

APPENDIX 2.6
(referred to in paragraph 2.16)

**Waterman Pens (UK): profit and loss accounts
for the four years to 30 November 1991**

	<i>£ million</i>			
	<i>Year ended 30.9.88</i>	<i>14 mths ended 30.11.89</i>	<i>Year ended 30.11.90</i>	<i>Year ended 30.11.91</i>
Turnover	1.3	2.3	2.5	2.4
Cost of sales	<u>0.8</u>	<u>1.2</u>	<u>1.4</u>	<u>1.3</u>
Gross profit	0.5	1.1	1.1	1.1
Selling and distribution costs	(0.4)	(0.8)	(1.1)	(1.0)
Administration and financial expenses	<u>(0.2)</u>	<u>(0.5)</u>	<u>(0.1)</u>	<u>(0.3)</u>
Operating profit/(loss)	(0.1)	(0.2)	(0.1)	(0.2)
Interest payable	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Profit/loss on ordinary activities before tax	(0.1)	(0.2)	(0.1)	(0.2)
Taxation	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
(Loss) after taxation	(0.1)	(0.2)	(0.1)	(0.2)
Extraordinary income	<u>0.4</u>	<u>0.0</u>	<u>(0.1)</u>	<u>0.1</u>
Retained profit/(loss)	0.3	(0.2)	(0.2)	(0.1)

Source: Gillette UK.

Notes:

1. In 1987 the year end was changed and accounts were prepared for the year to 31 March and for the six months to 30 September. As 1987 would have been the earliest year in the table, it has been omitted in view of these different time periods.
2. At 30 November 1991 the business of Waterman Pens (UK) was transferred to Gillette UK. Forecast figures for 1991/92 for Gillette UK including Waterman Pens are shown in Table 2.1.
3. Administration and financial expenses include profit/(loss) on foreign exchange.
4. Extraordinary income in 1987/88 arose from waiver by Waterman SA of payments for writing instruments.