • Oddbolt

- Paul Fabrications
- ♦ Steelway-Fensecure
- \* Stourbridge Rolling Mills
- ♦ Tower Manufacturing
- W. Wesson.



### TUBES & FITTINGS

♦ Albion ♦ Wednesbury Tube.



#### **PROPERTIES**

♦ Glynwed Properties ♦

Glynwed Property Management • Glynwed Property Developments.

#### OTHER OPERATIONS

◆ Amari Plastics
 ◆ Port Plastics
 ◆ Leavlite. Including
 API Timbron
 ◆ Aquadart
 • Dimatsystemes
 • Ford
 & Barley Exhibitions
 • Isosystems
 • Leavlite Electropaint
 • Metoxal
 ◆ Plexite.

# CONSUMER PRODUCTS

The Consumer Products division encompasses leading manufacturing operations in the fields ing Managing Director of the bright bar operations in 1989 and progressing to be Managing Director of the Bright Bar and Engineering sub-division in 1991.

## GROUP OPERATIONS

of domestic cookers, fires, sinks and showers through brand names such as Aga, Rayburn, Flavel, Leisure, Kohlangaz and Coalbrookdale, and its commercial catering equipment operation, Falcon.

Stephen Rennie (age 38) is Managing Director of this newly-created division. He joined Flavel-Leisure in 1979, from Calor, becoming Sales Manager and then Sales Director.

In 1987 he became Managing Director of Falcon.

# FOUNDRY PRODUCTS

The Foundry Products division is the UK's market leader in the field of cast iron rainwater, soil and drainage products, iron and steel access covers and street furniture. It has a distributor network of its own in the UK and has an established presence in Europe.

Tony Bagshawe (age 46) is Managing Director of this new division. He came to Glynwed in 1976 with industrial fastener manufacturer James H Smith, becoming its Director & General Manager. In 1983 he moved to J. Burns, and then joined the Steels & Engineering division in 1987, becom-

#### METAL SERVICES

Glynwed Metal Services division has specialised knowledge of high value metals such as stainless steel, aluminium and its alloys and copper and nickel alloys. The UK's largest high performance metals distributor and processor, it also operates in the USA and Continental Europe.

David Taylor (age 56) is Managing Director of the division. He was Managing Director of Aalco Ltd, with whom he had spent much of his working career,

when Glynwed took over Aalco's parent, Amaii plc. In 1990 he became Managing Director of Glynwed Metal Services' UK operations.

### PLASTICS

Glynwed Plastics is an international leader in processing thermoplastics to make the pipework systems used in the gas and water industries, in industrial liquid and gas transmission, and in irrigation. It has distribution operations in the UK, USA and Continental Europe as well as international partnership activities.

David Tracey (age 49) is the Plastics division's Managing Director. A chemical engineer, he joined

> Glynwed from Warner Lambert, having previously spent 21 years with Cour-

taulds. In 1987 he was appointed Managing Director of the Glynwed Plastics International sub-division.

## STEELS &

#### ENGINEERING

This division is Europe's leading steel processor, forming a vital link between primary steel makers and manufacturing industry. It comprises 14 steel processing operations, specialised engineering activities and major distributors of steel bar and tube.

Tony Wilson (age 48) is Managing Director of this division. Joining Glynwed's steel stockholding business in 1974, he progressed within the growing Steels division to become its

Director of Administration and Finance in 1987 and Finance Director of the Metals and Engineering Sub-group in 1991. He

> was also Managing Director of the Cold-Rolled and Steel Tube subdivision during 1992.

### TUBES &

#### FITTINGS

The Tubes & Fittings division contains Wednesbury Tube, an original constituent part of the Glynwed Group, which remains one of the most significant copper tube producers in Europe today. Production of hot water storage cylinders completes the division's product range,

John Stalker (age 46), Managing Director of this division, joined Glynwed in 1977, as Works Director and later Managing Director of W. Wesson. In 1983, he became Managing Director of the Cold-Rolled sub-division of the Steels division.

In 1989 Glynwed's engineering activities were added to his portfolio, as was steel tube in 1991. In 1992 he became Managing Director of Tubes & Fittings following the decision to consolidate Glynwed's copper tube manufacturing operations.



#### PROPERTIES

The Properties division has grown over the last decade with the Group's expansion. It manages Glynwed's extensive properties in the UK and overseas. Deriving most of its income from group rentals, it also undertakes the development or disposal of properties surplus to group requirements.

Trevor Barnes (age 48) is managing director of this division. Joining Glynwed in 1976, with substantial technical and management experience in the construction field, he initially worked with Glynwed Overseas and subsequently became a director of Crackley, the forerunner of Glynwed Properties which was formed in 1982. He became its Managing Director in 1986.



#### INTRODUCTION

This review provides an analysis of the financial information in these accounts and highlights certain aspects of the Group's financial

# FINANCIAL REVIEW

performance which are not immediately evident from the Group accounts,

#### SALES AND PROFITS

Throughout 1992 the economies of the UK, Europe, USA and Australia, which is roainly

£m

1200 
1000 
800 
600 
400 
200 
0 
83 84 85 86 82 88 85 85 91 92

TURNOVER

where Glynwed operates, continued to be in recession. Sales at £906.4 million were down by 4.6% due to falls in volume and price. Falls in metal prices accounted for £27.6 million (two thirds) of the fall in sales.

There was, however, an improvement in operating profit of £3.9 million (9.5%),

from £40.9 million in 1991 to £44.8 million in 1992. A segmental analysis of the Group's results is set out in Note 2 to the accounts.

6m 100 -80 -60 -40 -20 -0 -83 84 85 86 87 88 89 90 91 92

PROFITS BEFORE TAX

The Group's overseas operations had sales of £222.0 million (1991 £231.2 million) and trading profits of £7.5 million (1991 £9.5 million). Export sales from the United Kingdom were £84 million (1991 £74 million), an increase of 13.5%.

Total sales to overseas cus-

tomers were 33,0% of turnover (1991; 31.8%). An analysis of the sales and profits of the overseas operations is shown in Note 2 to the accounts.

As a result of the triennial valuation of the Group's main pension schemes a small provision of L0.9 million has been made in 1992. Interest costs were reduced by 24.0% from L15.4 million to L11.7 million, largely due to reduced interest rates in the UK, USA and Australia.

Profit before tax increased by 30% to £31.2 million.

#### TAXATION

The Group's taxation charge increased by £2.0 million to £10.4 million because of the increase in profits. The overall tax rate decreased from 32.9% to 31.4%, mainly because the Group has proportionately less taxation to pay overseas this year.

#### EARNINGS PER SHARE

Earnings per share increased from 8.43p to 10.95p, an increase of nearly 30%, which matched the increase in pre-tax profits.

#### **EXTRAORDINARY ITEMS**

The net charge for extraordinary items in respect of the termination of a business segment and further net costs of prior year terminations amounted to £1.3 million.

The extraordinary tax charge of £2.3 million is a non-recurring amount arising from a significant change in the basis of taxation of certain rental income introduced by the Finance (No.2) Act 1992.

#### **NET OPERATING ASSETS**

The Group's net operating assets were slightly reduced by £3.3 million to £289.9 million. The return on average capital employed increased to 15.5% (1991: 12.4%), the net margin was 4.9% (1991: 4.3%) and the capital turn 3.1 times (1991: 2.9 times).

Capital expenditure was £17.1 million (1991 £23.7 million) and the depreciation charge was £20.9 million (1991£22.0 million).

Working capital increased by £3.2 million (2.6%) to £125.5 million. The current ratio is a measure of the Group's ability to pay its debts in the short term. It is calculated by dividing the current assets, including cash, by the creditors falling due within one year, including short term borrowings, and was 1.4 in 1992 compared with 1.3 in 1991.

#### SHAREHOLDERS' FUNDS

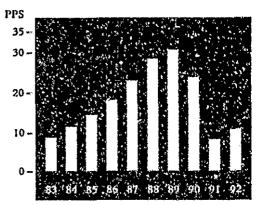
Shareholders' funds reduced from  $\mathcal{L}208.6$  million to  $\mathcal{L}205.6$  million mainly because of the transfer of  $\mathcal{L}5.1$  million to the profit and loss account in order to make good the excess of dividends over profits after extraordinary items; this was partially offset by positive exchange differences of  $\mathcal{L}1.5$  million arising from the devaluation of sterling. Assets per share fell from 102.5p to 99.4p due to the reduction in shareholders' funds.

#### CASH FLOW

The cash flow statement is shown on page 43. This shows that net borrowings have increased by £1.0 million from £82.6 million to £83... million.

Operational cash flows, as shown below, covered the Group's requirements to pay

borrowings increased because
of increases amounting to £9.3
million in the sterling value of
foreign currency borrowings as
a result of sterling's devaluation. Overseas assets exceed the
borrowings in each currency,
so that the effect of sterling's
devaluation was to increase



EARNINGS PER SHARE

shareholders' funds in spite of the increase in the aterling value of foreign currency borrowings.

A summarised cash flow is shown below:-

	Lm
Net cash inflow from operations	61.2
Investing activities	(5.5)
Taxation	(9.3)
Interest	(11.6)
Cash inflow before dividends	34.8
Dividends	(24.1)
Net cash inflow before changes in funding	.10.7
Changes in funding - outflow	(2.4)
Cash inflow after changes in funding	8.3
Exchange adjustment on foreign	
currency borrowings	(9.3)
Increase in borrowings	(1.0)

#### FINANCIAL NEEDS AND

#### RESOURCES

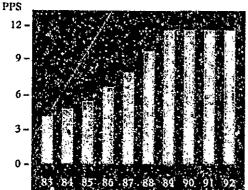
The Group's capital employed of £289.9 million is funded as shown overleaf, together with the cost of servicing these funds.

# FINANCIAL REVIEW

	Fundi Lm	Gost of funds Lm
Ordinary shareholders' funds	204.3	24.0
Preference shares	1,3	0.1
Glyrawed shareholders' funds	205,6	
Minority shareholders' interests	0,7	0.1
Total shareholders' funds	206,3	24.2
Net borrowings	83.6	9.8
Total funds	289.9	
Finance leases	16.6	1.9
Total funds including finance		
leases	306.5	35.9

The Group debt/equity ratio (net borrowings as a percentage of total shareholders' funds) at the end of 1992 was 40.5% (1991: 39.2%). If finance leases of £16.6 million are classed as borrowings, the Group debt increases to £100.2 million and the debt/equity ratio is 48.6%. The Group's ability to pay its interest costs is measured by the interest cover (operating income divided by the interest costs), and in 1992 this was 3.8 times (1991: 2.7 times).

The Group's ability to pay its dividend out of current earnings is measured by the dividend cover and is calculated by dividing the profit from ordinary activities after taxation, preference dividends and minority interests by the ordinary dividend for the year. In 1992 the dividend was not quite covered with a cover



DIVIDENDS PER SHARE

ratio of 0.94 (1991: 0.72), but this is only one of the criteria in determining the proposed dividend.

The Group has borrowing facilities of more than twice its year-end borrowings. Of the total

facilities 60% are committed and, of these, 65% are committed for over 1 year. The Group's net borrowings are £83.6 million and are largely drawn from committed facilities of over 1 year. Average borrowings during the year were £103.5 million, and if finance leases are included, £120.1 million. The average interest rate paid by the Group for the year was 9.7%. The Group can meet all its short term cash requirements from its existing borrowing facilities and is comfortably within all its borrowing covenants.

There are no restrictions on the Group moving its funds to or from its subsidiaries overseas except that the Group's wholly owned subsidiary Headland Insurance maintains a minimum cash balance of £4.0 million to comply with Bermudian insurance laws.

#### SHAREHOLDERS'

#### RETURN AND VALUE

The return on equity is calculated by dividing the pre-tax profit of £33.1 million by the shareholders' funds at the end of the year of £206.3 million. For 1992 this was 16.0% and for 1991 was 12.1%.

At the date of the Director's Report the ordinary shares had a value of £2.84 per share valuing the Group at £584 million on the stock market compared with a value of £204.3 million of ordinary shareholders' funds or 99.4 pence per share.

A maintained dividend of 11.65 pence per share proposed by your Board gives a yield of 4.1% based on the market value of the shares.



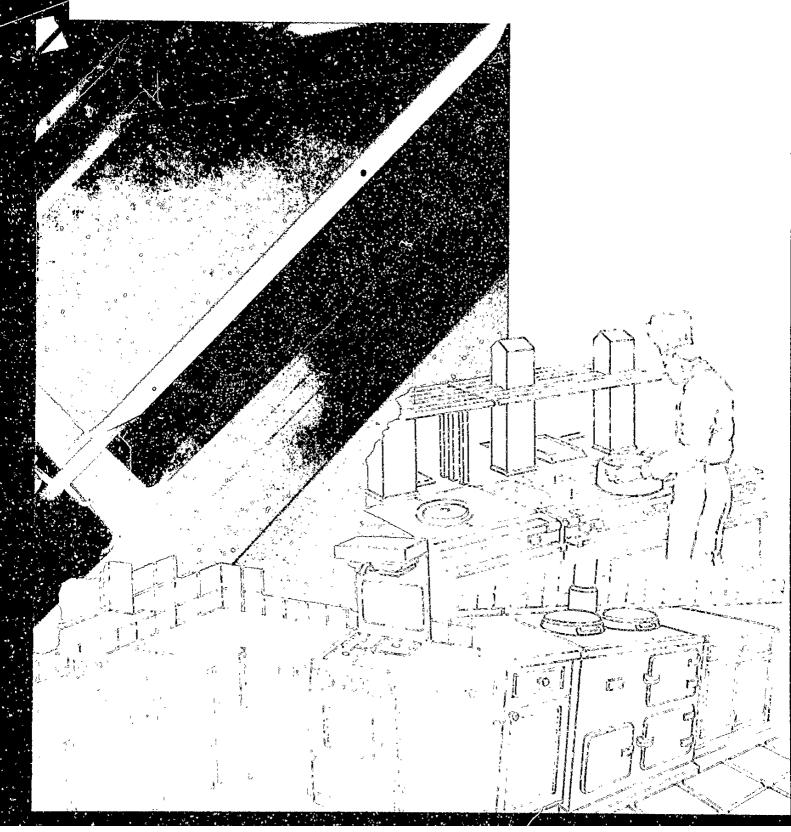
# GLYNWED INTERNATIONAL plc REVIEW OF DIVISIONAL OPERATIONS

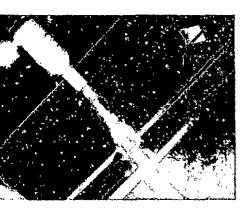


Having been fabricated, these steel panels for Lenure cookers pass through the powder paint plant in readiness for assembly at Flavel-Leisure's Learnington Spa plant.



CONSUMER & BUILDING PRODUCTS





- \* AGA-RAYBURN
- + GASSART SPECIAL PRODUCTS
- DRAINAGE SYSTEMS
- FALCON CATERING EQUIPMENT
- FLAVEL LEISURE
- GLYNWED FOUNDRIES
   including
   PIPES & FITTINGS
   COVERS & GRATINGS
   GLYNWED-BBI
- LEISURE
- WHOLESALE CATERING EQUIPMENT
- LEAVLITE
   including
   API TIMBRON
   AQUADART
   DIMATSYSTEMES
   FORD & BARLEY
   EXHIBITIONS
   ISOSYSTEMS
   LEAVLITE ELECTROPAINT
   METOXAL
- · PLEXITE

# CONSUMER & BUILDING PRODUCTS

#### DIVISIONAL REVIEW

1992 proved to be another difficult year for all operations with poor demand in all sectors but with building products particularly badly affected. Cast iron building products are generally used in commercial and industrial buildings and in 1992 no sector of the UK economy was harder hit, with some spectacular business failures resulting from the over-building of the late 1980's. From overseas markets,

however, better signs were emerging throughout the year with the ENSIGN range of pipes and fittings becoming increasingly established both in Europe, the market for which they were specified,

and, more encouragingly, in other export areas. A very substantial contract was won in Hong Kong at the end of the year and genuine opportunities were seen to be developing in the Pacific area generally. Last year's report referred to the pressures being experienced in the grey iron covers and frames foundries and, regrettably, this necessitated the closure of the smallest foundry, at Cradley Heath, during the year. The work was transferred to West

Bromwich, where excellent cost control and commercial activity point to a maintained presence in this market, with acceptable returns on capital. The ductile iron foundries at Fareham and Risca experienced contrasting fortunes, with the former continuing to struggle to find acceptable levels of business for its light-weight castings, despite serious cost reduction activities. However, Risca, although

less than fully utilised, had a most rewarding year with good demand from telecommunications customers, both at home and overseas, and a good share of publicly funded infrastructure business.



Glymeed Ensign products

Drainage Systems, the distribution arm of the foundry business, had a difficult year with the poor demand experienced by the manufacturing operations being exacerbated by low margins as distributors fought for shares of the greatly reduced UK market. Closures were, therefore, inevitable within the branch network with catchment and distribution areas being redefined. The operation has worked hard to control costs and the reorganisation

of the branch network should give benefits in the future.

The consumer products operations were unable to detect any real increase in demand. Nevertheless, each of our businesses was able to improve upon last year's performance to varying degrees. In the catering sector both Falcon, in manufacturing, and Wholesale Catering, in distribution, considerably improved on last year's result as a consequence of their policies of cost control coupled with increased



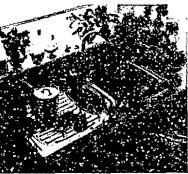
Falcon Catering equipment

Each operation ended the year well and is confident of continued

sales activities.

success in a still depressed market.

Leisure's improvement was modest over 1991's excellent result but was achieved against a background of poor demand and squeezed margins at home and strong competition over-



Leisure sinks

seas, where a
very substantial percentage of their
business is
now being

achieved. Further capacity, both for stainless steel and epoxy resin sink production, has been installed and profitable growth for this business can be expected.

Aga-Rayburn had an excellent year during which it absorbed the Kohlangaz business, transferred from Darlington to Telford. Although some substantial relocation costs were incurred, they have already conumenced their pay-back. Good demand for Aga cookers was maintained throughout the year and Rayburn cookers and Coalbrookdale stoves also made progress.

The policy of product development on the one hand, and cost control on the other, paid off for Flavel-Leisure in 1992, when an excellent share of the markets for both cookers and fires ensured that the year-end saw a very much improved result and, perhaps more importantly, an encouraging order book for 1993.

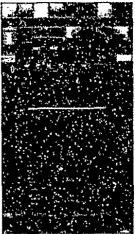
The Leavlite group of companies had a year of

mixed performances but showed an overall improvement by the year end, particularly at Aquadart. In the second half of 1992, Plexite's wood replacement materials Timbron and Timbron Classic achieved market acceptance which led to

rapidly increasing demand.



Latest Goalbrookdale stove



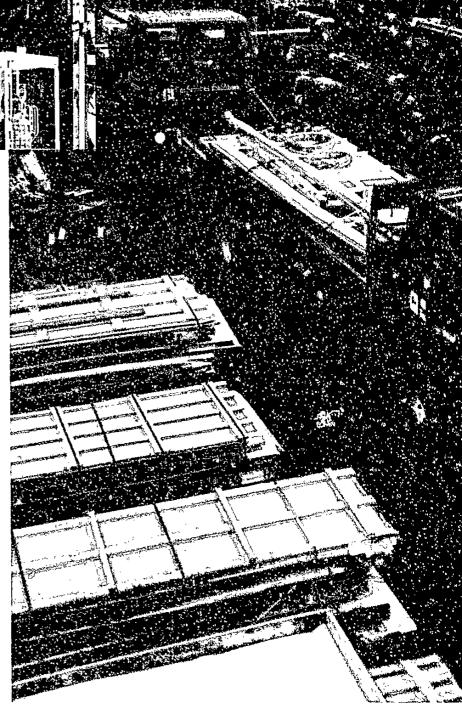
Flavel's Provence cooker



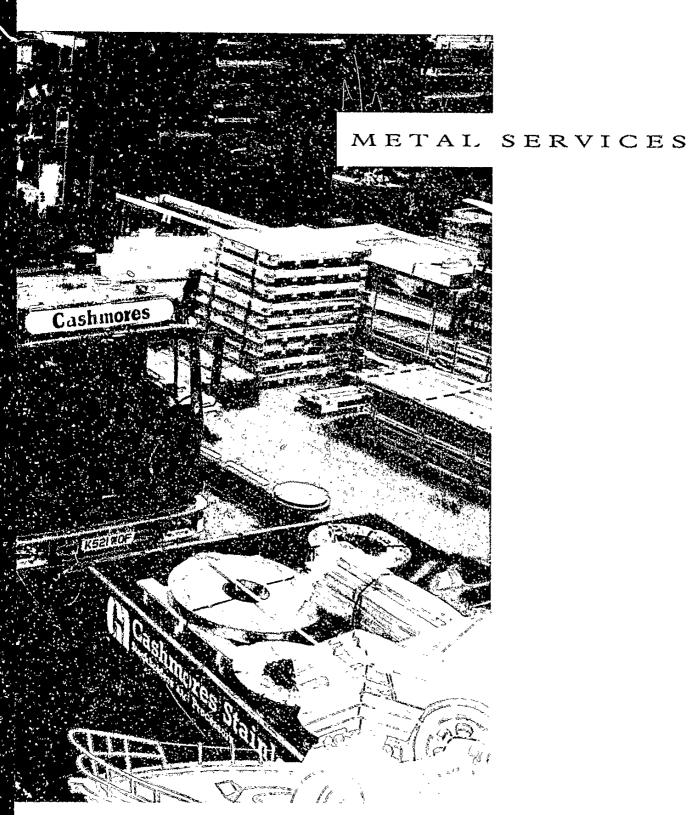
Aquadart's Hydroflow shower

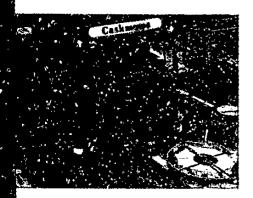


Glynwed Metal Services provides a specialised link between producers of high performance, high value metals and end-user industries. The division's unique capabilities include wide technical knowledge and understanding of high value materials. Its experts advise customers on relevant materials, intermediate processing, cutting and forming of stainless steel, aluminium and specialised alloys and metals. This ability is fully integrated with the division's understanding of markets and makes it the preferred supplier of special metals for many industries. The division operates in Continental Europe and the USA, as well as in the UK.



The integrated warehouse at Walsall used by both Cashimore Staviless and the GMS Gentre, echo provide a high standard of quality and screwe combined with efficient stockholding and delivery.





#### • AALGO

- ACTIVE SERVICE METALS
- . AMARI AEROSPACE
- AMARI CONTRACT SERVICES
- \* AMARI COPPER ALLOYS
- · AMARI METALS
- AMARI OVERSEAS
- . BAIGENT & BIRD
- CASHMORES STAINLESS
- CJA STAINLESS STEELS
- HUB ALUMINIUM
- JERA METALL
- + LEICHTMETALL GASTENS & KROHN
- SLATER METALS
- STOCK ALLOYS

#### METAL SERVICES

#### DIVISIONAL REVIEW

Falling consumption and excess inventories made 1992 another year of severe recession for the metals distribution industry. As a result of western over-production and high volume of Russian exports of primary aluminium and nickel, aluminium and stainless steel prices fell, on average by 8 per cent, compared with 1991, in the markets served by Glynwed Metal Services. This decline in prices was largely responsible for a £19 million reduction in the division's turnover and a fall in operating profit

In the UK, continuing slack demand in the construction, transport and capital plant markets and a decline in activity in the petro-chemical and offshore sectors compounded the effect of falling prices. Much of the volume and revenue reduction was concentrated in the south, where the impact of recession has



been particularly
severe. Tight financial controls
and an improve-

ment in gross margins
helped to mitigate the
effect.

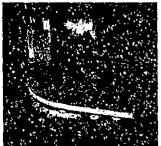
In mid-1992 a major branch rationalisation programme was



Copper alloys

launched to re-focus the business on the strongest trading brands and take out costs through selective branch mergers. Annual cost savings of £1.5 million are expected from changes already implemented in Scotland, North Wales, the Midlands and Hampshire and from the further measures planned for early 1993. The new, more compact, network will provide economics of scale in inventory and management control and, with support from the recently upgraded computer system, will further strengthen the division's role as an effective partner to both customers and suppliers.

Despite the gathering pace of recession in Germany and its impact on volume and prices throughout Europe, the Dutch and German operations performed well. Their relatively low market share and their ability to add new products should enable the North European branches to continue to perform well in 1993. Favourable exchange rates and continuing strength in some niche markets assisted Amari Dublin, while our previously unprofitable Spanish business has achieved improved results under new management.



Profiling aluminium plate

In the USA falling prices and intense competition depressed cash margins for Amari

Metals Inc. Despite an increase in tonnage, sales turnover fell, but by cutting stocks and operating expenses the company achieved a



Aluminium plate sawing

modest cash flow
and steps are in
hand to improve
margins through
the further integration of its pur-

chasing within the division's global sourcing programme.

The American economy is now showing early signs of recovery and some optimism is beginning to return to the UK. However, large debt burdens and budget deficits in both countries, plus



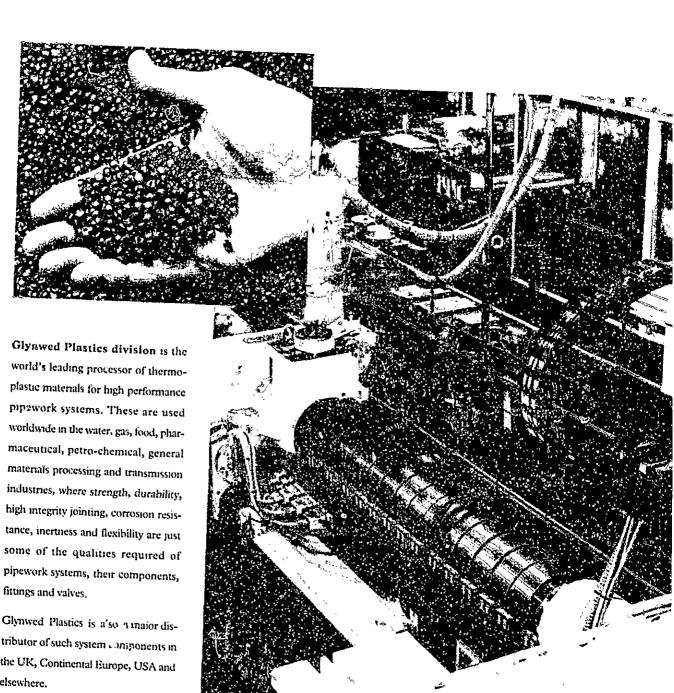
Sawing stainless steel bar

the now deepening recession in Germany, indicate that a cautious stance should be taken on market conditions for 1993.

A number of aluminium and stainless steel

producers appear determined to pass on recent increases in base metal costs and to rationalise their own surplus capacity in the interests of long-term stability. Such action, if successful, could have a positive effect in impreving both confidence and market prices.

The division is ready to take full advantage of the recovery, when it comes. In the meantime, internal operating improvements should ensure that steady progress will be achieved even if the current recessionary conditions continue.



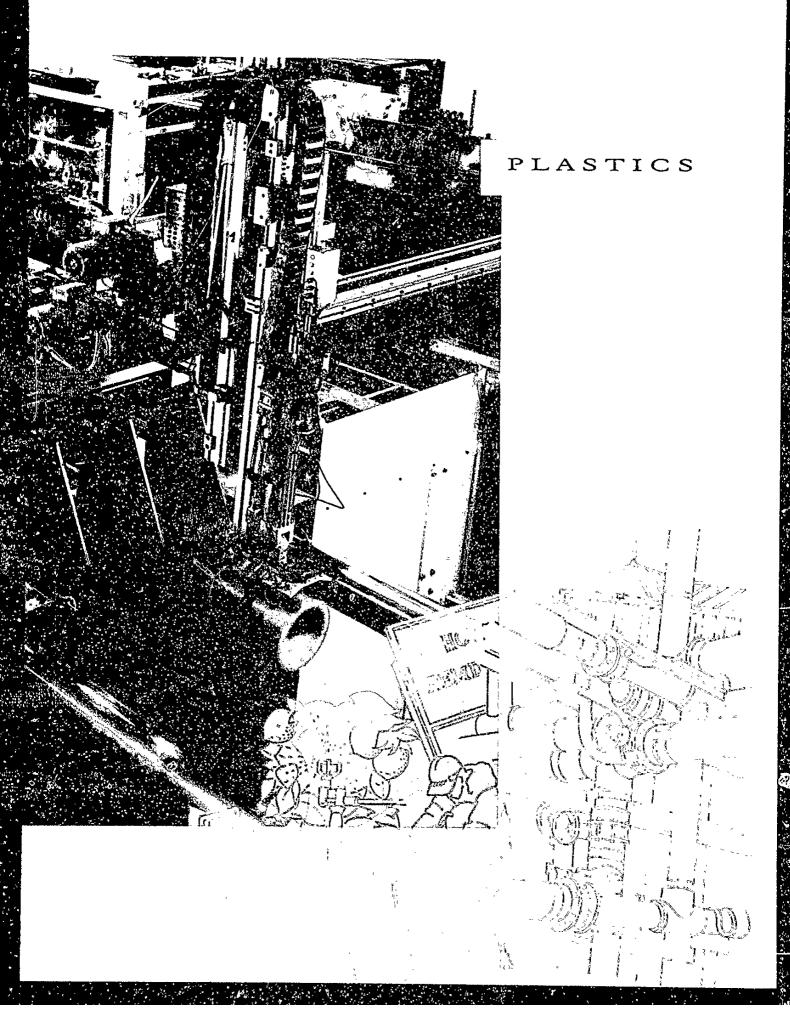
Glynwed Plastics is a'so a major distributor of such system commonents in the UK, Continental Europe, USA and elsewhere.

The division also distributes industrial plastic sheet and rod in the UK and USA.



A polyethylene fitting is removed by a robotised arm from one of the advanced moulding machines at Glyneecd Plastics' Durapipe plant m Gannock,







- \* AMARIPLASTICS
- CAPPER P-C
- DURAPIPE
- ENFIELD INDUSTRIAL
- FIP FORMATURA INTEZIONE POLIMERI
- HARRINGTON INDUSTRIAL PLASTICS
- INNOGE
- MCA-CALDER
- \* PHILMAC
- PORT PLASTICS
- TOWNSEND POLYMER ENGINEERING
- \* VULCATHEME

#### PLASTICS

DIVISIONAL REVIEW

The recession, which began to affect all Glynwed's plastics markets during the second half of 1991, continued throughout 1992 and resulted in reduced demand, which in turn led to lower sales and gross margins in most of the Plastics division's key businesses.

Despite the depressed state of the global economy, the division was able to produce a commendable result overall and some exceptional achievements from individual businesses. This performance was largely due to rationalisation and cost reductions and, following the discontinuance of our joint venture, no longer included the division's share of the loss in Forti, the Italian pipe manufacturer.

In the UK, special factors affected both the gas and water industries, and had the effect of reducing our sales of polyethylene products in those markets which represent a significant

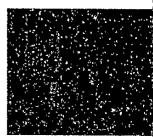
part of our UK turnover.

Durapipe, however, had another excellent year despite lower sales, thanks to improved export penetration, particularly in Germany and Belgium, which augurs well for the future. Another highlight for this business was the accolade of the 1992 West Midlands Business of the Year Award. All employees are to be congratulated or this achievement.

Vulcathene experienced reduced demand in both gas fittings and custom moulding, but cost reductions still enabled it to produce a good result. At the year-end the equipment manufacturer, MCA-Calder, was relocated to the Vulcathene site as part of a rationalisation

programme which will see it benefit from any UK recovery.

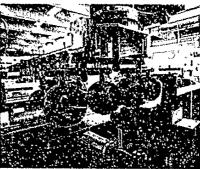
Townsend Polymer Engineering had another difficult year, due to its



Mouldings from Townsend

reliance on the motor and construction indus-

tries, while Capper P-C,
the UK-based distributor for pipes and fittings, was the victim of
both market and gross
margin depletion. Both
Townsend and Capper



Investment in automation at FIP

P-C therefore concentrated on cost reductions and improved efficiency.

Performance by the overseas operations was varied. In Italy, PIP produced an excellent result, which was achieved, despite the Italian recession, through continuing substantial



hilmae irrigation products

export activity and cost reductions. But the performance of Innoge, the Monaco-based manufacturer, declined, when compared with the previous year, as a result of recession in its gas markets at home and overseas.

In Australia, Philmac continued to produce good results, but adverse weather conditions and a deepening recession in the Australian economy meant that they fell short of those for 1991.

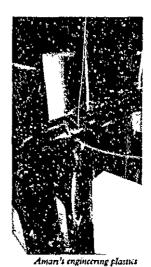
In the USA, Enfield improved its results thanks to the success of its newly established pipe manufacturing business, while Harrington suffered from a deterioration in the economic climate and the effects of a much deeper recession on the West Coast.

Better results were achieved by Amari Plastics despite the depressed state of all its major markets and, in particular, of the sign industry, which experienced a sharp downtum in demand. Trading conditions were markedly better in the north than in the south of the country. A new and larger warehouse was opened during the summer at Team Valley, Gateshead in Tyne & Wear. The company was awarded BS5750 certification, the first plastics distributor to achieve this; this award

distributor to achieve this; this award was applied to all its branches. An agreement was reached with the Röchling Group to distribute its Sustaplast range of engineering plastics exclusively in the UK.

Port Plastics, in the USA, traded successfully but was particularly affected by conditions in California, where three of its major outlets are based. These conditions included the contraction of the defence and aerospace industries due to the 'peace dividend' and a sharp downturn in the computer industry, while California's increasingly tight environmental controls have led to a number of companies leaving the state.

Largely as a result of management action, the Plastics division survived a very tough year and is now set to take advantage of economic recovery.



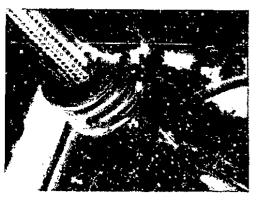
Capper P-C distribute throughout the UK



Considerable volumes of cold-rolled narrow steel strip, after having been processed within the division, are formed into steel tube in Glynwed's substantial steel tube sub-division. Perforated steel tube for car exhausts is shown here being electrically scam welded at Newman-Tipper's plant, West Midlands.







- + ANSELL JONES
- · GOLUMBIA MBF
- + DUCTILE COLD MILL
- · DUCTILE HOT MILL
- DUCTILE SECTIONS
- DUCTILE STEEL PROCESSORS
- DUDLEY PORT ROLLING MILLS
- FIRTH GLEVELAND STEEL STRIP
- · GB STEBL BAR
- GEORGE GADD
- HUB
- . JOSEPH GILLOTT & SONS
- . J.B. & S. LEES
- LA DAUPHINOISE
- LONGMORE BROTHERS
- · MACREADYS
- . MONMORE TUBES
- NEWMAN-TIPPER TUBES
- + ODDBOLT
- \* PAUL FABRICATIONS
- STEELWAY-FENSECURE
- STOURBRIDGE ROLLING MILLS
- TOWER MANUFACTURING
- W. WESSON

# STEELS & ENGINEERING

DIVISIONAL REVIEW

After two years of decline in trading, 1992 provided little relief for the Steels & Engineering division. However, actions taken to reduce costs and re-focus businesses enabled the division to improve its operating profit on slightly reduced turnover.

The worldwide steel industry continued to suffer from over-capacity and reduced demand, with import barriers still being erected between Europe and the USA. As a result an uncertain transition period lies ahead for us in the European Single Market during recessionary conditions. In addition, Eastern Europe continued to export state-subsidised products in search of hard currency. The benefits of the devaluation of sterling were offset by falling steel prices and imports to the UK at prices which inhibited margin improvements. Against this background, it is to the division's credit that it made a significant contribution to



results.

The Hot

Rolled subdivision bore
the brunt of

the Group's

the recession and struggled to maintain volumes, Exports remained strong with USA restrictions only affecting Dudley Port Rolling Mills. All units suffered from small order quantities with short lead times. However, flexibility and vertical integration enabled this sub-division to make a

Longmores and GB Steel Bar had taken significant steps to reduce the production costs of bright drawn

profitable contribution,



Hot rolling

steel in 1991, enabling them to benefit from the slight upturn in UK demand in 1992. Exports became more difficult, due to market saturation by local producers at low margin prices; nevertheless a respectable contribution was achieved.

Macreadys, the UK's leading stockholder of bright bar products, benefited from a major investment in the establishment of a central warehouse at Rugby. A sustained recovery in UK engineering and manufacturing will enable its full potential to be realised.

During the year the combined cold rolling operations of Ductile Cold Mill and Stourbridge Rolling Mills were able to

Special section design

offer the market an unrivalled range, quality and service. Their stringent cost and

> working capital controls yielded tangible benefits in difficult markets.

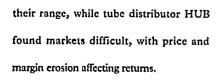
The specialist cold rolling operations, J.B.

& S. Lees and Firth

Cleveland, export over half their sales to both established and developing economies. Although their markets are often construction-related with recessionary problems, these businesses performed better in 1992, mainly as a result of cost reduction and tight financial disciplines.

The Steel Tubes businesses saw little improvement in overall market conditions. Monmore Tubes performed consistently up to the final quarter, when sales to the garden

furniture and leisure
equipment sectors
suffered a scasonal
decline. NewmanTipper Tubes benefited from widening

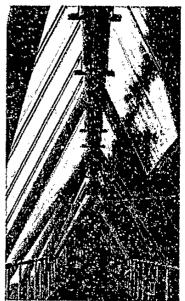


versified steel tube range

Canadian tube producer, Columbia, suffered from the North American construction sector's problems. As the Canadian Government seeks to re-establish growth, a number of major infrastructure building programmes are expected.

The engineering businesses experienced mixed fortunes. Tower Manufacturing improved its exports to offset weak UK demand for construction-related products. Steelway-Fensecure successfully diversified into new sectors for its stairway, access and security fencing systems, but its mainstream construction-related business suffered from the recession in the second half of the year.

Paul Fabrications felt the impact of problems in the civil and military aerospace industries, but commercial and special fabrications performed quite well. Ansell Jones suffered from naval and shipbuilding delays and sluggish commercial marine demand, compounded by a weakness in the traditional fitting equipment sectors, but nevertheless remained profitable.



Steelway make access safe and sound



Ansell Jones' new Steadfast anchor



Large diameter copper pipe production at Wednesbury Tube in Bilston.

In 1992 the Tubes & Fittings division experienced the lowest demand for copper tube in 20 years, together with increasing competition and low margins in the depressed housing and construction markets.

To reduce costs, a decision was taken to close

the Great Bridge site and to concentrate production in the main Bilston site.

Commissioning of the Stewart Process, origin-

ally introduced at Great

Bridge, is planned for 1993. Substantial additional cost savings at Wednesbury Tube enabled the division to reach break-even by the last quarter of the year.

Continuing efforts in export markets, assisted by the devaluation of sterling, enabled the copper tube operations to achieve overseas sales at a record of 40 per cent of total sales during the last quarter.

Further productivity improvements enabled

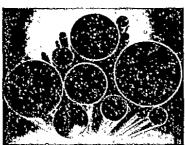
Wednesbury Tube to achieve lower costs per
tonne of copper tube.

The benefits of all these actions are reflected in Wednesbury Tube's results and should also improve its performance in 1993. Any

# TUBES & FITTINGS DIVISIONAL REVIEW

upturn in the economy should enable profits to

increase further.



The copper tube range

The other business in the division, Albion, was also affected by the severe recession in the construction industry. Despite the state

of this market, however, the benefits of earlier rationalisation enabled Albion to keep a tight rein on its costs and this, in turn, produced a

The business continued to consolidate its position as a market leader in the fast changing hot water storage industry and

good result and a positive cash flow.

introduced further new products to meet
the future demands of the market.

Opportunities for these new products
are being sought in export markets
and the business is well placed to bene-

fit from any improvement in demand.

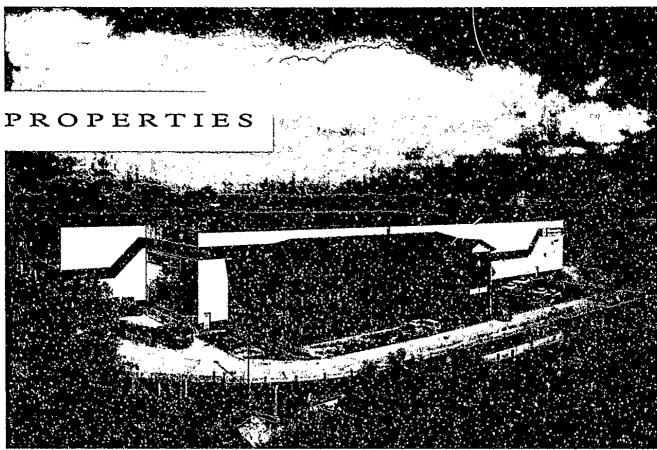


WEDNESBURY TUBE



Albion s commercial calonfict





One of Glynwed's most rignificant property developments of recent years has been Macreadys' central wurchouse at Rugby. This has the largest steel bar stockholding capability in the UK.

GLYNWED PROPERTIES
 UK AND OVERSEAS

With the UK property market still in the doldrums, the Properties division depended once again mainly on group rental income. There were no profits from disposals of properties against £0.7 million in 1991, and there was a drop of £0.6 million in net rental income. As a result, pre-tax profits dropped from £8.5 million in 1991 to £7.2 million in 1992.

Planning consent has now been granted for a major office development on the Group's two prominent freehold sites on either side of Pentonville Road, London, which, since 1935,

have been used as a steel stockholding depot by Macreadys. The property is being put to the best short term use until conditions improve to take advantage of the consent for change of use.

In the USA rental income and profit held steady and two disposals were made.

During the year the division invested £1.3 million to purchase, extend and improve properties, including a new warehouse for Capper-PC at Sheffield and extensions for George Gadd at Dudley and W Wesson at Wednesbury in the West Midlands.



# GLYNWED INTERNATIONAL plc REPORT OF THE DIRECTORS & ACCOUNTS

The Directors of Glynwed International ple present their annual report, together with the accounts of the company, for the 52 weeks ended 26th December 1992. These will be submitted to members at the annual general meeting to be held at Headland House, 54 New Coventry Road, Sheldon, Birmingham, B26 3AZ, at 12 noon on Thursday, 3rd June 1993.

#### ACTIVITIES AND BUSINESS REVIEW

Glynwed International ple is the Group holding company and its principal subsidiaries and their activities are shown on pages 65 to 6%.

 $\Lambda$  review of the activities and prospects of the Group and of the principal subsidiaries is given on pages 4 to 36.

#### DIVIDENDS AND RESERVES

The profit for the financial period was £19.0 million (1991 £8.8 million). After dividends of £24.1 million (1991 £24.1 million) there was a deficit of £5.1 million (1991 £15.3 million), which amount was transferred from reserves.

Earnings for the period were £22.5 million (1991 £17.3 million) as shown in note 12 on page 53, and earnings per share were 10.95p (1991; 8.43p).

An interim dividend of 4.15p per ordinary share was paid on 9th December 1992. The directors recommend a final dividend of 7.50p per ordinary share payable on 1st July 1993, making a total for the period of 11.65p per ordinary share (1991; 11.65p).

#### CAPITAL OF THE COMPANY

Allotments of ordinary shares of 25p each of the Company were made during 1992 as indicated in note 23 on page 60.

Resolutions will be proposed at the annual general meeting to grant to the Board, until the next following annual general meeting, authority and power to allot new securities under sections 80 and 95 of the Companies Act 1985.

#### SHAREHOLDERS

At 26th December 1992, ordinary shareholders totalled 13,113 (1991:14,407). Their holdings are analysed below:

Number of shares	% of shareholders	% of shares in issue
15,000	90.64	6.89
5,00150,000	6.89	5.81
50,001250,000	1,49	11.12
Over 250,000	0.98	76.18
	100.00	100.00

At the date of this report, the following interests appear in the register maintained by the Company under section 211 of the Companies Act 1985:

Person notifying interest	Number of ordinary shares	<sup>6</sup> o of issued ordinary capital
Confederation Life Group	10,405,450	5.06
Britannic Assurance ple	10,330,000	5.03
Prudential Corporation Group	10,288,816	5.00
Scottish Widows Investment Management Limited	8,023,617	3,89
Morgan Grenfell Group plc	6,345,038	3.09

#### DIRECTORS

The members of the Board at the date of this report are shown on pages 8 and 9.

In accordance with the articles of association Mr DL Milne and Mr A Miller retire by rotation and, being eligible, offer themselves for re-election. Mr BC Ralph and Mr JC Blakeley, having been appointed directors on 1st February 1993 and 1st October 1992 respectively, retire, and being eligible, offer themselves for election.

Mr A Miller has a service contract with the Company which expires on 15th March 1994. The other retiring directors each have a service contract which is terminable on three years' notice. Mr T O'Neill retired from the Board on 26th December 1992.

#### DIRECTORS' INTERESTS

The share interests of the directors of the Company according to the register kept under section 325 of the Companies Act 1985 were in the following quantities of ordinary shares of 25p each on the dates shown and were all beneficials

			26th Dece	mber 1992					29th Decc	mber 1991:	•	
			Options	under the					Options	under the		
			Senior	Executive					Senior I	xecume		
			Share Opt	ion Schem	e				Share Opti	on Scheme		
	Shares	at 200.5pps	at 264pps	at 3(Hpps	at 308pps	at 200pps	Shares	at 200.5pps	at 264pps	at 304pps	at 30Epps	at 200pps
G Davies	157,973	56,250	37,500	60,000	125,000	50,000	157,579	56,250	37,500	60,000	125,000	-
BC Ralph		<del></del>		****	_					-	_	
DL Milne	100,549	37,500	24,000	9,000	75,000	46,5(X)	96,382	37,500	24,000	9,000	75,000	_
JC Blakeley	38,296	28,125	15,000	12,000	30,000	35,500	37,428	28,125	15,000	12,000	30,000	35,500
B Doyle	2,000	28,125	22,500	12,000	25,000	50,000	2,000	28,125	22,500	12,000	25,0(x)	-
A Miller	114,767			_	40,000	50,000	114,767			_	40,000	
DW Richardson	82,579	37,500	30,000	15,000	75,000	25,000	82,579	37,500	30,000	15,000	75,000	
WJ Biffen		_		_	-	_	<del></del>			_	_	
JD Eccles	3,293	<del></del>	_			******	1,875					

<sup>\*</sup> or date of subsequent appointment

Additionally, the undermentioned directors held options under the Group's Savings-Related Share Option Scheme to acquire ordinary shares of the Company on the dates indicated below:

	26th December 1992		29th December 1991*			
	at	at	at	at	at	
	244,0pps	182.0pps	238.6ррѕ	244.0pps	182.0pps	
G Davies	1,475	8,241		1,475	_	
DL Milne	1,475	4,532	2,790	1,475		
JC Blakeley	1,770	7,005	619	1,770	7,005	
B Doyle	4,426	4,120	*****	4,426		
A Miller	4,426	4,120		4,426	****	
DW Richardson	1,475			1,475	TALL.	

<sup>\*</sup> or date of subsequent appointment

#### DIRECTORS' INTERESTS (continued)

Options were granted in the year under the Senior Executive Share Option Scheme at a price of 200pps and under the Savings-Related Share Option Scheme at a price of 182pps.

Mr DLMilne exercised in the year an option, under the Group's Savings-Related Share Option Scheme, to acquire 2,790 shares at a price of 238.6pps.

Since 26th December 1992, the following changes have occurred in the directors' interests in ordinary shares of 25p each as shown in the register:

	Exercise of options under the Scalor Lixecutive Share Option Scheme		Number of shares held at date of this report
ve	Number of shares	Lxercise Price	
G Davies	56,250	200,5pps	171,973
DL Milne	37,500	200.5pps	107,049
B Doyle	28,125	200.5pps	4,155
DW Richardson	37,500	200.5pps	82,579

No director had an interest in any contract of significance with any Group company.

The Company has purchased insurance to cover directors' and officers' liability as defined by section 310(3)(a) of the Companies Act, 1985.

#### TANGIBLE FIXED ASSETS

The movements of tangible fixed assets are set out in note 13 on page 54 and include a net book value of £0.3 million arising from the acquisition of new businesses,

#### RESEARCH AND DEVELOPMENT

Research and development appropriate to the needs of the Group's individual businesses is proceeding and such expenditure is written off in the period in which it is incurred. The Group's policy is to have research and development facilities as an integral part of individual manufacturing operations rather than as a central Group undertaking.

#### PERSONAL EQUITY PLANS

During 1992, Bradford & Bingley (PHPs) Limited introduced two personal equity plans —a general plan and a single company plan — as a tax-efficient way of holding shares in the Company. Further details may be obtained from the company secretary at the registered office, the address of which is given on page 72.

#### EMPLOYEES

The year 1992 was a difficult one in employment terms, with sizeable reductions in manpower occurring in many parts of the Group and a very tight rein being kept on remuneration costs. It is a tribute to the abilides and attitudes of our workforce at all levels that the Group adapted as well as it did to changing circumstances, both in the UK and abroad.

Recruitment during the year was necessarily reduced, but our policies in that regard remained designed to ensure equal opportunity of employment, regardless of race or sex. Appropriate consideration is given to disabled applicants in terms of employment. The practice continues of providing training, career development and promotion for disabled persons as the case warrants, and special attention is given to the particular needs of individuals who become disabled whilst in employment.

Good communications and relations with employees are maintained, mainly by practices developed in each operating unit compatible with its own particular circumstances. Senior management are kept abreast of Group developments in financial, commercial, strategic and personnel matters and are thereby enabled to inform and discuss with employees as appropriate at our individual operating units.

The Group operates pensions and share option schemes for employees, to good and regularly-reviewed current standards, together with an Educational Scholarship Scheme; under the latter, 45 awards were made in 1992 by the independent selection committee.

#### HEALTH AND SAFETY AND ENVIRONMENT

Amanget the issues over which particular care is taken in the Group's relationships with employees and with the community, are those relating to health and safety and the environment. The Group is conscious of the accid for and aims to achieve high standards of operation under Health and Safety at Work and Environmental Protection legislation and through its senior management seeks to keep all concerned aware of, and to momor adherence to, developments in terms both of good industrial practice and of statutory frameworks.

#### CHARITABLE DONATIONS AND COMMUNITY RELATIONS

During 1992 the Group gave £50,908 for charitable purposes in the UK. Amongst the principal beneficiaries were organisations concerned with medical research, the elderly, people with physical or mental disabilities, and inner city projects. The Group's charitable giving is one aspect of its relationships with the communities within which it works; importance is attached to those relationships, which encompass the provision of help and support, in financial and other ways, not just to the organisations already mentioned but also in the fields of education, the arts and sport.

#### POLITICAL CONTRIBUTION

The Group gave £40,000 in 1992 for political purposes to the Conservative Party.

#### CAPITAL GAINS TAX

The official price of Glynwed International ple ordinary shares on 31st March 1982, adjusted for the bonus issues made in 1986 and 1988, was 62.4p.

#### AUDITOR

A resolution to reappoint the auditor, Coopers & Lybrand, will be proposed at the annual general meeting.

By order of the Board / Con Leegarum on

Ian Shearman

Secretary

Birmingham

8th April 1993



### SOURCE AND DISTRIBUTION OF VALUE ADDED

For the 52 weeks ended 26th December 1992

	1992		1991	
	Ĺm		Į m	
SOURCE OF VALUE ADDED			-	
Turnover	906,4		949,9	
Cost of materials and services used	654.6		698.8	
Total value added	251.8		251.1	
	(p		r x _ 20 x x.	
	<u>L</u> m	v 2	Υm	שי
DISTRIBUTION OF VALUE ADDED				
Employees costs	186,1	73.9	188.2	75.0
Taxation — UK and overseas	10,4	4.1	8.4	3,3
Providers of capital				
Interest payable on borrowings	11.7	4.7	15.4	6.1
Dividends to shareholders	24.1	9.6	24.1	9,6
Minority shareholders in subsidiaries	0.1	_	(0.3)	(0.1)
Total cost of capital provided	35.9	14.3	39.2	15.6
Re-investment in the business				
Depreciation	20.9	8.3	22.0	8.8
Transfer from reserves	(5.1)	(2.0)	(15.3)	(6.1)
Total re-invested	15.8	6.3	6.7	2,7
Extraordinary items (after tax)	3.6	1.4	8.6	3.4
Total value added	251.8	100.0	251.1	100,0
	2017 - MINTY	Mary Street	THE PERSON PO	

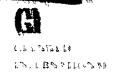
## CASH FLOW STATEMENT

For the 52 weeks ended 26th December 1992

		109	2	1991	1	
. The entropy of the control	Notes	Ĺm	<u>£m</u>	<u>£</u> m	¥m	
Net cash inflow from operations	25		61.2		87,0	
Net interest	26	(11.6)	(11.6)	(15.3)	(15,3)	
Net cash inflow from operations after interest	t		49,6		71,7	
Dividends		(24.1)	(24.1)	(24.1)	(24.1)	
Not cash outflow in respect of returns on						
investments and servicing of finance		(35.7)		(39,4)		
Tax paid		,	(9.3)		(26.4)	
Net eash inflow from operations after interes	t					
ray and disidends			16.2		21.2	
Net cash outllow from investing activities	27		(5.5)		(21.3)	
Net cash inflyw/(outflow)			40 m		A	
before financing	20		10.7		(0.1)	
Movement in financing - cash outflow	28		(15.0)		(23.6)	
Increase iii net 3 month borrowings	29	•	(4.3)	:	(23.7)	
MOVÉMENT IN NET BORROW	INGS A	ND				
NET CASH FLOW						
Net cash inflow/(outflow)						
before financing			10.7		(0.1)	
Changes in funding						
Finance leases repaid		(2.5)		(6,7)		
Proceeds from finance leases				13.8		
Shares issued		0.1		1.1		
Cash from minorities		-		1.2		
Funds inflow/(outflow)		AND COLUMN TO THE	(2.4)	* ** *	9,4	
Exchange adjustment: (increase)/decrease in s	sterling					
equivalent of foreign currency borrowings	e.		(9.3)		0,4	
(Increase)/decrease in net borrowings			(1.0)		9,7	
		;	TOTAL COM		· ·	
Opening net borrowings			82.6		92,3	
Closing net borrowings		,	83.6		82.6	
(Increase)/decrease in net borrowings		;	(1.0)		9.7 	

Net 3 month borrowings are borrowings repayable within three months from the date of advance less each and equate to each or each equivalents as defined in FRS1.

Notes to the accounts are on pages  $4^{\circ}$  to  $6^{\circ}$ .



### CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the 52 weeks ended 26th December 1992

		1992	1991
	- Joseph	Įm	* 423
Turnover	2	906,4	1)41) 1)
Net operating costs	3	(861.6)	(919,0)
Operating profit		44,8	40.9
Interest parable (net)	6	(11.7)	(15.4)
Profit on ordinary activities before taxation	2	33,1	25,5
Tax on profit on ordinary activities	~	(10.4)	(84)
Profit on ordinary activities after taxation		22.7	17.1
Minority interests		(0.1)	0.3
Profit on ordinary activities after taxation and m	inority interests	22.6	17.4
Extraordinary items	8	(1.3)	(8.8)
Extraordinary tax charge	8	(2.3)	ञ्चल-संस्था
Profit for the financial period	9	19.0	8.8
Dividends	10	(24.1)	(24.1)
Transfer from reserves	11 & 24	(5.1)	(15.3)
		pence	pence
Earnings per share	12	10.95	8.43
		The selection of the se	ಮುಗ್ರಾಯ ಎಂದು ಹಿಡಿದ್ದರು ಎಗ್ ಡಗ್ಗೆ ಇತ್ತು ಎಂದು ಪ್ರಕ್ರಿಸಿ

Notes to the accounts are on pages 47 to 67.

Movements on reserves are set out in note 24.

### CONSOLIDATED BALANCE SHEET

As at 26th December 1992

		1992	1991
TO THE	Notes	En .	Įm.
Fixed assets			
Tangible assets	13	176.9	183.5
Investments	15	2.7	1.9
Total fixed assets		179.6	185.4
Current assets			V 264 000 1
Stocks	16	159,0	157.6
Debtors	17	188.9	206.2
Cash at bank and in hand	29	29.3	34.4
Total current assets		377.2	398.2
Creditors—amounts falling due within one year			
Operating creditors	18	(222.4)	(241.5)
Short term borrowings	20	(46.1)	(57.9)
Total amounts falling due within one year		(268.5)	(299.4)
Net current assets		108.7	98.8
Total assets less current liabilities		288.3	284.2
Creditors - amounts falling due after more than one	year .		
Operating creditors	18	(14.3)	(14.5)
Medium and long term borrowings	20	(66.8)	(59.1)
Provisions for liabilities and charges	22	(0.9)	
Total net assets employed		206.3	210.6
Capital and reserves			
Ordinary shares	23	51.4	51.4
Preference shares	23	1.3	1.3
Called up share capital		52.7	52.7
Share premium account	24	10.3	10.2
Revaluation reserve	24	34.2	33.5
Profit and loss account	24	108.4	112.2
Total capital and reserves		205.6	208.6
Minority interests		0.7	2.0
Total capital and reserves and inority interests		206.3	210.6
		***************************************	Land Committee and American State of the Committee and American St

G Davies Chairman

JD Eccles Deputy chairman

DL Milne Finance director

Notes to the accounts are on pages 4" r



### COMPANY BALANCE SHEET

As at 26th December 1992

		1992	1993
	Notes	¥m	ATD.
Fixed assets			
Investments	15	114,9	103,0
Current assets			
Debtors	17	272.5	306 7
Cash at bank and in hand	20	4.5	0.8
Total current assets		277.0	307,5
Creditors — amounts falling due within one year			
Operating creditors	18	(111.0)	(".")
Short term borrowings	20	(36.2)	(58.1)
Total amounts falling due within one year		(147.2)	(135.8)
Net current assets		129.8	171.7
Total assets less current liabilities		244.7	274.7
Creditors - amounts falling due after more than one	year		
Medium and long term borrowings	20	(58.2)	(46.8)
Total net assets employed		186.5 ? 4 <b>TM</b> 2.	227.9
Capital and reserves			
Ordinary shares	23	51.4	51.4
Preference shares	23	1.3	1.3
Called up share capital		52.7	52,7
Share premium account	24	10.3	10.2
Profit and loss account	24	123.5	165.0
Total capital and reserves		186.5	227.9

G Davies Chairman

JD Eccles Deputy chairman

DL Milne Finance director

Notes to the accounts are on pages 47 to 67,

#### 1 ACCOUNTING POLICIES

The following statements outline the main accounting policies of the Group.

#### Basis of accounting

The accounts are prepared under the historical cost convention except where adjusted for revaluations of certain fixed assets, and in accordance with applicable Accounting Standards.

#### Consolidation

The consolidated profit and loss account and balance sheet include the accounts of the parent company and all its subsidiaries made up to the end of the financial period and includes the results of subsidiaries and businesses acquired and sold during the period from or up to their effective date of acquisition or sale. The consolidated accounts also include the Group's share of post-acquisition earnings and reserves of associated undertakings.

#### Acquisitions

Shares issued as consideration for the acquisition of companies have a fair value attributed to them, which is normally their market value at the date of acquisition. Net tangible assets acquired are consolidated at a fair value to the Group. Differences arising between the purchase consideration and the fair value of the net tangible assets acquired are dealt with through consolidated reserves. In the company accounts, where advantage can be taken of the merger relief rules, shares issued as consideration for acquisitions are accounted for at nominal value.

#### Research and development

Research and development expenditure is written off in the year in which it is incurred,

#### Foreign currencies

The profit and loss account items of overseas subsidiaries and related companies are translated into sterling using average exchange rates. Assets and liabilities in foreign currencies are translated at the midmarket rates of exchange ruling at the balance sheet date unless matched by forward contracts. Where the translation of overseas subsidiaries and associated undertakings, and any foreign currency borrowing used to finance them, gives rise to an exchange difference, this is taken direct to reserves. Other exchange differences are dealt with through the profit and loss account.

#### Stocks

Stocks are valued at the lower of cost and net realisable value. Cost includes all appropriate production overheads and full provision is made for obsolete and slow moving items.

#### Depreciation

Depreciation is calculated using the straight line method on the cost or valuation of fixed assets as follows:

- (i) Freehold buildings at 2% per annum.
- (ii) Leasehold land and buildings over 50 years or the period of the lease whichever is the less.
- (iii) Plant and machinery and fixtures, fittings, tools and equipment over a period of 4 to 10 years. No depreciation is charged on freehold land or on assets in course of construction.

#### Deferred taxation

Deferred taxation is taken into account to the extent that a liability will probably arise in the foreseeable future and is calculated at taxation rates expected to apply at that time. In the holding company and its subsidiaries the liability is assessed with reference to the individual company. On consolidation the liability is assessed with reference to the Group as a whole. No deferred taxation is provided for withholding tax on reserves retained in overseas subsidiaries, as double taxation relief is available from all the countries concerned.

#### ACCOUNTING POLICIES (communed)

#### Leases

Assets held under finance leases and hire purchase contracts are integrated with owned tangible fixed assets and the obligations relating thereto, excluding finance charges, are included in creditors. Costs in respect of operating leases are charged in arriving at the operating profit.

#### Pension costs

The cost of providing retirement pensions and related benefits is charged to the profit and loss account over the periods benefiting from the employees' services.

#### 2 PRINCIPAL ACTIVITIES

Segmental Analysis		Turnover			
By division 1992	Gross Lat	Inter- divisional Lim	Net Am	Profit Lm	Net operating assets £m
Consumer & Building Products	173.6	(0.2)	173.4	9.0	34.0
Plastics	193.3	(1.8)	191.5	15.8	54.6
Tubes & Fittings	61,1	(0.1)	61.0	(2.9)	14.3
Steels & Engineering	249.5	(1.3)	248.2	14.5	66.3
Metal Services	233.2	(1.5)	231.7	4.8	48.0
Properties	13.2	(12.6)	0.6	7.2	97.4
Other operations				(1.6)	(6.0)
Central costs		_		(2.0)	3.2
Interest	-			(11.7)	
Tax and dividends	-			-September 10, 14 at 11, 12, 15 at 11 at 1	(21.9)
Total Group	923.9	(17.5)	906.4	33.1	289.9
		Tumover			
By division 1991	Gross Lm	Inter- divisional Lim	Net Lm	Profit Lim	Net operating assets £m
Consumer & Building Products	171.2	(0.1)	171.1	8.5	37,9
Plastics	201,7	(1.3)	200.4	20.5	56.5
Tubes & Fittings	68.5	(0.3)	68.2	(10.8)	6.1
Steels & Engineering	261.1	(2.1)	259.0	10.1	70.9
Metal Services	252,8	(2.2)	250.6	7.0	43.2
Properties	13,2	(12.6)	0.6	8.5	95.3
Other operations	Tana			(0.9)	(3.3)
Central costs		_		(2.0)	5.6
Interest	****		-	(15.4)	
Tax and dividends	78624 M M 78	2-26 ,-p, -p			(19.0)
Total Group	968.5	(18.6)	949.9	25.5	293.2

An analysic of net operating assets by category of asset is given on page 68,

## 2 PRINCIPAL ACTIVITIES (continued) Segmental Analysis

		Tumover			
Geographically 1992		-, − Inter-			Net operating
mo-Brahmenn) 1112	Gross	region	Net	Profit	assess
	Lm	Ynı	Ĺm	Ĺm	Ļm
United Kingdom	692.8	(8.4)	684.4	37.3	237.7
Farope	69.5	(0.3)	69.2	3.8	22.9
North America	134.5	(0,3)	134.2	(0.5)	40.0
Australia	19.1	(0,5)	18.6	4,2	11.2
Interest				(11.7)	
Tax and dividends	more managements (2,74 Minings) 1	· · · · · · · · · · · · · · · · · · ·		-	(21.9)
Total Group	915.9	(9.5)	906.4	33.1	289.9
		Turnover			
Geographically 1991	T 1_/24V FT T	Inter-	2C = x+ x+-		Net operating
Herefore and a trace	Gross	region	Net	Profit	assets
	Ĺm	Ļm	Дm	ζm	ζm
United Kingdom	728.1	(9.4)	718.7	31.4	239,4
Europe	67.9	(0.5)	67.4	3,9	27,3
North America	144.2	(2.4)	141.8	(0.8)	36.3
Australia	22.5	(0.5)	22,0	6.4	9.2
Interest		-	_	(15.4)	_
Tax and dividends	HANNE THE AND	a x		- · === *	(19.0)
Total Group	962.7	(12.8)	949,9	25.5	293.2

The turnover for North America consists of £120.9 million (1991 £122.5 million) in the USA and £13.3 million (1991 £19.3 million) in Canada.

	15	)92	1991		
Turnover by customer location	Ĺm	0,0	£m	0 0	
North and South America	148.5	16.4	155.9	16.4	
Europe (except United Kingdom)	116.5	12.9	110.3	11.6	
Asia and Australasia	20.1	2.2	21.6	2,3	
Middle East	11.2	1.2	11.9	1.3	
Africa	2.7	0.3	2.1	0.2	
Total overseas	299.0	33.0	301.8	31.8	
United Kingdom	607.4	67.0	648.1	68.2	
Total turnover	906.4	100.0	949.9	100.0	

Sales value of direct exports from the United Kingdom during the year was £84 million (1991 £74 million).

Exports from UK subsidiaries to overseas subsidiaries were an additional £8.4 million (1991 £9.4 million).

The Group is a supplier to many United Kingdom companies, and its products form a part of their exports.

The second secon

3 NET OPERATING COSTS	1992	1991
	¥w.	Ļm
Net operating costs		
Raw materials and consumables	496.4	3503
Staff costs (see note 5)	186.1	188.2
Other operating charges	124.4	126.5
Change in stocks of finished goods and work in progress	1.0	31.9
Own work capitalised	(1.0)	(0.8)
Other operating income	(3.3)	(6.5)
Other external charges	37.0	37,3
Depreciation and other amounts written off tangible fixed assets	20.9	22,0
Share of losses in associated undertakings	0,1	0.1
Total net operating costs	861.6	909,0
Net operating costs include the following	rgadi may ya mirayayani Amaga pagasalama - A amaga Banifi -	70 No. 20 ME
Reorganisation and redundancy	3.6	9.5
Operating lease rentals		
Hire of plant, equipment and vehicles	5.5	5.2
Other operating leases	6.6	3.8
Total operating lease rentals	12.1	9.0
Auditor's remuneration		
Audit work	1.0	1.3
Company £0.2 million (1991 £0.2 million)	<u></u>	
Other services provided by Group auditor	0.1	
Research and development	3.6	3.3
	<del></del>	OB SAING SPEEDWARF W
4 DIRECTORS' EMOLUMENTS		
OF GLYNWED INTERNATIONAL plc		
	<b>L</b> 000	7000
As directors	45	45
As executives	934	892
Total directors' emoluments charged	979	937
		L · · · · · · · · · · · · · · · · · · ·

# 4 DIRECTORS' EMOLUMENTS OF GLYNWED INTERNATIONAL ple teentinued

Directors' emoluments disclosed in accordance with Part I of Schedule 6 to the Companies Act 1985, excluding pension contributions, are as follows:

Chairman 261,161 261,10 Directors Number of directors	L 07
The state of the s	07
Directors Sumber of directors	
Ł.	
260,001 to 265,000 1	1
135,001 to 140,000 2	2
130,001 to 135,000 1	1
120,001 to 125,000 1	1
115,001 to 120,000 1 = -	
100,001 to 105,000	1
30,001 to 35,000 1	1
25,001 to 30,000 1 -	
10,001 to 15,000 1	1
Total number of directors (including the Chairman) 9	8
Commence of the commence of th	٠,
5 EMPLOYEE INFORMATION 1992 199	91
Number of employees	
Average number of employees	
United Kingdom and Europe 10,279 11,40	05
	87
Cenada 144 20	07
Australia 359 31	14
Total (including executive directors) 11,441 12,61	13
£m 1.	(m
Stuff costs	•
Wages and salaries 166.8 170	),4
	7.3
Other pension costs 1.5 0	),5
Total staff costs (including executive directors) 186.1 188	
proving appropriate to the control of the control o	

#### Pension costs

The Group operates a number of pension schemes throughout the world. The main schemes, which cover the majority of UK employees, are defined benefit schemes and the assets are held in funds separate from the Group's assets. The other schemes are relatively small in size and generally of a defined contribution nature.

The latest valuations of the main schemes were carried out by R Watson & Sons, consulting actuaries, as at 31st March 1992 using the projected unit credit method. The principal assumptions on which these valuations were based were that the investment return would be 3.5% greater than general salary increases and 6.0% greater than increases in future pension payments. The results of these valuations showed that the schemes had a market value of £304.2 million and were 146% funded. The surplus has been spread as a level percentage of salaries.

The valuations have been used in assessing the expected cost of providing pensions for 1992 and future years.

6 INTEREST PAYABLE (net)	1992	1991
	<b>美</b> 爾	<u>£</u> m
Interest payable and similar charges		
On borrowings wholly repayable within five years (other than by instalments)	7.1	11 5
On all other borrowings	4.0	4.2
On finance leases	1.9	1.1
Total interest payable and similar charges	13.0	16.8
Less interest receivable and similar income	(1.3)	(1.4)
Interest payable (net)	11.7	15.4
	gajo dia., Jawanja, assau	** _
7 TAXATION	1992	1991
	£ne	ξm
On the profit for the period		
United Kingdom corporation tax (based on a rate of 33%,1991; 33.25%)	10.1	9,0
Overseas taxation	3.2	3.6
Taxation on the profit of the period	13.3	12.6
Previous year adjustments	(2.9)	(4.2)
Total tax on profit on ordinary activities	10.4	8.4
8 EXTRAORDINARY ITEMS	1992	1991
	<b>L</b> m	Ļm
Loss on disposal of business segment		0.6
Termination costs of business segments	2.2	10.1
Taxation applicable	(0.9)	(2.1)
Net extraordinary items	1.3	8.6
Extraordinary tax charge	2.3	
. •	*******	3 2 2 3 3

During the year the Group decided to discontinue its UK scrap metal processing business. The extraordinary charge additionally includes the further net costs incurred relating to prior period terminations.

The extraordinary tax charge is a non-recurring amount arising from a significant change in the basis of taxation of certain rental income introduced by the Finance (No.2) Act 1992.

#### 9 PROFIT FOR THE FINANCIAL PERIOD

Group profit after taxation, minority interests and extraordinary items for the period was £19.0 million (1991 £8.8 million). Glynwed International ple has taken advantage of section 230(3) of the Companies Act 1985 and has not included its own profit and loss statement in these accounts: its corresponding loss was £17.4 million (1991 £44.3 million profit).

10 DIVIDENDS		1992	1991
		Ĺm	Ĺт
Ordinary dividends			
Interim dividend paid of 4.15p per share	(1991:4.15p)	8.6	8,6
Proposed final dividend of 7.50p per share	(1991:7.50p)	15.4	15.4
Total ordinary dividends of 11.65p per share	(1991:11.65p)	24.0	24.0
Preference dividends 5.425%		0.1	0.1
Total dividends		24.1	24.1
11 TRANSFER FROM RESERVES		1992	1991
		£m	<u>L</u> m
Glynwed International plc		(41.5)	20.2
Subsidiary companies		36.4	(35.5)
Total transfer from reserves		(5.1)	(15.3)

#### 12 CALCULATION OF EARNINGS PER SHARE

The calculations of earnings per ordinary share are based on earnings of £22.5 million (1991 £17.3 million) and an average of 205.5 million (1991:205.3 million) ordinary shares of 25p each in issue. Earnings are derived by deducting preference dividends of £0.1 million (1991 £0.1 million) from the profit after taxation and minority interests of £22.6 million (1991 £17.4 million).

#### 13 TANGIBLE FIXED ASSETS

					Lavieros	1992 Total	1991 Total
	Land and buildings			Plans	tarenes (annes	rangible	१८४१ मध्य
	Inchald	Leave		and	mals and	fixed	feed
		Long	Short	machinen	equipment	3551 (5	455CE
	Ým	¥m	∤m	Įn:	<u>į</u> m	1.0	(m)
Cost and valuation							
At beginning of period	89.8	7.2	1.7	1736	57.5	329.8	324 ()
Le change adjustments	1,4	<b></b> :	0.1	3,0	1.3	5.8	1.0
Businesses acquired	0.2	· Z-W-	CARE	<b>=</b> 2×2	0.1	0.3	0.2
Additions at cost	1,3	erhande	Sea.	8,0	<b>7.8</b>	. 17.1	23 7
Disposals	(1.1)	-	(0.1)	(11.2)	(7.3)	(19.7)	(13.1)
Recaluation climination*	(0.2)	¥.***	-	E.L.		(0.2)	<b></b> `
At end of period	91.4	7,2	1.7	173,4	59,4	333,1	329.8
Cost	7.1	1.2	1,0	172.2	59.2	240.7	239,6
Professional valuations							
1990	71.4	3.6				75.0	<b>~5.3</b>
Previous years	8.6	2,4	(),7	0.1		11.8	13.3
Directors' valuations	4.3			1.1	n <u>,2</u>	5.6	1.6
At end of period	91.4	7.2	1.7	173.4	59.4	333.1	329.8
Accumulated depreciation							
At beginning of period	2.3	0.3	1.0	104,2	38.5	146.3	134.5
Exchange adjustments	0.1	****	_	1.8	0.7	2.6	0,5
Provision for the period	1.1	0,2	0.1	12.0	7.5	20.9	22.0
Disposals	(0.4)			(6.8)	(6.2)	(13.4)	(10.7)
Revaluation elimination*	(0.2)				-	(0.2)	_
At end of period	2.9	(1.5	1,1	111.2	40.5	156.2	146.3
Net book value							
At end of period	88.5	6.7	0.6	62.2	18.9	176.9	183.5
At beginning of period	87.5	6.9	0.7	69.4	19,0	183.5	189.5

Included in the cost of tangible fixed assets is £1.9 million (1991 £2.1 million) in respect of assets in course of construction.

The historical cost of tangible fixed assets amounts to £298.5 million (1991 £302.1 million) and the accumulated depreciation thereon is £162.5 million (1991 £153.9 million), giving a net historical book value of £136.0 million (1991 £148.2 million).

The net book value of tangible fixed assets includes £16.3 million (1991 £16.1 million) in respect of assets held under finance leases. Deprectation for the period on those assets was £2.1 million (1991 £3.5 million).

\*Certain land and buildings were revalued during the period by the directors, having taken appropriate professional advice, to reflect their current use.

#### 14 COMMITMENTS

Cigua P			1992	1991
Capital commitments			Įm.	Įm.
Authorised by the Board but not contracted for			7.7	3,0
Contracted for but not provided in the accounts			4,0	1.8
Total capital commitments			11.7	48
	Land and	buildings	Other operati	ing kasus
Operating lease commitments for 1993	1002	1991	1992	1991
For leases expring	<b>j</b> ∈n	Įm	<i>L</i> m	V)m
Within one year	0.4	0.2	0.8	1,0
Between one and two years	1.0	0,9	1,2	1.2
Between two and five years	1.6	1.2	1.5	0,9
After more than five years	4,4	4.3	1.0	0.7
Total operating lease commitments	7.4	മ,ർ	4.5	3,8
		. *	Andrew with the last	

Glynwed International ple has no capital or operating lease commitments (1901 nil),

15 INVESTMENTS	Share of		
	net assets		
	of associated	Other	
Group	underrakings	investments	Total
Fixed asset investments	Ļm	£m	į,m
Cost at beginning of period	0.4	1.5	1.9
Exchange adjustment	0.1	0,1	0.2
Additions	<del></del>	1.6	1.6
Disposids	(0.1)	(0.3)	(0.4)
Transfer to subsidiaries		(0.1)	(0.1)
Share of net loss	(0.1)		(0.1)
Cost as end of period	0,3	2.8	3.1
Provision in period and provision at end of period	V <sub>b</sub> J		
resistant in period and provision at end or period		(0.4)	(0.4)
Net book value at end of period	0.3	2.4	2.7
Listed (market value £1.4 million)	50 m 12 m 2 m 2 m 2 m 2 m 2 m 2 m 2 m 2 m	Month of the second	74
*	• • • • • • • • • • • • • • • • • • •	1.6	1.6
Unlisted	0.3	0.8	1.1
At end of period	0.3	2.4	2.7
•	The state of the s	das TI	4.1

 $R_{mi}$ 

15 INVESTMENTS (continued)	Cost of		Net	A from	mounts due	
	Ppiner Port or	Provisions		aubsidianes	(to) subsidiancs	Testal
COMPANY	<i>L</i> m	<u>L</u> m	£m	<b>£</b> m	£m	<u>/</u> m
Subsidiaries						
At beginning of period	130.6	(27.7)	102.9	285.5	(58.0)	330.4
Transfers from other Group companies	21.0		21,0		<b></b>	21.0
Additions	0.5		0.5		-	0.5
Disposals	(0.7)		(0.7)		i from	(0.7)
Movements during period	_	(10.2)			(32.1)	(75.4)
At end of period	151.4	(37.9)	113.5	252.4	(90.1)	275.8
Other investments	Character Services	CONTRACTOR AND ASSESSMENT OF THE PROPERTY OF T	A Company of the Value of the V	en comment. An	er ganadk æ	77 - * ELT?
At beginning of period	0.1		0.1		_	0.1
Additions	1.5		1.5		-	1.5
Transfer to subsidiaries	(0.1)		(0.1)			(0.1)
Movements during period		(0.1)				(0.1)
At end of period	1.5	(0.1)	1.4			1.4
Total investments	A CONTRACT PARTY	the set Therefore T	A DESCRIPTION OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS OF THE PROPERTY AND ADDRESS OF THE PROPERTY ADDRESS	CONTRACTOR	* / as est * T	* SPECTED IN THE SECOND
At end of period	152.9	(38.0)	114.9	252.4	(90.1)	277.2
At beginning of period	130.7	(27.7)	103.0	285.5	(58.0)	330.5
			-			an after American
16 STOCKS					1992	1991
					Ĺm	Ĺm
Raw materials and consumables					26.8	27.2
Work in progress					17.3	20.0
Finished goods and goods for resale					114.9	110.4
Total stocks					159.0	157.6
17 DEBTORS				Group	Con	pany
			1992	1991	1992	1991
			£m	£m	£m	£m
Amounts falling due within one year						
Trade debtors			165.5	180.1		
Amounts owed by Group undertakings				_	252.4	285.5
Other debtors			9.0	12.0		0.1
Prepayments and accrued income			9.3	9.0		. —
Advance corporation tax				<del>-</del>	15.0	16.0
Total debtors falling due within one yes			183.8	201.1	267.4	301.6
Amounts falling due after more than on	e year					
Advance corporation tax			5.1	5.1	5.1	5.1
Total debtors			188.9	206.2	272.5	306.7
						جو رسمسطر روساد ومنشر فر ۱۳۳۸ میلادی

18 CREDITORS	Gra	nb	Company		
	1992	1991	1992	1991	
	£m	£in	<b>L</b> m	Ĺm	
Amounts falling due within one year					
Trade creditors	128,2	1,39.5			
Bills of exchange payable	2.1	9.1		-	
Amounts owed to Group undertakings	-	-	90.1	58.0	
Social security	2.5	2.5			
Dividends payable	15.4	15.4	15.4	15.4	
Accruals and deferred income	36.2	41.1	1.4	1.4	
Taxation	11.6	8.7	3.7	2.5	
Other creditors	24.1	22,7	0.4	0.4	
Finance leases	2,3	2.5	ender Make more - one x	<b></b>	
Total operating creditors falling due within one year	222.4	241.5	111.0	77.7	
Amounts falling due after more than one year		या प्रतिकारणा. स्थापन	27 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	a resident	
Finance leases	14.3	14.5			
Total operating creditors falling due after more than		C.A	proting supplies	2000 <b></b>	
one year	14.3	14.5	_	_	
	te - 3 Million page 16		ES X MAN DATE	marvey of Allender	
19 OBLIGATIONS UNDER FINANCE I	LEASES		1992	1991	
			£m	Ĺm	
Group					
Payable after more than five years			7.4	8.9	
Payable between two and five years			4.9	3.9	
Payable between one and two years			2.0	1.7	
Total payable after more than one year			14.3	14.5	
Payable within one year			2.3	2.5	
Total obligations under finance leases			16.6	17.0	

20 BORROWINGS	1992			1991				
	-	Chl	er	Tonal		Oth	cr	] লাম্র
	Bank		Unaccured	borrowings	Bank			Pastrocustes
6	Ļm	Ķm	į m	£т	Ļm	ម្តីឃ	¥#3	£m
Grot P  Total falling due within one year	45.9°	-	0.2	46.1		0.1	0.1	5°,9
Amounts falling due after more than one year								
7.5% Debenture Stock 1989/94		1.2	ww.	1.2	21.0	1.4	15. 2	14
*Other	29.5	.0,1	0.2	29.8	21.2	0.1	(1.3	21.6
Wholly repayable within five years	29.5	1.3	0.2	31.0	21.2	1.5	0.3	23,0
Repayable after more than five years other than by instalments								
10.75% Loan Stock 1994/99	-		5,7	5.7	******	es place	5,7	5.7
*Other	25.8		4.3	30.1	26.1	$\frac{1}{2}$ $\frac{0.1}{2}$	4.2	30.4
Total failing due after more than five years	25.8		10.0	35.8	26.1	0,1	9,9	36.1
Total falling due after more than one year	55.32	1.3	10.2	66.8	47,32	1.6	10.2	59.1
Total borrowings	101,2	1.3	10.4	112.9	105.0	1.7	10,3	117,0
Cash at bank and in hand				(29.3)		,		(34.4)
Total net borrowings				83.6				82.6
COMPANY								
Total falling due within one year	36.2			36.2	58.1			58.1
Amounts falling due after more than one year				4.4				
7.5% Debenture Stock 1989/94	22.0	1.2		1.2	10.7	1.4	_	1.4
*Other	22.2	Fall bear for the second	· La. & SURW	22.2	10.7		Pearage	10.7
Wholly repayable within five years	22.2	1.2		23.4	10.7	1.4	www.tt/Zdiatria	12.1
Repayable after more than five years other than by instalments								
10.75% Loan Stock 1994/99			5.7		_	******	5.7	5.7
*Other	25.0	**************************************		29.1	25.0		4.()	29,0
Total falling due after more than five years	25.0	, N <b>Jacons</b>	9.8		_25.0		9,7	34.7
Total falling due after more than one year	47.2	1.2	9.8	58.2	35.7	1.4	9,7	46.8
Total borrowings	83.4	1.2	9.8	94.4	93.8	1.4	9,7	104.9
Cash at bank and in hand				(4.5)				(0.8)
Total net borrowings				89.9				104.1

<sup>\*</sup>Interest rates are not more than the appropriate market rate.

<sup>1</sup> Includes £0.1 million (1991 £1.1 million) secured.

<sup>&</sup>lt;sup>2</sup> Includes £0.4 million (1991 £0.2 million) secured.

Subsidiaries' secured borrowings are secured on the property and assets of those subsidiaries.

20	BORROWINGS (communed)			<b>(</b> 1	សេចប្រ	( ^x5Y	ก <b>า</b> ก∗
				1992	1991	1092	1991
				7m	Į.m.	Ĺm	£ 104
	l debt, bank and other borrowing	s					
Listee							
	Debenture Stock 1989/94			1,2	14	1.2	1.4
	a Loan Stock 1994/99			5,7	5.7	5.7	5.7
	listed debt			6.9	7.1	6,9	7.1
	other borrowings			4.8	4.9	4.1	4.11
Total	listed debt and other borrowings			11.7	12/1	11.0	11.1
	bank borrowings			101.2	105,0	83.4	93.8
Total	borrowings			112.9	117.0	94.4	104,9
Cash	at bank and in hand			(29.3)	(34.4)	(4.5)	(0.8)
Total	net borrowings			83.6	82.6	89.9	104.1
All loa	in capital is repayable at par on man	urity.		77 - Tropic (EU) (Tropic (EU) (EU) (EU) (EU) (EU) (EU) (EU) (EU)		न्य कर्षा = कर्ष स्रुक्ति ==	
Analy	sis of maturity of borrowings		1992			1991	
		Bank	Other	Total	Bank	Other	Total
		ξm	$\chi_{\mathbf{m}}$	<u>£</u> m	វ្ត្រពរ	į ni	<u>∤</u> m
GROU							
	able after five years	25.8	REO	35.8	26.1	10.0	36.1
	able between two and five years	15.5	0.2	15.7	19.1	1.7	20,8
	able between one and two years	14.0	1.3	15.3	2.1	(0.1	2.2
	repayable after more than one year	55.3	11.5	66.8	47.3	11.8	59,1
	able within one year	45.9	0.2	46.1	57.7	0.2	57,9
Total	borrowings	101.2	71.7	112.9	105.0	12.0	117.0
Com	ANY						
Repay	able after five years	25.0	9.8	34.8	25.0	9.7	34,7
Repay	able between two and five years	22.2	1,2	23.4	10.7	1.4	12.1
Total	repayable after more than one year	47.2	11,0	58.2	35.7	11.1	46.8
Repay	able within one year	36.2		36.2	58.1	~~	58.1
Total	borrowings	83.4	11.0	94.4	93.8		104.9

The 7.5% Debenture Stock 1989/94 (including accrued interest) is secured by floating charges on the assets and undertakings of Glynwed International ple and certain of its wholly owned subsidiaries. The sinking fund requirement has been satisfied to date by the purchase and cancellation of stock.

#### 21 CONTINGENT LIABILITIES

The parent company has given a number of financial and performance guarantees on behalf of subsidiaries: the relevant liabilities are included in the consolidated balance sheet.

22 PROVISIONS FOR LIABILITIES Pensions	AND CHA	ARGES		400-
				1992
Provision at beginning of period Provided in period				Įm
when it letical				
Provision at end of period				0.9
•				0,9
	1	ros ulcd		nenual
b Deferred taxation	1992	1991	սոր 1992	भाग्यत्वे 1991
Timing differences mainly between tax allowances and depreciation	χm	Ļm	Ļm	Ţm 1991
Other uning differences	3.7	1.6	7.8	7.3
Corporation tax payable if properties were disposed of at revalued amounts	(3.7)	(1.6)	(4.0)	
Total deferred taxation	eSample minutes and a confe	**** FE 28	0.6	5,1
23 SHARE CAPITAL	Company of the compan	₹1 <del>44</del>	4.4	9.7
	Ordin	ary shares 25p each	preiere	lumulanve nce shares
	1992	1991	1992	of LL each 1991
Value	χm	Дm	Lm.	/m
Authorised				•
Issued	74.5	7.4.5	1.3	1.3
	51.4	51.4	1.3	1.3
Number	million	million	millim	million
Authorised	<b>-</b>			
Issued	297.8	297.8	1.3	1.3
	205.5	205.5	1.3	1.3
Name of the second seco				

During the period 54,266 ordinary shares of 25p each were issued in connection with the Company's share option schemes, for an aggregate consideration of £0.1 million.

Under the Glynwed International Senior Executive Share Option Scheme, at 26th December 1992 options had been granted and were outstanding as set out below:

and an area of the second	Delow;
Opnon price	Exercisable in the
n per share	
, <del>,</del> ,	7 years to
- <del>-</del>	May 1996
	April 1997
• • •	April 1998
	September 1998
<del></del>	September 1999
200	September 2002

Under the Glynwed International Savings-Related Share Option Scherne, at 26th December 1992 options had been granted and were outstanding in respect of 432,153 ordinary shares at 238.6p per share exercisable ordinarily in the six months to November 1992; and 1,339,708 ordinary shares at 244.0p per share exercisable ordinarily in the six months to April 1994; and 2,177,154 ordinary shares at 182.0p per share exercisable ordinarily in the six months to November 1997.

24 RESERVES		Revala	Profit	
	Share	arain	and Loss	
	ten Lucium	nsene	account	Tistal
Great p	A. 2.24	ĻM	<u>£</u> m	Yan
At beginning of period	10,2	33,5	112.2	155.9
Exchange differences	7 * * * * * * * * * * * * * * * * * * *	0.3	1.2	1.5
Premium on shares issued	0.1		f rám.	0,1
*Goodwall credit arising from acquisitions	~		0,5	0.5
Transfer between reserves		0.4	(0.4)	<del></del>
Transfer to profit and loss account	<del></del>	7.84a	(5.1)	(5.1)
At end of period	10.3	34.2	108.4	152.9
Company	2,000	· · · · · · ·	₹ 7.5 .±	***
At beginning of period	10.2		165.0	175.2
Premium on shares issued	0.1	*****	05.00	0.1
Transfer to profit and loss account		-	(41.5)	(41.5)
At end of period	10.3		123.5	133.8
		Bacak	Other	Carr
Goodwill arising from acquisitions		value	provisions	value
Assets purchased		Ļm	Ľm	/m
Tangible fixed assets		41.4		
Stocks		0.3	table.	0,3
Debtors		0,6	e-104	0.6
		0.2	· - <del>-</del> ,	0.2
Total assets		1.1	_	1.1
Less liabilities assumed				
Creditors		(0.5)	(0.1)	(0.6)
Nct operating assets acquired		0.6	(0.1)	0.5
Purchase of minority interest	•	V. 1. 14. 14. 2		1.4
Transfer from fixed asset investments				(0.1)
Cash paid and payable for acquisitions in 1992				(1.3)
*Goodwill credit (excess of assets over purchase price)				0.5

The cumulative amount of goodwill written off to reserves in respect of continuing businesses since 1984 is £168.1 million.

In accordance with SSAP 20 exchange losses of £8.2 million (1991 losses of £0.2 million), arising from the translation of foreign currency borrowing used to finance foreign currency investments, have been offset as reserves movements against exchange differences arising on the retranslation of the net investment.

25 RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM	\$100 <b>2</b> 600	]
OPERATING ACTIVITIES	44.0	N. 1 44
Operating profit Add back reorganisation and remandence costs	44.8 3,6	वित्तर सङ्
	υ <sub>γ</sub> υ	7 -1
Operating profit before reorganisation and redundance costs	48.4	ंग्राई
t ash paid for reorganisation and redundance	(5.6)	64 ≧
bhare of losses in associated undertakings	0.1	#* 1
Depreciation charges	20.9	<u> 5</u> 5 €
Loss/(profit) on sale of tangible fixed assers	0.5	14
(Increase Adecrease in stocks	(6.0)	47.7
Decrease in debtors	2,3	169
:Decreases in creditors	(7.3)	.413
Fachange adjustment on current assets	7.9	\$ vy
Net eash inflow from operations	61.2	<b>8</b> ™11
26 NET INTEREST	1992	1001
20 NET INTEREST	\in 1552	- 123 [****]
Interest received	1.3	11
Interest paid	(11.0)	d53)
Interest element of finance lease rentals	(1.9)	1.1,
Net interest	(11.6)	(15.3)
Interest charge per profit and loss account	711 T\	(15,4)
Movement in prepayments and accruals	(11.7) 0.1	0.1
• • "	U,1	
Net interest	(11.6)	(15.3)
	Table A ATTAC Proof TOPP A TO TAC	
27 INVESTING ACTIVITIES	1992	1991
Donation of a self for the second	/m	Į m
Purchase of tangible fixed assets	(15,0)	(22.6)
Cash paid for acquisitions		
Previous periods		(0.3,
Current period	(0.6)	(0.4)
Purchase of investments	(1.6)	(0.3)
Disposal of fixed assets	1.1	9.5
Cash received from disposal of businesses		
Previous periods		0.2
Current period	****	3.9
Cashflow re discontinued activities	10.6	(11.3)
Net cash outflow from investing activities	(5.5)	(21.3)

TOTAL BALLACTION

#### A LUDEN BELLEVIEW OF THE PROPERTY OF THE PARTY OF THE PAR

28 MOVEMENT IN FINANCING	1092	2(2/3)
(Inflow)/Outflow	£es	大町
Is assert ordinare share capital	0.1	11
Capital Coment of finance lease repayments	(2.5)	(G.77)
Proceeds from finance leases		13.8
Cash from minorin interest		1.2
	P And Mary - Scheel (MA)	
Lunds inflow/(mirflow)	(2,4)	0,4
Loans repaid	(12,6)	(33.0),
Cash outflow	(15,0)	(23.6)

Movement in financing represents changes in the Group's external financing and excludes the change in the net 3 month borrowings.

Lunds movements are changes in the financing, other than from Group borrowings. Loans are borrowings repayable more than three months from the date of advance.

1992	1 191
Дm	<u>£</u> m
(0.4)	23,9
(7.3)	(1),4)
(6.9)	(23.3)
2,6	(0.4)
(4.3)	(23,7)
	(0.4) (7.3) (6.9) 2.6

Net 3 month borrowings are borrowings repayable within three months from the date of advance less each and equate to each or each equivalents as defined in FRS1.

30 ANALYSIS OF NET	1992	1491	Change in
3 MONTH BORROWINGS IN THE BALANCE SHEET	Ļm	Ļm	£m £m
Current period			
Bank borrowings due within one year (note 20)	(45.9)	(57.7)	11.8
Less loans	9,3	22.9	(13.6)
3 month borrowings	(36.6)	(34.8)	(1.8)
Cash at bank (note 20)	29.3	34.4	(5.1)
Net 3 month borrowings	(7.3)	(0.4)	(6.9)
	1991	1990	Change in period
Prior period	<u>į</u> m	Ļm	Ym
Bank borrowings due within one year (note 20)	(57.7)	(21.1)	(36.6)
Less loans	22.9	0.9	22,0
3 moath borrowings	(34.8)	(20,2)	(14.6)
Cash at bank (note 20)	34.4	43.1	(8.7)
Net 3 month borrowings	(0.4)	22.9	(23.3)

31	ANALYSIS OF CHANGES IN FINANCING DURING THE PERIOD	blace rapual and promum +m		I manic kare obligations pn
Curr	ent period	,		
Balan	see at beginning of period	(,3,4)	117,0	<b>1</b> 77,11
Balan	see at end of period	(63.0)	(112.9)	<b>£16</b> 6)
Exch	ange rate adjustments	فنقت	6.7	7724
finar	ice lease contracts taken out (note 32)	æ.≔	작산	2.1
Total		(0.1)	30,8	2.5
Cash	flow included in net 3 months borrowings (note 30)	- 	(1.8)	
Cash	inflows from financing (note 28)	(0.1)	12.6	2.5
Total		(0.1)	10.8	25
Prior	r period			
Balar	nce at beginning of period	61.8	1354	8.8
Balar	nce at end of period	(62.9)	(117.0)	(17,0)
Finar	nce lease contracts taken out (note 32)	3 <del></del> 43	~	14.9
Total	l	(1.1)	18.4	6.7
Cash	flow included in net 3 month borrowings (note 30)	and the second	(14.6)	
Cash	inflows from financing (note 28)	(1.1)	33.0	6.7
Total	ı	(1.1)	18.4	6.7

#### 32 MAJOR NON-CASH TRANSACTIONS

During the period the Group entered into finance lease arrangements in respect of assets with a total capital value at inception of the leases of £2.1 million (1991 £14.9 million). Of the 1991 amount £13.8 million related to assets already purchased by the Group and this resulted in a cash inflow (see note 28).

33 CASH FLOW FROM DISCONTINUED ACTIVITIES	1992
	<u>L</u> m
Fixed assets	5.1
Stocks	5.2
Debtors	15.1
Creditors	(13.3)
Net assets before provisions	12.1
Provisions	0.7
Net assets	12.8
Cash received in current period	6.1
Borrowings lost in current period	6.0
Total cash received and borrowings lost	12.1
Trading losses and costs paid	(1.5)
Net each	10,6
Loss	(2.2)

#### 34 TRADING SUBSIDIARIES

The tollowing is a list of the company's principal trading subsidiaries at 26th December 1992, and a biref description of their current activities. The capital in each case consists, unless otherwise stated, wholly of ordinary shares or common stock. Where subsidiaries are not wholly owned the percentage of capital owned is stated in brackets.

Unless otherwise stated the companies are registered in England and operate in the United Kingdom.

#### CONSUMER & BUILDING PRODUCTS DIVISION

GLYNWED CONSUMER & BUILDING PRODUCTS LIMITED | mading as:

Aga Raybum - manufacturer of high quality domestic multi-fiel cooking and heating appliances.

Drainage Systems - distributors of drainage products.

Falcon Catering Equipment - manufacturer of commercial catering equipment,

Flavel-Leisure - manufacturer of domestic cookers and gas fires.

Glynwed Foundries — manufacturer of cast iron rain-water, soil and drainage systems; east iron and fabricated steel access covers and equipment; street furniture.

Leisure - manufacturer of kitchen sinks and shower cubicles.

Wholesale Catering Equipment UK -- distributors of commercial eatering equipment.

- \*Cassart Special Products SA† (Belgium) -- distributors of iron and steel products for the building and construction industry.
- \*Cooper & Turner Inc (USA) distributor of Glyawed consumer products.
- \*Glynwed Australia Pty Limited† (Australia) distributor of Glynwed consumer products.

Adeptal Systems Limited - fabricator of window and door systems.

- \*API Timbron SA (Belgium) extruders of plastic materials for the building industry,
- \*Aquadan Limited -- (54.6%) shower screen manufacturer.
- \*Dimatsystemes SA (France) fabricators of replacement window and door systems.
- \*Ford & Barley Exhibitions Limited -- (75%) exhibition stand designers and constructors.
- \*Leavlite Electropaint Limited -- processor and finisher of metal and plastic extrusions.

Metoxal U.K. Limited - specialist colour coaters for aluminium extrusions.

Plexite Limited - manufacturer of Timbron, a polystyrene-based substitute for timber.

\*Aquadart Showertrays Limited + (27.7%) shower tray manufacturer.

#### PLASTICS DIVISION

GLYNWED PLASTICS LIMITED trading as:

Capper P-C - UK distributor of thermoplastic pressure pipework systems.

Durapipe — manufacturer of pressure pipework systems in PVC, ABS, polyethylene, polypropylene and other thermoplastic materials.

MCA-Calder - manufacture, hire and repair of thermoplastic pipe joining equipment.

Townsend Polymer Engineering - manufacturer of precision moulded rubber components.

Vulcathene — manufacturers of polyethylene and polypropylene chemical waste drainage systems, Gascoil electrofusion systems and injection mouldings.

Chapman, Haywood & Company Limited +-- factors to the engineering industry.

- \*Amari Piastics plc UK distributors of plastic sheet and rod.
- \*Enfield Industrial Corp (USA) manufacturer and distributor of thermoplastic pipework systems
- \*FIP Formatura Iniezione Polimeri Srl† (Italy) manufacturer of thermoplastic pressure pipe fittings and valves.
- \*Harrington Industrial Plastics Inc (USA) distributors of thermoplastic pipework systems.
- \*Philmae Pty Limited (Australia) manufacturer of plastic fittings for application in water distribution and irrigation systems.
- \*Port Plastics Inc (USA) distributors of plastic sheet.
- \*S.A.M. 'Innoge (Monaco) manufacturer of polyethylene electrofusion systems.

#### TUBES & FITTINGS DIVISION

GINNWED TUBES & FITTINGS LIMITED trading as:

Albion — manufacturer of domestic hot water cylinders and storage systems.

Wednesbury Tube — manufacturer of domestic water, plastic-coated, engineering and medical copper pipe.

#### 34 TRADING SUBSIDIARIES (commond

#### ATEGES & ENGINEERING DIVISION

OF YAMED STITES LIMITED trading of

Ducide Cold Mdi - precision, cold roller of sixel strip

Ducule Hot Mill - bot roller of steel strip as I flats.

Ducule Steel Processors - steel coil picklers and shares; chemical and mechanical laborators testing services.

Dudler Port Rolling Mills -- hot roller of steel bars, flats and special sections.

Firth Cleveland Steel Stop -- manufacturer of high carbon, cold rolled, hardened and tempered +ti el strip.

GB Steel Bar -- manufacturer of cold finished, bright drawn, turned, ground carbon alloys and stanless steel

George Gadd & Co - hot roller of steel bars, flats and sections

I.B & S. Lees --- specialist manufacturer of cold rolled steel strip and producers of bi metal steel strip for metal cutting bandsaws and power backsaws.

Joseph Gillott & Sons - hot roller of steel bars and seenons,

Longmore Brothers - = manufacturer of bright drawn steel, steel conduit and precision tubes

Macreadys - UK distributor of bright and black carbon and allow steels, stainless steel, silver steel, ground flat stock and tool steels.

Stourbridge Rolling Mills -- precision cold refler of steel step.

W Wesson — manufacturer of hot rolled steel strip, flats and bars; cold rolled steel strip; bright drawn steel bar and wire; bright machined edge flats and bright machined squares.

\*Firth Cleveland Steels Inc (18A) -- distributor of steel stop.

\*J.B.& S. Lees GmbH (Germany) -- distributor of steel strip.

\*J.B. & S. Lees Inc (USA) - distributor of sicel strip.

#### GLYNWED ENGINEERING LIMITED trading as:

Ansell Jones - manufacturer of specialist lifting and marine equipment.

Ducule Sections — manufacturer of cold rolled, formed sections, perforated steel strip and general presswork, electrical cable trays and support systems.

Oddboh --- stockist of special and non-standard fastenings.

Steelway Fensecure - manufacturer of steel flooring, stairways, security fencing and fabrications,

Tower Manufacturing - manufacturer of cable clips, masonry nails, wall plugs and cold forged produces.

\*La Dauphinoise SA (France) — manufacturer of plastic and associated components.

Paul Fabrications Limited - manufacturer of precision components and fabrications.

#### GLYNWED STEEL TUBES LIMITED trading as:

Monmore Tubes -- manufacturer of welded steel tube and coated steel tube.

Newman-Tipper Tubes — manufacturer of ERW, slotted, cold drawn seamless, sculptured, plastic coated and heat treated tube.

HUB -- stockists of welted and seamless steel tube.

\*Columbia International Inc (Canada) — manufactuer of metallic and non-metallic electric conduit accessories and fittings, and distributors of electric roughing in products and power and communication ducts,

#### METAL SERVICES DIVISION

GLYNWED METAL SURVICES LIMITED inding as:

Aaleo --- UK distributor of high performance metals.

Active Service Metals -- regional distributor of high performance metals.

Amer Contract Services — diverse packages of metal products for international major contracts,

Arrian Copper Alloys - specialist distributor of copper alloys.

Amari Overscas - international distributor of high performance non ferrous metals.

Bargent & Bird --- plasma profiling and abrasive sawing of stainless steel sheet and plate and stockists of stainless steel bar.

Cashmores Stainless -- national stockholder and processor of stainless steel.

CLA Stamless Steels - stainless steel distributor specialising in tube, but and sections,

HUB Aluminum — distributors of aluminium tube and associated products,

Slater Metals -- regional distributor of high performance metals.

Stock Alloys - plasma profiler of stainless and other alloy plate in the UK

Amari Acrospace Limited - distributor of high performance metals.

Amari Metals Limited - specialist distributor of aluminium and its alloys in the UK.

\*Amari Dublin Limited (Republic of Ireland) - specialist distributor of aluminum and its alloys.

\*Aalco SA (Spain) - (95%) distributor of high performance metals.

#### TRADING SUBSIDIARIES (commend 34

## MFTAL SERVICES DIVISION (continued

\*Amari GmbH† Germany trading as

Jana Marall repond distributor of high performance metals in Southern Germani

Laichimeiall Castens & Ambn regional distributor of high performance metals in Northern

\*Amari Metals BV (Holland) - specialist distributor of attirennum and high performance metals.

\*Amari Metala Inc (USA) — distributor and processor of high performance metals.

\*Gulf Coast Supply Co (L.A.) Inc (USA) - plasma profiler of stanless plate.

\*Stock Alloys Inc (USA) plasma profiler of stainless plate.

## CORPORATE SERVICES AND PROPERTIES

Glynwed Group Services Limited - a management services.

\*Glynwed Inc - 153 management services.

Glynwed Properties Limited - 1 K land and buildings.

Glynwed Property Developments Limited -- property developers,

\*Headland Insurance Limited (Bermuda) - insurance services.

### PRINCIPAL HOLDING COMPANIES

Glynwed Overseas Holdings Limited

\*Glynwed BV : Holland

\*Glynwed Canada Limited (Canada)

\*Glynwed Pacific Holdings Pty Ltd (Australia)

\*Sheldon Inc (USA)

\*Investment held by a subsidiary of Glynwed International ple. Subsidiary companies not audited by Coopers & Labrand. The aggregate turnover of subsidiaries not audited by Coopers & Lybrand amounted to 20.2% of the Group's turnover,

### AUDITOR'S REPORT

To the members of Glynwed International plc

We have audited the accounts on pages 42 to 67 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Company and the Group at 26th December 1992 and of the profit and eash flows of the Group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

COOPERS & LYBRAND

Chartered Accountants and Registered Auditor

Birmingham 8th April 1993

		1003	1661	1990	1989	
		1992 Հա	1991 Įm	}m 1480	1007 ∤B	
Trading results		2,***	<u></u>	•	•	THE STATE OF THE S
Turnover		906.4	949.0	1,099,8	1,125.2	
Operating profit		44.8	40,9	878	105.3	
Interest payable (net)		(11.7)	(15.4)	(175)	(12/0)	(4.8)
Profit before taxation		33.1	25.5	70.3	93.3	R2 S
Taxation		(10.4)	(8.4)	(23.1)	(31.2)	(28.4)
Profit after taxation		22.7	17.1	47.2	62.1	54.1
Minority interests		(0.1)	0,3	0,7	0.5	40,27
Preference dividends		(0.1)	(0.1)	(0.1)	(0.1)	(0.1,
Earnings for the period		22.5	17.3	47.8	62.5	53.8
Extraordinary items		(3.6)	(8.6)	(6.9)	(4.6)	†aso "
Ordinary dividends		(24.0)	(24.0)	(23.9)	(23.8)	;19.8)
(Transfer from reserves)/profit retained		(5.1)	(15.3)	17,0	34.1	34,11
,	-	/- / w y	* *		-	
Operating assets						
Fixed assets		179.6	185,4	190.7	153.8	126.7
Stocks		159.0	157.6	208.0	206.7	185.6
Debtors less creditors		(25.9)	(30.8)	(42.8)	(32.0)	(25.7)
Texation and dividends		(21.9)	(19.0)	(38.9)	(60.5)	(54.0)
Pension provision		(0.9)	MANAGEMENT S	Zweczne z weczas d .a	T	
Net operating assets		289.9	293.2	317.0	268.0	232.6
Total net borrowings		(83.6)	(82.6)	(92.3)	(84.0)	(46.4)
Deferred taxation		` <u></u>	` <u> </u>	Annual State of the Control of the C		· · · · · · · · · · · · · · · · · · ·
Total net assets employed		206.3	210.6	224.7	184.0	186.2
Financed by		de terrenda de la manda de la maria de Comunidad de la maria della	Selection of the select	_ ** ** ** * * * *	ಪ್ರಶ್ನ ವಿಷಯಗಳು ಆಗಳು ಕೊಡುಗಳುಂತಿ -	
Ordinary shares		51.4	51.4	51.2	51.0	50.9
Reserves		152.9	155.9	169.7	129.3	131.9
Ordinary share capital and reserves		204.3	207.3	220.9	180.3	182.8
Preference shares		1.3	1.3	1.3	1.3	1.3
Minority interests		0.7	2.0	2.5	2.4	2.1
Total funds		206.3	210.6	224.7	184.0	186.2
			WATER SEA			
Net increase/(decrease) of funds arising from property revaluations		_	******	29.4		0.6
THE THEOREM IN THE STREET OF THE STREET STREET, AND THE STREET	ANNUAL A	mang kalang managan appropriasion among	en enamenten et ename	ex faxx x 222 2		*
Statistics						
Operating profit to turnover	06	4.9	4.3	8.0	9.4	10,4
Earnings per share	P	10.95	8,43	23.38	30.66	28.81
Dividend per ordinary share	p	11.65	11.65	11.65	11.65	9,70
Net assets per ordinary share	P	99.4	102.5	109.6	88.4	89,7
Operating profit to average net						
operating assets	0.0	15.5	12,4	26.0	41,8	43,8
Turnover to average net operating assets	x	3.1	2,9	3.3	4.5	4.1
Dividend cover	х	0.9	0.7	2.0	2.6	2,7
Interest cover	X	3.8	2.7	5.0	8.8	18.2
Debt/equity ratio — without finance leases	œ	40.5	39.2	41.1	45.6	24.9
Debt/equity ratio - with finance leases	0,0	48.6	47.3	45.0	50.7	28.1

## SUMMARY OF COMPARATIVE FIGURES

2 -					
SE PE	1986	1985	1984	1983	
	FW.	Įm.	Local Cal	. iwii ∤m	
1			-		Trading results
į l	478.9	464 1	514.1	487.2	Turnoyer
12.K	48.8	39.6	35.6	29.6	Operating profit
(2.1) <sub>i</sub>	(2.7)	(4.0)	(9.1)	(8.4)	Interest payable (net)
60,4	46.1	35.6	26.5	21.2	Profit before taxation
(21.1)	(16.1)	(12.3)	(8.2)	(6.1)	Taxation
39,3	30,0	23 3	18.3	15.1	Profit after taxation
(0.1)		•	0.6	(0.8)	Minority interests
(0.1)	(0,1)	(0.1)	(0.1)	(0.1)	Preference dividends
39,1	29,9	23.2	18.8	14.2	Earnings for the period
(1.9)	(3.8)	(2.3)	(3.9)	(4,6)	Pytraordinary items
(13.8)	(11.3)	(8.8)	(7.7)	(6.6)	Ordinary dividends
23,4	14.8	12.1	7.2	3.0	(Transfer from reserves)/profit retained
					Operating assets
90,5	84.1	79,3	91.1	95.3	Fixed assets
108.9	86.8	86.1	85.8	95.4	Stocks
(13.9)	(0.3)	(3.8)	1.6	11.2	Debtors less creditors
(36.5)	(31.8)	(23.0)	(16.4)	(9.8)	Taxañon and dividends
<del>-</del>	Number T. F. & TT	CONTRACTOR OF THE	2 T LJF74	737788 4.22 85	Pension provision
149.0	138.8	138.6	162.1	192.1	Net operating assets
(5.0)	(7.6)	(16.1)	(40.1)	(62.9)	Total net borrowings
- 25	(1.3)	(3.2)	(4.6)	(5.3)	Deferred taxation
144,0	129,9	119.3	117.4	123.9	Total net assets employed
	CLEMINOR F CNFF	F. S. Maren and B. Maren Ward	Jane 2 Property of the C 1	and a Property Soll.	Financed by
28.5	27.9	20.9	20.9	20.9	Ordinary shares
113.7	100.6	97.()	95.1	93.8	Reserves
142.2	128.5	117.9	116.0	114.7	Ordinary share capital and reserves
1,3	1.3	1.3	1.3	1.3	Preference shares
0.5	0.1	0.1	0.1	7.9	Minority interests
144.0	129.9	119.3	117.4	123.9	Total funds
-	THE PERSON NAMED IN	AN TENANCE FR	Special Committee	the state of the same	Net increase/(decrease) of functioning from
	_	(5.9)			property revaluations
		4			
*		-	, - ,		Statistics
11.2	10.2	8.5	6.9	6.1	% Operating profit to turnover
23,26	18.31	14.77	11.97	9,07	p Earnings per share
8.08	6.73	5.60	4.93	4.19	p Dividend per ordinary share
83.1	76.7	75.1	73.9	73.2	p Net assets per ordinary share
V011	V-	****	<b></b>		Operating profit to average net
42.8	33.4	25.0	18.0	15.4	% operating assets
3.8	3.3	2.9	2.6	2.5	x Turnover to average net operating assets
2.8	2.6	2.6	2,4	2.2	x Dividend cover
29.8	18.1	99	3.9	3.5	x Interest cover
3.5	5.8	13.5	34.2	50.7	0 σ Debt/equity ratio — without finance leases
5.7	8.5	17.5	39.2	*	% Debt/equity ratio — with finance leases
2.4.7	****			* Pin	ance lease information not available

## NOTICE OF MEETING

Notice 15 hereby given that the fifty second annual general meeting of Glynwed International public Franted company will be held at Headland House, New Coventry Road, Sheldon, Birmingham B26 3AZ, on 3rd June 1993 at 12 noon to transact the following business:

- 1 To receive and adopt the annual report and accounts for the 52 weeks ended 26th December 1992.
- 2 To declare a final dividend.
- 3 To elect directors.
- 4 To reappoint the auditor and to authorise the directors to determine the auditor's remuneration,

As special business:

5 To consider and, if thought fit, pass the following resolution which will be proposed as an ordinary

That pursuant to section 80 of the Companies Act 1985, the directors be and they are hereby authorised, generally and unconditionally, to allot relevant securities (as defined in that section) up to an aggregate nominal amount of £17,126,930 provided that this authority, unless renewed, shall expire at the earlier of the date fifteen months from the passing of this resolution and the conclusion of the next annual general meeting of the Company following the passing of the resolution save that the company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

6 Subject to the passing of the foregoing resolution number 5, to consider and, if thought fit, pass the following resolution which will be proposed as a special resolution:

That,

- the directors be and they are hereby generally empowered pursuant to section 95 of the Companies Act 1985 ("the Act") to allot equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by the previous resolution as if sub-section (1) of section 89 of the Act did not apply to any such allotment, and
- the power hereby granted to the directors shall be limited
- (i) to the allotment of equity securities in connection with a rights issue, open offer or otherwise in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them but subject to such exclusions or other arrangements as the directors may consider appropriate to deal with fractional entitlements or holders of shares outside the United Kingdom, and

NOTICE OF WEETING

(ta) to the allowners (otherwise than pursuant to sub paragraph (i) above) of equity securities up to an aggregate mominal value of £2,509,040,

and shall expire at the cartier of the date fifteen months after the passing of this resolution and the conclusion of the next annual general meeting of the Company following the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member.

Ian Avearenan

By order of the Board

Ian Shearman

Secretary

Birmingham

6th May 1993

#### NOTES

- 1 A form of proxy is enclosed for the use of shareholders who are unable to attend the meeting in person. This form should be completed, signed and returned so that it arrives at the office of the Company's registrars not less than 48 hours before the time of the meeting. By signing and returning the form of proxy a shareholder will not be precluded from attending and young in person should be subsequently find it possible to be present.
- 2 Copies of the contracts of service of directors (unless expiring or determinable by the company within one year without payment of compensation) will be available for inspection at the company's registered office between 9.00am and 4.30pm on any weekday (Saturday and public holidays excluded) from the date of this notice up to and including the day before the meeting, and also at the place of the meeting, for 15 minutes prior to the meeting and during the meetings.

#### 1993 FINANCIAL CARENDAR

Annual general meeting

3rd June

Half year and

26th June

Final ordinary dividend payable

1st July

Interim ordinary dividend payable

8th December

Preference dividend payable

30th June, 31st December

1993 year end

25th December

INTEREST PAYMENTS

7.5% Debenture Stock

6th June, 6th December

10.75% unsecured Loan Stock

31st March, 30th September

HEAD OFFICE AND REGISTERED OFFICE

Headland House, New Coventry Road Sheldon, Birmingham B26 3AZ

Telephone: 021-742 2366

Fax: 021-742 0403

Registered in England No. 354715

REGISTRARS
Barclays Registrars
Bouzne House, 34 Beckenham Road
Beckenham, Kent BR3 4TU
Telephone: 081-650 4866
Fax: 081-658 3430