Offering Circular

Imperial Chemical Industries PLC

2180l9

(Incorporated with limited liability in England)

ICI Coordination Centre N.V.

(Incorporated with limited liability in the Kingdom of Belgium)

ICI Finance PLC

(Incorporated with limited liability in England)

ICI Investments (Netherlands) B.V.

(Incorporated with limited liability in the Netherlands and having its corporate seat in Rotterdam)

U.S.$4,500,000,000
Euro Medium Term Note Programme

Due from one month to 30 years from the date of original issue

Guaranteed

(in the case of issues by ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V.) by Imperial Chemical Industries PLC

On 15 July 1997 Imperial Chemical Industries PLC, ICI Finance PLC and ICI Investments (Netherlands) B.V. entered into a U.S.$4,000,000,000 Euro Medium Term Note Programme. On 28 April 1998 ICI Coordination Centre N.V. was added as an issuer under the Programme and the amount of the Programme was increased to U.S.$4,500,000,000. This Offering Circular supersedes the previous Offering Circular dated 15 July 1997 and the previous Offering Circular, dated 28 April 1998. Any Notes (as defined below) issued under the Programme (as defined below) after the date hereof are issued subject to the provisions set out herein.

Under the Euro Medium Term Note Programme described in this Offering Circular (the "Programme"), Imperial Chemical Industries PLC, ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V. (each an "Issuer"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "Notes") guaranteed (in the case of issues by ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V.) by Imperial Chemical Industries PLC (the "Guarantor"). The aggregate principal amount of Notes outstanding will not at any time exceed U.S.$4,500,000,000 (or the equivalent in other currencies).

Application has been made to the London Stock Exchange Limited (the "London Stock Exchange") for Notes issued within 12 months of this Offering Circular to be admitted to the Official List and application will also be made (in certain circumstances as described herein) to list Notes ("Paris Listed Notes") on the Paris *Bourse*. Unlisted Notes may, however, also be issued pursuant to the Programme. The relevant Pricing Supplement (as defined herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the London Stock Exchange (or any other stock exchange) and, with respect to Paris Listed Notes, will be delivered to the *Commission des Opérations de Bourse* (the "COB") on or before the date of issue of the Paris Listed Notes.

Copies of this document, which comprises listing particulars approved by the London Stock Exchange in relation to Notes to be issued during the period of 12 months from the date of this Offering Circular, have been delivered for registration to the Registrar of Companies in England and Wales as required by Section 149 of the Financial Services Act 1986.

Each Series (as defined herein) of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "temporary Global Note") or a permanent global note in bearer form (each a "permanent Global Note"). Notes in registered form will be represented by registered certificates (each a "Certificate"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Global Notes and Certificates may be deposited on the issue date with a common depositary on behalf of Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear System ("Euroclear") and Cedelbank, and/or any other agreed clearing system (including, in the case of Paris Listed Notes, *Sicovam S.A.* and the *intermédiaires financiers habilités* authorised to maintain accounts therein (together, "Sicovam") and, in the case of Notes issued by ICI Coordination Centre N.V. and entered into the X/N clearing system, Belgian National Bank (*Nationale Bank van België/Banque Nationale de Belgique*) ("BNB")). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "Summary of Provisions Relating to the Notes while in Global Form".

For the sole purpose of listing Notes on the Paris *Bourse*, this Offering Circular has been submitted to the clearance procedures of the COB and has been registered by the COB under no. P99-160 dated 5 May 1999.

The Programme has been rated A- by Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc. ("Standard & Poor's") and Baa1 by Moody's Investors Services, Inc. ("Moody's").

Arranger

Deutsche Bank

Dealers

ABN AMRO
Barclays Capital
Deutsche Bank
HSBC Markets
J.P. Morgan Securities Ltd.

Banque Nationale de Paris
Credit Suisse First Boston
Greenwich NatWest
IBJ International plc
Warburg Dillon Read

The date of this Offering Circular is 7 May 1999

This Offering Circular, with the exception of the information contained in pages 37 to 64, 65 to 68 (sections headed "Netherlands" and "Belgium" only), comprises listing particulars in relation to Imperial Chemical Industries PLC and, with the exception of the information contained in pages 32 to 36, 47 to 64, 65 to 68 (section headed "United Kingdom" and "Netherlands" only), comprises listing particulars in relation to ICI Coordination Centre N.V. and, with the exception of the information contained in pages 32 to 46, 56 to 64, 65 to 68 (section headed "Netherlands" and "Belgium" only), comprises listing particulars in relation to ICI Finance PLC and, with the exception of the information contained in pages 32 to 55, 65 to 68 (section headed "United Kingdom" and "Belgium" only), comprises listing particulars in relation to ICI Investments (Netherlands) B.V., given in compliance with the listing rules made under Section 142 of the Financial Services Act 1986 by the London Stock Exchange, for the purpose of giving information with regard to Imperial Chemical Industries PLC, ICI Coordination Centre N.V., ICI Finance PLC, ICI Investments (Netherlands) B.V. and the Notes. Accordingly, each Issuer accepts responsibility for the information contained in its listing particulars. To the best of the knowledge and belief of each Issuer (which has taken all reasonable care to ensure that such is the case), such information contained in its listing particulars is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of the Issuers and the Guarantor having made all reasonable enquiries confirms that this document contains all information with respect to each Issuer, the Guarantor, the Guarantor and its subsidiary undertakings taken as a whole (the "Group" or the "ICI Group") and the Notes that is material in the context of the issue and offering of the Notes, the statements contained in it relating to each Issuer, the Guarantor and the Group are in every material particular true and accurate and not misleading, the opinions and intentions expressed in this Offering Circular with regard to each Issuer, the Guarantor and the Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, there are no other facts in relation to each Issuer, the Guarantor, the Group or the Notes the omission of which would, in the context of the issue and offering of the Notes, make any statement in this Offering Circular misleading in any material respect and all reasonable enquiries have been made by the Issuer and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any Issuer, the Guarantor or any of the Dealers or Arranger (as defined in "Summary of the Programme"). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of any Issuer or the Guarantor since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of any Issuer or the Guarantor since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuers, the Guarantor, the Dealers and the Arranger to inform themselves about and to observe any such restriction.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see "Subscription and Sale".

This Offering Circular has not been and will not be submitted to the clearance procedures of the Belgian Banking and Finance Commission (Commission Bancaire et Financière/Commissie voor het Bank- en Financiewezen) and accordingly may not be used in connection with any offer or sale of Notes in Belgium except as may otherwise be permitted by law.

Investors in France may only participate in the issue of the Notes for their own account in accordance with the conditions set out in décret no. 98-880 dated 1 October 1998. The Notes may only be issued, directly or indirectly, to the public in France in accordance with articles 6 and 7 of ordonnance no. 67-833 dated 28 September 1967 (as amended). Where the issue of the Notes is effected as an exception to the rules relating to an appel public à l'épargne in France (public offer rules) by way of an offer to a restricted circle of investors, such investors must provide certification as to their personal, professional or family relationship with a member of the management of the Issuer. Persons into whose possession this material comes must inform themselves about and observe any such *restrictions. This material does not constitute, and may not be used for or in connection with, an offer to any person to whom it is unlawful to make such offer or a solicitation by anyone not authorised so to act.*

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of any Issuer, the Guarantor or the Dealers to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained in this Offering Circular. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. Neither this Offering Circular nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any Issuer, the Guarantor, the Arranger or the Dealers that any recipient of this Offering Circular or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of any Issuer or the Guarantor during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with any Tranche (as defined in "Summary of the Programme"), one of the Dealers will act as a stabilising agent (the "Stabilising Agent"). The identity of the Stabilising Agent will be disclosed in the relevant Pricing Supplement. References in the next paragraph to "this issue" are to each Tranche in relation to which a Stabilising Agent is appointed.

In connection with this issue, the Stabilising Agent may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time and will be carried out in accordance with applicable laws and regulations.

In this Offering Circular, unless otherwise specified or the context otherwise requires, references to "U.S.$" are to U.S. dollars, to "NLG" are to Dutch guilders, to "£" are to pounds sterling, to "BEF" are to Belgian francs and to "FRF" are to French francs.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement, the most recently published audited annual accounts, and any interim accounts (whether audited or unaudited) published subsequently to such annual accounts, of each Issuer and the Guarantor from time to time, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents; provided, however, that no such document or modifying or superseding statement shall form part of the listing particulars issued in compliance with the listing rules made under Section 142 of the Financial Services Act 1986.

For so long as any Notes are listed on the Paris *Bourse*, such documents will be available from the principal office of Deutsche Bank France S.A. (the "Paris Listing Agent") for Paris Listed Notes. The documents incorporated herein by reference have not been submitted to the clearance procedures of the COB.

SUPPLEMENTARY LISTING PARTICULARS

If at any time the Issuers shall be required to prepare supplementary listing particulars pursuant to Section 147 of the Financial Services Act 1986, the Issuers will prepare and make available an appropriate amendment or supplement to this Offering Circular or a further offering circular which, in respect of any subsequent issue of Notes to be listed on the London Stock Exchange, shall constitute supplementary listing particulars as required by the London Stock Exchange and Section 147 of the Financial Services Act 1986.

Each of the Issuers and the Guarantor have given an undertaking to the COB that, if and for so long as any of the Notes are listed on the Paris *Bourse*, any material adverse change in the business or financial condition of the relevant Issuer or the Guarantor shall be notified to the COB and published in accordance with its rules.

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SUMMARY OF THE PROGRAMME

The following summary is qualified in its entirety by the remainder of this Offering Circular.

Issuers:	Imperial Chemical Industries PLC, ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V.
Guarantor (in respect of issues by ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V.):	Imperial Chemical Industries PLC
Description:	Euro Medium Term Note Programme
Size:	Up to U.S.$4,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time.
Arranger:	Deutsche Bank AG London
Dealers:	ABN AMRO Bank N.V., Banque Nationale de Paris, Barclays Bank PLC, Credit Suisse First Boston – (Europe) Limited, Deutsche Bank AG London, Greenwich NatWest Limited (as agent for National Westminster Bank Plc), IBJ International plc, Midland Bank plc, J.P. Morgan Securities Ltd. and UBS AG, acting through its division Warburg Dillon Read. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to "Permanent Dealers" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to "Dealers" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent:	The Chase Manhattan Bank
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "Series") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "Tranche") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a pricing supplement to this Offering Circular (a "Pricing Supplement").
Issue Price:	Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Form of Notes:	The Notes may be issued in bearer form only ("Bearer Notes"), in bearer form exchangeable for Registered Notes ("Exchangeable Bearer Notes") or in registered form only ("Registered Notes"). Each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders

following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "Summary of the Programme – Selling Restrictions"), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as "Global Certificates".

Clearing Systems:	Cedelbank, Euroclear, Sicovam, the Belgian National Bank as operator of the X/N clearing system ("BNB") and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.
Initial Delivery of Notes:	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Cedelbank and/or any other agreed clearing system (including, without limitation, Sicovam). Global Notes or Global Certificates may also be deposited with BNB or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in U.S. dollars, Australian dollars, Austrian schillings, Belgian francs, Canadian dollars, Danish kroner, Deutsche marks, Dutch guilders, euros, Finnish markkas, French francs, Hong Kong dollars, Portuguese escudos, Italian lire, New Zealand dollars, sterling, Swedish kronor, Swiss francs or yen or in other currencies if the relevant Issuer, the Guarantor (where applicable) and the relevant Dealers so agree.
Swiss Francs:	Issues of Notes denominated in Swiss francs or carrying a Swiss franc-related element with a maturity of more than one year (other than Notes privately placed with a single investor with no publicity) will be effected in compliance with the relevant regulations of the Swiss National Bank based on article 7 of the Federal Law on Banks and Savings Banks of 8 November 1934 (as amended) and article 15 of the Federal Law on Stock Exchanges and Securities Trading of 24 March 1995 in connection with article 2, paragraph 2 of the Ordinance of the Federal Banking Commission on Stock Exchanges and Securities Trading of 2 December 1996. Under the said regulations, the relevant Dealer or, in the case of a syndicated issue, the lead manager (the "Swiss Dealer"), must be a bank domiciled in Switzerland (which includes branches or subsidiaries of a foreign bank located in Switzerland) or a securities dealer duly licensed by the Swiss Federal Banking Commission pursuant to the Federal Law on Stock Exchanges and Securities Trading of 24 March 1995. The Swiss Dealer must report certain details of the relevant transaction to the Swiss National Bank no later than the Issue Date of the relevant Notes.

Sterling:	Issues of Notes denominated in sterling shall comply with all applicable laws and regulations (as amended from time to time) of United Kingdom authorities. See under "General Information".
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity between one month and 30 years unless otherwise permitted by then current laws, regulations and directives.
Denomination:	Definitive Notes will be in such denominations as may be specified in the relevant Pricing Supplement, save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom will have a minimum denomination of £100,000 (or its equivalent in other currencies), unless such Notes may not be redeemed until the third anniversary of their date of issue and are to be listed on the stock exchange of a country within the European Economic Area (an "EEA Exchange").
Fixed Rate Notes:	Fixed interest will be payable in arrear on the date or dates in each year. Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and as set out in the relevant Pricing Supplement and on redemption and will be calculated on the basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Dealer.
Floating Rate Notes:	Floating Rate Notes will bear interest at a rate determined: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 1998 ISDA Definitions, as supplemented by the 1998 Supplement and the 1998 ISDA Euro Definitions (each as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer. The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer and set out in the relevant Pricing Supplement for each Series of Floating Rate Notes.
Zero Coupon Notes:	Zero Coupon Notes may be issued at their principal amount or at a discount to it and will not bear interest.
Variable Coupon Amount Notes:	The Pricing Supplement issued in respect of each issue of variable coupon amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Pricing Supplement. Index-linked Notes which are issued as an *appel public à l'épargne* in France will be issued in compliance with the *Principes Généraux* set by the COB and the *Conseil des Marchés Financiers.*

Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Floating Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer.
Variable Redemption Amount Notes:	The Pricing Supplement issued in respect of each issue of variable redemption amount Notes will specify the basis for calculating the redemption amounts payable, which may be by reference to a stock index or formula or as otherwise provided in the relevant Pricing Supplement. Index-linked Notes which are issued as an *appel public à l'épargne* in France will be issued in compliance with the *Principes Généraux* set by the COB and the *Conseil des Marchés Financiers.* Unless permitted by the then current laws and regulations, Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the relevant Issuer in the United Kingdom must have a minimum redemption amount of £100,000 (or its equivalent in other currencies) unless such Notes may not be redeemed until the third anniversary of their date of issue and are listed on an EEA Exchange.
Redemption by Instalments:	The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Other Notes:	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, dual currency Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Note that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement.
Optional Redemption:	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.
Status of Notes:	The Notes and (if applicable) the guarantee in respect of them will constitute unsubordinated and unsecured obligations of the Issuer and the Guarantor, respectively, all as described in "Terms and Conditions of the Notes – [Guarantee and] Status".
Negative Pledge:	See "Terms and Conditions of the Notes – Negative Pledge".
Cross Default:	See "Terms and Conditions of the Notes – Events of Default".
Rating:	Notes to be issued under the Programme have been rated A- by Standard & Poor's and Baa1 by Moody's.
Early Redemption:	Except as provided in "Optional Redemption" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See "Terms and Conditions of the Notes – Redemption, Purchase and Options".
Withholding Tax:	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the United Kingdom or, in the case of Notes issued by ICI Coordination

	Centre N.V., the Kingdom of Belgium or, in the case of Notes issued by ICI Investments (Netherlands) B.V., the Netherlands, subject to customary exceptions, all as described in "Terms and Conditions of the Notes – Taxation".
Governing Law:	English.
Listing:	The London Stock Exchange and/or as otherwise specified in the relevant Pricing Supplement including, without limitation, the Paris *Bourse.* It is strongly recommended by the French Ministry of the Economy, Finance and Industry that Notes denominated in French francs or euro should be listed on the Paris *Bourse,* particularly but not exclusively, where such Notes are to be offered publicly in France. Paris Listed Notes will be issued subject to the requirements of the *Commission des Opérations de Bourse* and the Paris *Bourse.* As specified in the relevant Pricing Supplement, a Series of Notes may be unlisted.
Selling Restrictions:	United States, United Kingdom, Belgium, Netherlands, Japan and France. See "Subscription and Sale". In connection with the offering and sale of a particular Tranche of Notes additional restrictions may be imposed which will be set out in the relevant Pricing Supplement. The Issuers and the Guarantor are Category 2 for the purposes of Regulation S under the Securities Act. Notes issued in bearer form will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "D Rules") unless the relevant Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the "C Rules").

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. Provisions in square brackets are only applicable to Notes issued by ICI Coordination Centre N.V., ICI Finance PLC or ICI Investments (Netherlands) B.V. and, where two provisions in square brackets are separated by an oblique, the first shall be applicable to Notes issued by Imperial Chemical Industries PLC and the second shall be applicable to Notes issued by ICI Coordination Centre N.V., ICI Finance PLC or ICI Investments (Netherlands) B.V. Two provisions in square brackets preceded by an asterisk and separated by an oblique are applicable to Notes issued by ICI Investments (Netherlands) B.V. and ICI Coordination Centre N.V. respectively and where three provisions in square brackets are separated by an oblique and preceded by an asterisk, the first shall be applicable to Notes issued by Imperial Chemical Industries PLC or ICI Finance PLC, the second shall be applicable to Notes issued by ICI Investments (Netherlands) B.V. and the third to Notes issued by ICI Coordination Centre N.V. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

While Notes issued by ICI Coordination Centre N.V. are in global form, the effect of certain terms and conditions of the Notes may be modified. In addition, the specific terms and conditions governing the clearing system or the depositary through or by which the Notes are respectively cleared or held must be taken into account.

The Notes are issued pursuant to an Agency Agreement (as amended or supplemented as at the date of issue of the Notes (the "Issue Date"), the "Agency Agreement") dated 7 May 1999 between Imperial Chemical Industries PLC, ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V. (together, the "Issuers" and, for the purposes of these Conditions, such of them as is named on this [Note]/[Certificate] as the issuer being the "Issuer"), Imperial Chemical Industries PLC in its capacity as the guarantor (the "Guarantor"), The Chase Manhattan Bank as fiscal agent and the other agents named in it and with the benefit of (i) in the case of Notes issued by Imperial Chemical Industries PLC, the Deed of Covenant dated 15 July 1997 executed by Imperial Chemical Industries PLC and (ii) in the case of Notes issued by ICI Coordination Centre N.V., ICI Finance PLC or ICI Investments (Netherlands) B.V. the Deeds of Covenant dated 15 July 1997 executed by ICI Investments (Netherlands) B.V. and ICI Finance PLC respectively and the Deed of Covenant dated 28 April 1998 executed by ICI Coordination Centre N.V. and, in each case, by Imperial Chemical Industries PLC (as amended or supplemented as at the Issue Date, the "Deeds of Covenant"). The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "Fiscal Agent", the "Paying Agents" (which expression shall include the Fiscal Agent), the "Registrar", the "Transfer Agents" and the "Calculation Agent(s)". The Noteholders (as defined below), the holders of the interest coupons (the "Coupons") appertaining to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "Talons") (the "Couponholders") and the holders of the receipts for the payment of instalments of principal (the "Receipts") relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement and the Deeds of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

1. Form, Denomination and Title

The Notes are issued in bearer form ("Bearer Notes", which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form ("Registered Notes") or in bearer form exchangeable for Registered Notes ("Exchangeable Bearer Notes") in each case in the Specified Denomination(s) shown hereon.

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note the principal amount of which is redeemable in instalments is issued with one or more Receipts attached.

Registered Notes are represented by registered certificates ("Certificates") and, save as provided in Condition *2(c)*, each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "Register"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "Noteholder" means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), "holder" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2. Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition *2(f)*, Exchangeable Bearer Notes may be exchanged for the same aggregate principal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition *7(b)*) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Unless otherwise required by Belgian law, Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Conditions 2*(a)*, *(b)* or *(c)* shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition *(d)*, "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar.

(e) Exchange Free of Charge

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6*(d)*, (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3. [Guarantee and] Status

[(a) Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Notes, Receipts and Coupons. Its obligations in that respect (the "Guarantee") are contained in the Deeds of Covenant executed by ICI Coordination Centre N.V., ICI Finance PLC or ICI Investments (Netherlands) B.V. respectively and, in each case, by Imperial Chemical Industries PLC.]

[(b)] Status of Notes [and Guarantee]

The Notes and the Receipts and Coupons constitute (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and Coupons [and of the Guarantor under the Guarantee] shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer [and the Guarantor, respectively,] present and future.

4. Negative Pledge

(a) So long as any of the Notes, Receipts or Coupons remain outstanding (as defined in the Agency Agreement):

   (i) [neither] the Issuer [nor the Guarantor] shall [not] create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("Security") upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt, or any guarantee of or indemnity in respect of any Relevant Debt;

   (ii) [each of] the Issuer [and the Guarantor] shall procure that no other person creates or permits to subsist any Security upon the whole or any part of the undertaking, assets or revenues present or future of that other person to secure any of the Issuer's Relevant Debt [or the

Guarantor's Relevant Debt], or any guarantee of or indemnity in respect of any of the Issuer's Relevant Debt [or the Guarantor's Relevant Debt]; and

(iii) [each of] the Issuer [and the Guarantor] shall procure that no other person [other than the Guarantor] gives any guarantee of, or indemnity in respect of, any of the Issuer's Relevant Debt [or the Guarantor's Relevant Debt];

unless, at the same time or prior thereto, the Issuer's obligations under the Notes, Receipts and Coupons [or, as the case may be, the Guarantor's obligations under the Guarantee] (A) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

(b) For the purposes of this Condition:

"Relevant Debt" means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities that are for the time being, or are intended by the issuer thereof to be quoted, listed or ordinarily dealt in on any stock exchange, automated trading system, over-the-counter or other securities market, denominated, payable or optionally payable in a currency other than *[pounds sterling/Dutch guilders/Belgian francs] or in *[pounds sterling/Dutch guilders/Belgian francs] but with a view to being distributed outside *[the United Kingdom/the Netherlands/the Kingdom of Belgium];

"Subsidiary" means any entity whose affairs are required by law or in accordance with generally accepted accounting principles applicable in the United Kingdom to be consolidated in the consolidated accounts of the [Issuer/Guarantor].

5. Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Fixed Rate(s) of Interest payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

Except as provided hereon, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified hereon, amount to the Broken Amount so specified.

If interest is required to be calculated for a period ending other than on an Interest Payment Date, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Fixed Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

In these Conditions, "Fixed Day Count Fraction" means:

(i) if "Actual/Actual" is specified hereon, the actual number of days in the relevant period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by the product of the actual number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date (an "Interest Period") and the number of Interest Payment Dates that would occur in one year assuming interest was to be payable in respect of the whole of that year. In the X/N clearing system, Actual/Actual shall be determined in accordance with the Actual/Actual ISMA formula; and

(ii) if "30/360" is specified hereon, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360; and

"sub-unit" means with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) Interest on Floating Rate Notes

(i) Interest Payment Dates

Each Floating Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

(A) the Specified Interest Payment Date(s) (each an "Interest Payment Date") in each year specified hereon; or

(B) if no express Specified Interest Payment Date(s) is/are specified hereon, each date (each an "Interest Payment Date") which falls the number of months or other period specified as the Specified Period hereon after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a business day convention is specified hereon and (x) if there is no numerically corresponding day on the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the business day convention specified is:

(1) in any case where Specified Periods are specified in accordance with Condition 5*(b)*(i)(B) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date; or

(2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, "Business Day" means a day which is:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified hereon; and

(B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open. In these Conditions, "TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System; and

(C) in the case of Notes in global form issued by ICI Coordination Centre N.V. and deposited with the BNB, a day on which the TARGET System is open.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated hereon) the Margin (if any). For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions (as supplemented by the 1998 Supplement and the 1998 ISDA Euro Definitions), each as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the "ISDA Definitions") and under which:

(1) the Floating Rate Option is as specified hereon;

(2) the Designated Maturity is a period specified hereon; and

(3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate ("LIBOR") or on the Euro-zone inter-bank offered rate ("EURIBOR") for a currency, the first day of that Interest Period or (ii) in any other case, as specified hereon.

For the purposes of this sub-paragraph (A), (i) "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity" and "Reset Date" have the meanings given to those terms in the ISDA Definitions, (ii) the definition of "Banking Day" in the ISDA Definitions shall be amended to insert after the words "are open for" in the second line the word "general" and (iii) "Euro-zone" means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated hereon) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of Condition 5*(b)*(ii)(B)(1), no such offered quotation appears or, in the case of Condition 5*(b)*(ii)(B)(2), fewer than three such offered quotations appear, in each case as at the time specified above the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

"Reference Banks" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

(iii) Minimum and/or Maximum Rate of Interest

If a Minimum Rate of Interest is specified hereon for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If a Maximum Rate of Interest is specified hereon for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) Determination of Rate of Interest and calculation of Interest Amounts

The Calculation Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Calculation Agent will calculate the amount of interest (the "Interest Amount") payable on the Floating Rate Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Floating Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"Floating Day Count Fraction" means, in respect of the calculation of an amount of interest for any Interest Period:

(i) if "Actual/365" or "Actual/Actual" is specified hereon, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(ii) if "Actual/365 (Fixed)" is specified hereon, the actual number of days in the Interest Period divided by 365;

(iii) if "Actual/360" is specified hereon, the actual number of days in the Interest Period divided by 360;

(iv) if "30/360", "360/360" or "Bond Basis" is specified hereon, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Interest Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and

(v) if "30E/360" or "Eurobond Basis" is specified hereon, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of an Interest Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

(v) Notification of Rate of Interest and Interest Amounts

The Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression "London Business Day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London.

(vi) Certificates to be final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5*(b)*, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, [the Guarantor,] the Calculation Agent, the other Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, [the Guarantor,] the Noteholders, the Receiptholders or the Couponholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(1) the date on which all amounts due in respect of such Note have been paid; and

(2) five days after the date on which the full amount of the moneys payable has been received by the Calculation Agent or the Registrar, as the case may be, and notice to that effect has been given in accordance with Condition 14.

6. Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

(i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified hereon) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 6*(d)* or 6*(e)*, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

(ii) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 6*(d)* or 6*(e)*, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its principal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption Amounts and Late Payment of Zero Coupon Notes

The Early Redemption Amount of each Note will be calculated as follows:

(i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;

(ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified hereon, or determined in the manner specified hereon or, if no such amount or manner is so specified, at its nominal amount; or

(iii) in the case of a Zero Coupon Note, at an amount (the "Amortised Face Amount") equal to the sum of:

(A) the Reference Price; and

(B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made on the basis of a 360-day year consisting of 12 months of 30 days each or on such other calculation basis as may be specified hereon and, in the X/N clearing system, in accordance with its requirements.

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph *(b)*(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

(i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and

(ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Fiscal Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 14.

(c) Redemption for Taxation Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this is not a Floating Rate Note) or on any Interest Payment Date (if this is a Floating Rate Note) or, if so specified hereon, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount (together with interest accrued to the date fixed for redemption), if (i) the Issuer [(or, if the Guarantee were called, the Guarantor)] has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the United Kingdom *[or the Netherlands/or the Kingdom of Belgium] or any political subdivision or any authority *[thereof/of either] or *[therein/in either] having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date and (ii) such obligation cannot be avoided by the Issuer [(or the Guarantor, as the case may be)] taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes [(or the Guarantee, as the case may be)] then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer [(or the Guarantor, as the case may be)] stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer [(or the Guarantor, as the case may be)] has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) Redemption at the Option of the Issuer (Issuer Call) and Exercise of Issuer's Options

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders, redeem, or exercise any Issuer's option in relation to, all or, if so provided, some of the Notes in the principal amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Final Redemption Amount together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

(e) Redemption at the Option of Noteholders (Investor Put) and Exercise of Noteholders' Options

If so provided hereon, the Issuer shall, at the option of the holder of any such Note, redeem such Note on the date or dates so provided at its Final Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Noteholders' option that may be set out hereon the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable). No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Purchases

The Issuer[, the Guarantor] and any of [its/their] subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(g) Cancellation

All Notes purchased by or on behalf of the Issuer[, the Guarantor] or any of [its/their] respective subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer [and the Guarantor] in respect of any such Notes shall be discharged.

7. Payments and Talons

(a) Bearer Notes

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7*(f)*(vi)) or Coupons (in the case of interest, save as specified in Condition 7*(f)*(ii)), as the case may be, at the specified office of any Paying Agent outside the United States (A) in the case of a Specified Currency other than euro, by a cheque payable in such Specified Currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in such Specified Currency with, a bank in the principal financial centre for such Specified Currency provided that in the case of Japanese yen, the transfer shall be to a non-resident Japanese yen account with an authorised foreign exchange bank (in the case of payment to a non-resident of Japan); and (B) in the case of euro, by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

(b) Registered Notes

(i) Payments of principal (which for the purposes of this Condition 7*(b)* shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest (which for the purpose of this Condition 7*(b)* shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note shall be made in the Specified Currency in which such payments are due by cheque drawn on a bank (in the case of payment in a Specified Currency other than euro) in the principal financial centre of the country of such Specified Currency concerned and (in the case of payment in euro) any bank which processes payments in euro and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph *(a)* above, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments Subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer [and the Guarantor] and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities (including London so long as the Notes are listed on the London Stock Exchange Limited (the "London Stock Exchange")) and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph *(c)* above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) Unmatured Coupons and Receipts and unexchanged Talons

(i) Unless the Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unmatured Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).

(ii) If the Notes so provide, upon the due date for redemption of any Bearer Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and, if necessary, another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) Payment Days

If any date for payment in respect of any Note, Receipt or Coupon is not a Payment Day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "Payment Day" means a day which (subject to Condition 9) is:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) the relevant place of presentation;

(B) London;

(C) any Additional Financial Centre specified hereon;

(ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open; and

(iii) in the case of Notes in global form issued by ICI Coordination Centre N.V. and deposited with BNB, a day (other than a Saturday or Sunday) in which the commercial banks in Belgium are open for business.

8. Taxation

All payments of principal and interest in respect of the Notes, the Receipts and the Coupons [or under the Guarantee] shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the United Kingdom *[or the Netherlands/or the Kingdom of Belgium] or any authority *[thereof/of either] or *[therein/in either] having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer [or, as the case may be, the Guarantor] shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the United Kingdom [or the Netherlands, as the case may be/or the Kingdom of Belgium, as the case may be,] other than the mere holding of the Note, Receipt or Coupon; or

(b) presented for payment in the *[United Kingdom/Netherlands/Kingdom of Belgium]; or

(c) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or

(d) when any such taxes, duties, assessments or governmental charges would not have been imposed but for such holder's failure to qualify for an exemption from Belgian withholding tax as a result of such holder's independent circumstances or actions, including, but not limited to, (i) such holder's failure to qualify for the opening of an X-account under the X/N clearing system established under the law of 6 August 1993; and (ii) such holder's withdrawal of the Notes from the X/N clearing system; or

(e) where such withholding or deduction would not be required if the holder or any person acting on his behalf had presented any form of certificate or had made a declaration of non-residence or similar claim for exemption upon the presentation or making of which the holder would have been able to avoid such withholding or deduction.

As used in these Conditions, "Relevant Date" in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "interest" shall be deemed to include all interest amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any additional amounts that may be payable under this Condition.

9. Prescription

Claims against the Issuer [and the Guarantor] for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Events of Default

If any of the following events ("Events of Default") occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together with accrued interest to the date of payment shall become immediately due and payable, unless such event of default shall have been remedied prior to the receipt of such notice by the Fiscal Agent:

(i) there is a failure for more than 14 days in the payment of principal or interest in respect of the Notes or any of them when and as the same ought to be paid; or

(ii) there is a failure by the Issuer [or the Guarantor] to perform or observe any covenant, condition or provision contained in the [Agency Agreement] or in the Notes or the Coupons and on its part to be performed or observed (other than the obligation to pay principal or interest in respect of any of the Notes) and such failure continues unremedied for a period of 30 days; or

(iii) any indebtedness for borrowed moneys contracted by the Issuer [or the Guarantor] becomes due prior to its stated maturity by reason of a failure to observe the terms thereof or any such indebtedness is not paid at its stated maturity (or within any applicable grace period thereof) or there is a failure by the Issuer [or the Guarantor] to make any payment due under any guarantee and/or indemnity given by it in respect of any indebtedness for borrowed moneys, in each case having an aggregate principal amount in excess of U.S.$50,000,000 or its equivalent in other currencies; or

(iv) a resolution is passed or an order of a court of competent jurisdiction is made for the winding-up or dissolution or administration of the Issuer [or the Guarantor] (otherwise than for the purposes of a reconstruction, merger or consolidation the terms whereof have previously been approved by an Extraordinary Resolution of the Noteholders); or

(v) an incumbrancer takes possession or a receiver is appointed of the whole or any material part of the assets or undertaking of the Issuer [or the Guarantor] and is not paid out in full or discharged within seven days; or

(vi) a distress, execution or other process is levied or enforced upon or sued out against the whole or any material part of the property of the Issuer [or the Guarantor] and is not discharged within 90 days thereof; or

(vii) the Issuer [or the Guarantor] stops payment or (otherwise than for the purposes of such a reconstruction, merger or consolidation as is referred to in paragraph (iv) of this Condition) ceases or threatens to cease to carry on business or is unable to pay its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or a particular type of) the debts of the Issuer [or the Guarantor]; or

(viii) proceedings are initiated against the Issuer [or the Guarantor] under any applicable bankruptcy, insolvency, composition or other similar laws and such proceedings are not discharged or stayed within a period of 60 days; or

(ix) the Issuer [or the Guarantor] initiates or consents to proceedings relating to itself under any applicable bankruptcy, insolvency, composition or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition with, its creditors generally; or

(x) any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs (iv) to (ix) (inclusive); or

(xi) the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

11. Meeting of Noteholders and Modifications

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest on the Notes, (ii) to reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount, Early Redemption Amount or Final Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Early Redemption Amount or Final Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply[,/or] (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, [or (ix) to modify or cancel the Guarantee,] in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) Modification of Agency Agreement

The Issuer [and the Guarantor] shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

12. Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in the conditions of such Notes to "Issue Date" shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "Notes" shall be construed accordingly.

14. Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) and in respect of Bearer Notes listed on the Paris *Bourse* (so long as that exchange requires) in a French language daily newspaper of general circulation in Paris (which is expected to be *Les Echos*). If any such publication is not practicable in either case, notice shall be validly given if published in another leading daily English language newspaper or another leading daily French language newspaper, in each case with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Notices with respect to the calling of a general meeting of Noteholders of ICI Coordination Centre N.V. shall be published in accordance with the terms provided for in the Belgian Company Laws in the Belgian State Gazette and a leading daily newspaper (if practicable, the *Tijd* or *L'Echo*) printed in the Dutch or French language, respectively and of general circulation in Belgium.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

15. Redenomination and Exchange

(a) Redenomination

Where redenomination is specified in the applicable Pricing Supplement as being applicable, the relevant Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders of the relevant issue, on giving at least 30 days' prior notice to the relevant Noteholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

The election will have effect as follows:

(i) each Specified Denomination will be deemed to be denominated in such amount of euro as is equivalent to its denomination in the Specified Currency at the Established Rate, subject to such provisions (if any) as to rounding (and payments in respect of fractions consequent on rounding) as the relevant Issuer may decide, after consultation with the Principal Paying Agent, and as may be specified in the notice provided that such rounding is not materially prejudicial to the Noteholders;

(ii) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons will be made solely in euro, including payments of interest in respect of periods before the Redenomination Date, as though references in the Notes to the Specified Currency were to euro. Accordingly, payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee. Neither the relevant Issuer nor any Agent shall be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of euro or any currency conversion or rounding effected in connection therewith;

(iii) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Fixed Day Count Fraction (as defined in Condition 5*(a)*), and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention; and

(iv) if the Notes are Floating Rate Notes, are specified hereon any relevant changes to the provisions relating to interest; and

(v) such other changes shall be made to the terms and conditions of the Notes as the relevant Issuer may decide, after consultation with the Principal Paying Agent, and as may be specified in the notice, to conform them to conventions then applicable to instruments denominated in euro or to enable the Notes to be consolidated with one or more issues of other notes, whether or not originally denominated in the Specified Currency or euro.

(b) Exchange

Where exchange is specified hereon as being applicable, the relevant Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders of the relevant issue, on giving not less than 30 days' prior notice to the relevant Noteholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be exchangeable for Notes expressed to be denominated in euro in accordance with such arrangements as the relevant Issuer may decide, after consultation with the Principal Paying Agent, and as may be specified in the notice, including arrangements under which Receipts and Coupons unmatured at the date so specified become void. For the avoidance of doubt and without prejudice to the provisions of sub-paragraph *(a)*(i) above, any such exchange shall not give rise to any rounding.

(c) Definitions

In this Condition, the following expressions have the following meanings:

"Established Rate" means the rate for the conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 1091(4) of the Treaty;

"euro" means the currency introduced at the start of the third stage of economic and monetary union pursuant to the Treaty;

"Redenomination Date" means a date for payment of interest under the Notes specified by the Issuer in the notice given to the Noteholders pursuant to paragraph *(a)* or, as the case may be, *(b)* above which falls on or after the start of the third stage of economic and monetary union pursuant to the Treaty or, if the country of the Specified Currency is not one of the countries then participating in such third stage, which falls on or after such later date as it does so participate; and

"Treaty" means the Treaty establishing the European Community, as amended from time to time.

16. Governing Law *[and Jurisdiction]

(a) Governing Law

The Notes, the Receipts, the Coupons and the Talons are governed by, and shall be construed in accordance with, English law.

(b) [Jurisdiction

The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("Proceedings") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

The Issuer irrevocably appoints the Guarantor of 9 Millbank, London SW1P 3JF (Attention: Company Secretary of Imperial Chemical Industries PLC) as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.]

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Upon the initial deposit of a Global Note with a common depositary for Euroclear and Cedelbank (the "Common Depositary") or registration of Registered Notes in the name of any nominee for Euroclear and Cedelbank and delivery of the relative Global Certificate to the Common Depositary, Euroclear or Cedelbank will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid. Permanent Global Notes shall be issued in compliance with the C Rules.

Relationship of Accountholders with Clearing Systems

Unless otherwise provided herein, each of the persons shown in the records of Euroclear, Cedelbank, an Approved Intermediary or any other clearing system as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Cedelbank or such Approved Intermediary or clearing system (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Cedelbank or such clearing system (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1. Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

1.1 if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules in whole, but not in part, for the Definitive Notes defined and described below; and

1.2 otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership [as well as certification to compliance with Belgian selling restrictions] in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

2. Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under "Partial Exchange of Permanent Global Notes", in part for Definitive Notes or, in the case of 2.3 below, Registered Notes:

2.1 unless principal in respect of any Notes is not paid when due, by the Issuer giving notice to the Noteholders, the Fiscal Agent of its intention to effect such exchange;

2.2 if the relevant Pricing Supplement provides that such Global Note is exchangeable at the request of the holder (including the holder of a Note represented by a permanent Global Note), by the holder giving notice to the Fiscal Agent of its election for such exchange; and

2.3 if the permanent Global Note is an Exchangeable Bearer Note, by the holder (including the holder of a Note represented by a permanent Global Note) giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Note for Registered Notes; and

2.4 otherwise, (1) if the permanent Global Note is held on behalf of Euroclear or Cedelbank or any other clearing system (an "Alternative Clearing System") and any such clearing system or the BNB (or its successor operator of the X/N clearing system) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (2) if principal in respect of any Notes is not paid when due, by the holder (including the holder of a Note represented by a permanent Global Note) giving notice to the Fiscal Agent of its election for such exchange.

3. Permanent Global Certificates

If the Pricing Supplement states that the Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by any Global Certificate pursuant to Condition *2(b)* may only be made in part:

3.1 if the Notes represented by the Global Certificate are held on behalf of Euroclear or Cedelbank or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

3.2 if principal in respect of any Notes is not paid when due; or

3.3 with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to 3.1 or 3.2 above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

4. Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions (1) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (2) for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

5. Delivery of Notes

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be. In this Offering Circular, "Definitive Notes" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

6. Exchange Date

"Exchange Date" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular by reason of their particular nature or the clearing system or depository that they are respectively cleared in or deposited with. The following is a summary of certain of those provisions:

1. Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes.

2. Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

3. Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each minimum Denomination of Notes for which such Global Note may be exchanged. (All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4. Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant permanent Global Note.

5. Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer, the Guarantor (if applicable) or any Subsidiary if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

6. Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by, the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and, accordingly, no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system or Approved Intermediary in respect of the Notes will be governed by the standard procedures of Euroclear, Cedelbank or any other clearing system (as the case may be).

7. Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation.

8. Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 by stating in the notice to the Fiscal Agent the principal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer and the Guarantor (if applicable) under the terms of the relevant Deeds of Covenant executed as deeds by the Relevant Issuer and, in the case of Notes issued by ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V., the Guarantor on 15 July 1997 (in the case of the Relevant Issuers other than ICI Coordination Centre N.V.) and 28 April 1998 (in the case of ICI Coordination Centre N.V.) to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system without prejudice of such persons' individual rights to elect for direct enforcement rights under the terms of the relevant Deeds of Covenant. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

9. Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note except that (i) so long as any Notes are listed on the Paris *Bourse* and the rules of that Exchange so require, notices shall also be published in a leading newspaper having general circulation in Paris (which is expected to *Les Echos*) and (ii) for Notes issued by ICI Coordination Centre N.V., notices with respect to the convocation of a general meeting of Noteholders of ICI Coordination Centre N.V. shall be published in accordance with the terms provided for in the Belgian Company Laws in the Belgian State Gazette and a leading daily newspaper (if practicable, the *Tijd* or *L'Echo*) printed in the Dutch or French language, respectively and of general circulation in Belgium.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The net proceeds of the Notes will be used for the general corporate purposes of the Group.

In the case of Notes issued by ICI Investments (Netherlands) B.V. the net proceeds will be applied in compliance with the Decree of the Dutch Minister of Finance dated 4 February 1993 (BGW 93/6) issued pursuant to article 1, paragraph 3 of the 1992 Act on the supervision of the credit system as amended.

In the case of Notes issued by ICI Coordination Centre N.V. the net proceeds will be used for activities authorised under Royal Decree 187 of 30 December 1982 as well as the Royal Decree, as amended, recognising ICI Coordination Centre N.V. under such legislation.

IMPERIAL CHEMICAL INDUSTRIES PLC

Business Description

Introduction

Since the incorporation of Imperial Chemical Industries PLC ("ICI") in 1926 ICI and its subsidiary undertakings (the "ICI Group") has been one of the major industrial chemical organisations in the world with an impressive record in innovation. In 1997 the Group undertook significant reshaping activity, consistent with its plans to focus its resources in specialty chemicals. This reshaping activity has continued in 1998 and 1999. The businesses of the ICI Group now comprise National Starch, Quest, Industrial Specialties, Coatings (Paints), Materials (which comprises Acrylics and Polyurethanes) and Industrial Chemicals (which comprises Petrochemicals, Halochemicals, Tioxide and a number of Regional Businesses). The ICI Group is actively pursuing the divestment of most of its Industrial Chemicals business consistent with its strategic shift to specialty chemicals.

The ICI Group has leading international positions in industrial adhesives, specialty starch, fragrances, flavours, food ingredients, specialty oleochemicals, paints, acrylics, polyurethane chemicals and systems based on methyl diphenyl di-isocyanate (MDI), chlorofluorocarbon (CFC) replacements and titanium dioxide. It also has strong positions in synthetic resins and polymers, chemicals based on silica and alumina, surfactants and catalysts. In addition, the ICI Group has strong regional positions in the UK in petrochemicals and chlor-alkali products.

Recent Developments

On 15 April 1999, ICI agreed to sell its Polyurethanes, Titanium Dioxide and selected Petrochemicals businesses to Huntsman Corporation for an aggregate consideration of £1.7 billion. Huntsman will acquire ICI's businesses through a new company, Huntsman ICI Holdings ("HICI"), to be established in partnership with ICI for that purpose. HICI will also include certain of Huntsman's U.S. propylene oxide assets. Initial gross proceeds to ICI from the disposals are expected to be approximately £1.4 billion, comprising £1.25 billion in cash on completion and £150 million of HICI Notes (expected to be marketable six months after completion). Net cash proceeds are expected to be £1.3 billion after restructuring and other charges, and will be used to reduce ICI Group indebtedness. As part of the transaction consideration, ICI has agreed to retain an investment in HICI, with an estimated current value of around £300 million, for a minimum of three years. This comprises a 30 per cent interest in HICI and a second tranche of HICI Notes. ICI has an option to put its equity stake in HICI to the Huntsman subsidiary, which holds Huntsman's shares in HICI ("HSCC"). The option is exercisable within the 12 month period from the third anniversary of completion. Huntsman has a reciprocal call option. ICI will be free to dispose of the second tranche of HICI Notes from four years after completion. The present value of the second tranche of HICI Notes is estimated to be approximately £130 million. The transaction is subject to certain conditions, including approval by ICI shareholders.

On 28 April 1999, ICI agreed to sell its automotive refinish and industrial coatings businesses outside the Indian sub-continent to PPG Industries for £425 million in cash. This sale comprises ICI's interest in refinish coatings for the professional repair of damaged cars and the re-livery of commercial vehicles, Grow Automotive, a North American solvent and thinners business, and a variety of Industrial Coatings businesses across Asia and Latin America. The agreement, which is subject to relevant regulatory approvals, is expected to be completed around the middle of the year in Europe and the Americas, and later this year in Asia following discussions with ICI's minority partners. The proceeds of the transactions will be a further step by ICI to reduce ICI Group indebtedness.

The disposal of these businesses continues ICI's strategic shift towards its Specialty Products and core Paints businesses. In addition, to complete the shift, ICI's Board has decided to sell its Acrylics business, ICI Acrylics, while continuing the sale of its remaining Industrial Chemicals assets.

Current Trading and Prospects

The year began slowly in many markets but gained momentum in March 1999. ICI's core Specialty Products and Paints businesses performed satisfactorily and overall profits were maintained. Profits in Industrial Chemicals and Materials were down.

ICI continues to drive operational performance and the reshaping of the portfolio. ICI made significant further progress on both fronts in the first quarter of 1999. In particular, ICI announced the agreed sale to Huntsman Corporation of the Polyurethanes, Tioxide and selected Petrochemicals businesses and the agreed sale to PPG Industries of its automotive refinish and industrial coatings businesses (outside the Indian sub-continent).

Litigation

(i) The Glidden Company ("Glidden"), a wholly-owned subsidiary of ICI, is a defendant, along with five former lead pigment manufacturers and a trade association, in a number of suits in the United States of America, two of which purport to be class actions, seeking damages for alleged personal injury caused by lead-based paint or for the costs of removing lead-based paint. An alleged predecessor of Glidden manufactured lead pigments until the 1950s and lead-based consumer paints until the 1960s. The suits involve substantial claims for damages and rulings adverse to Glidden could lead to additional claims. The cases pending include a suit filed in 1989 by the New York Housing Authority in the Supreme Court of the State of New York seeking the removal of all lead-based paints from all buildings in two of the New York Housing Authority projects. A purported class action suit filed in August 1992 on behalf of all children alleged to be affected by lead-based paint is pending in the State Court of Ohio, and a purported class action on behalf of all children in the State of New York was filed in New York State Court in 1998. An individual personal injury suit is also pending in New York State Court, which was filed in November 1993. The trial court in that case has allowed the plaintiffs' claims based on market share liability to go forward. Although currently no legislation is pending, several U.S. States legislatures have considered or are considering proposing bills that could adversely affect Glidden's position in pending or possible future cases, including proposals that could add additional grounds to legal liability or that would permit suits otherwise time-barred. Glidden believes that it has strong defences and has denied all liability and will continue to vigorously defend all actions.

(ii) In 1995, ICI Explosives USA Inc. ("EUSA") and a former employee each admitted to a single offence in breach of U.S. anti-trust laws relating to the sale of certain commercial explosives between 1988 and 1992 and, as a result, EUSA paid a fine of U.S.$10 million. Subsequently, EUSA has been named as a defendant in a number of lawsuits including eleven proposed class action lawsuits, seven non-class action lawsuits and one state court case by parties claiming unquantified damages from a number of explosives companies in the United States of America. ICI and ICI Canada Inc. have also been named as defendants in, respectively, four and three non-class action lawsuits. The single state court case will not be prosecuted as a class action. In September 1996 EUSA settled all class action lawsuits for U.S.$18m, payable over three years. More recently each of the ICI defendants has settled with a number of the non-class action plaintiffs (representing about half the purchases of explosives by non-class action plaintiffs). ICI most recently settled with three more of the non-class plaintiffs. Trial of the remaining non-class action suits is not expected to occur before the year 2000. Actions arising from the violation of U.S. antitrust laws, if established, can result in the payment of substantial penalties and damages.

(iii) ICI, as well as several other ICI companies, have been named as defendants in lawsuits, including a proposed class action lawsuit, relating to the bombing of the AP Murrah Building in Oklahoma City, Oklahoma. The lawsuits allege, *inter alia*, that the ICI companies were negligent in relation to the sale, through a distributor, of fertiliser allegedly used to prepare the bomb, to a farmers' co-operative in Kansas. Lawsuits were commenced on 10 May 1995 in the U.S. District Court, Western District of Oklahoma, on 15 May 1995 in the District Court, 134th Judicial District, Dallas County, Texas and on 23 August 1995 in the District Court, Oklahoma County, Oklahoma. The U.S. District Court granted ICI's motion to dismiss the complaint, holding that the ICI companies have no case to answer. Judgement to this effect was entered on 18 November 1996. The judgement was appealed to the United States Court of Appeals for the Tenth Circuit. The parties' oral arguments were heard by the U.S. Court of Appeals on 22 January 1998. Concurrently with the U.S. District Court's dismissal, the plaintiffs in the Oklahoma State Court case voluntarily stayed their case pending the outcome of the appeal to the U.S. Court of Appeals. Similarly, the plaintiffs in the Texas state court action voluntarily non-suited their action, without prejudice. In April 1997 four additional actions were filed in the District Court, Oklahoma County, Oklahoma. Two of those actions were removed initially to the U.S. District Court, Western District of Oklahoma. The plaintiffs voluntarily stayed both actions pending the outcome of the appeal before the U.S. Court of Appeals and agreed to dismiss their claims if that Federal District Court's dismissal of the earlier lawsuit against the ICI companies is upheld on appeal. In the two remaining 1997 Oklahoma State Court actions, one was removed to the U.S. District Court and the other remains in State Court. All actions are currently stayed. The ICI companies concerned in the actions believe they have strong defences, have denied all liability and will vigorously contest any appeal or further court proceedings in this matter.

On 9 November 1998, the Tenth Circuit Court of Appeals affirmed the dismissal of the case against ICI. The plaintiffs requested the Tenth Circuit to rehear the appeal. The Court has rejected this appeal. The plaintiffs now have until 3 May 1999 to petition the Supreme Court. In the meantime the five additional actions remain stayed.

(iv) Terra Industries Inc have claimed that the condition of certain items of plant and equipment bought as part of ICI's Fertilisers business in November 1997 breaches the warranties given by ICI. Terra Industries Inc have indicated a claim approaching £36 million, but it has not yet been quantified and it is considered unlikely that ultimately the potential value will approach this figure. Proceedings have been commenced and are being vigorously contested by ICI. The claim is complicated by subsequent alleged benzene contamination in carbon dioxide used in soft drink manufacture. Terra Industries Inc is seeking indemnification from ICI for claims from its distributors and their customers. This latter aspect of the claim is also being vigorously contested by ICI and it is expected to be covered by ICI's insurance policies.

Save as set out above, no member of the ICI Group is or has been engaged in, nor (so far as ICI is aware) has pending or threatened, any legal or arbitration proceedings which may have or have had in the recent past (including at least the 12 months preceding the date of this document) a significant effect on the financial position of the ICI Group.

Directors

The directors of ICI and their functions within the ICI Group and their principal activities outside the ICI Group are as follows:

Executive Directors	Other Directorships
Charles Miller Smith (Chairman)	HSBC Holdings plc
Brendan R O'Neill (Chief Executive)	EMAP plc
Rob J Margetts, CBE (Vice Chairman) (Executive Vice President – Materials, Industrial Chemicals and Regional Businesses, Technology and Safety, Health and the Environment)	Legal & General Group Plc (Vice Chairman) English China Clays plc Anglo American PLC
Alan G Spall (Chief Financial Officer)	
James A Kennedy (Executive Vice President – National Starch)	
Paul J Drechsler (Executive Vice President – Quest)	
John D G McAdam (Executive Vice President – Coatings)	

Non Executive Directors	Other Directorships
Sir Roger Hurn	The General Electric Company, p.l.c. (Chairman) Glaxo Wellcome plc (Deputy Chairman)
Lord Simpson	The General Electric Company, p.l.c. (Managing Director) Pilkington plc
Hon-Chiu Lee	Hysan Development Company Ltd (Chairman and Managing Director) Garden Hotel, Guangzhou (Deputy Chairman) Cathay Pacific Airways Ltd Hang Seng Bank Ltd
Lord Trotman	IBM
Lord Butler	HSBC Holdings plc

The business address of the directors is Imperial Chemical House, Millbank, London SW1P 3JF.

Subsidiaries

ICI is the holding company for a group of companies and businesses as described in "Business Description" above.

CAPITALISATION OF IMPERIAL CHEMICAL INDUSTRIES PLC

The following table sets out the consolidated capitalisation of ICI at 31 December 1998:

	£m
Shareholders' Funds	
Share capital – Ordinary shares of £1 each	
(Authorised 850 million shares; allotted and fully paid 728 million shares)	728
Reserves	(579)
	149
Minority interests	49
Indebtedness for borrowed money	
Short-term debt (due within one year)	
Bank borrowings	119
Other short-term borrowings	1,326
Current instalments of loans	585
Finance lease obligations	3
Total short-term debt	2,033
Long-term debt (due after more than one year)	
Bank loans	421
Other loans	2,533
Finance lease obligations	12
Total long-term debt	2,966
Total debt[(a)]	4,999
Total Capitalisation[(b)(c)]	5,197

Notes:

(a) Total debt, none of which was guaranteed, comprised secured loans of £119 million and unsecured loans of £3,420 million.

(b) There has been no material change in the consolidated capitalisation of ICI since 31 December 1998.

(c) Current asset investments and cash at bank amounted to £822 million at 31 December 1998.

ICI COORDINATION CENTRE N.V.

Incorporation and Business

ICI Coordination Centre N.V. ("ICI N.V.") was incorporated with limited liability under the laws of Belgium on 3 February 1989. It is registered with the Commercial Register of Leuven under number 73.806.

The business of ICI N.V. is to develop and centralise activities performed by companies belonging to the same group for the benefit of such companies. ICI N.V. has been granted the status of coordination centre by Royal Decree of 26 April 1989 taken in execution of the Royal Decree number 187 of 30 December 1982.

ICI N.V. is a wholly-owned indirect subsidiary of ICI. ICI Theta B.V. holds 97 per cent of the shares of ICI N.V., the remaining 3 per cent being held by ICI (Switzerland) A.G.

Directors

The following is a list of the directors of ICI N.V.:

Name	Principal Occupation
Roberte Kesteman	Managing Director, ICI Coordination Centre N.V.
Christopher Vallance	Corporate Treasurer, ICI
Lode de Maesschalck	Director, ICI Coordination Centre N.V.

None of the directors listed above performs activities outside the ICI Group which are significant with respect to the ICI Group.

The business address of the directors is Everslaan 45, B-3078 Everberg, Belgium.

CAPITALISATION OF ICI COORDINATION CENTRE N.V.

The following table sets out the capitalisation of ICI Coordination Centre N.V. at 31 December 1997.

	BEF
Shareholders' Funds	
Share Capital - shares without nominal value (Issued and fully paid 1,192,825 shares)[(a)]	13,282,687,417
Reserves	1,534,925,573
	14,817,612,990
Indebtedness for borrowed money	
Short-term debt (due within one year)	6,310,685,069
Long-term debt (due after more than one year)	1,137,880,000
Total debt[(b)(c)]	7,448,565,069
Total Capitalisation[(d)]	22,266,178,059

Notes:

(a) On 8 April 1998 ICI Theta B.V. subscribed BEF 12,776,035,400 in respect of 1,080,700 Class A shares without nominal value in the company. On 30 April 1998, ICI Theta B.V. subscribed BEF 5,429,844,600 in respect of 459,300 Class B shares without nominal value in the company.

(b) None of the components of total debt at 31 December 1997 was secured or guaranteed.

(c) At 31 December 1998, total debt amounted to BEF 25,949,898,183 including short-term debt (due within one year) of BEF 12,085,098,183. Total debt, none of which was secured, comprised BEF 12,649,439,656 relating to the Euro Medium Term Note Programme, which is guaranteed by ICI, and BEF 13,300,458,527 of unguaranteed debt. At that date current asset investments and cash at bank and in hand amounted to BEF 67,567,317 and other amounts receivable amounted to BEF 48,710,139,110.

(d) Save as described above, there has been no material change in the capitalisation of ICI Coordination Centre N.V. since 31 December 1997.

(e) Current asset investments and cash at bank and in hand amounted to BEF 310,710,707 at 31 December 1997. Other amounts receivable amounted to BEF 27,360,433,576 at 31 December 1997.

AUDITOR'S REPORT ON ICI COORDINATION CENTRE N.V.

Free translation of Report of the Statutory Auditor (Commissaris-Revisor) originally prepared in Dutch on the statutory accounts submitted for approval by the annual general shareholders' meeting of ICI Coordination Centre N.V.

Statutory accounts as of 31 December 1997

In accordance with legal and statutory requirements, we are reporting to you on the completion of the mandate which you have entrusted to us.

We have audited the financial statements as of and for the year ended 31 December 1997 with a balance sheet total of BEF 29,169,341,139 and a profit for the year of BEF 3,630,269,992. These financial statements have been prepared under the responsibility of the Board of Directors of the Company. In addition we have carried out the specific additional audit procedures required by the Company law.

Unqualified audit opinion on the financial statements

We conducted our audit in accordance with the standards of the "Institut des Reviseurs d'Entreprises-Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, taking into account the legal and regulatory requirements applicable to financial statements in Belgium.

In accordance with these standards we have considered the Company's administrative and accounting organisation as well as its internal control procedures. The Company's management have provided us with all explanations and information which we required for our audit. We examined, on a test basis, evidence supporting the amounts in the financial statements. We assessed the accounting policies used and significant accounting estimates made by the Company, as well as the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, taking into account the prevailing legal and regulatory requirements, the financial statements present fairly the Company's net worth and financial position as of 31 December 1997 and the results of its operations for the year then ended and the disclosures made in the notes to the financial statements are adequate.

Additional assertions

As required by generally accepted auditing standards the following additional assertions are provided. These assertions do not alter our audit opinion on the financial statements.

- The directors' report contains the information required by law and is consistent with the financial statements.
- The appropriation of results proposed to the general meeting complies with the legal and statutory provisions.
- There are no transactions undertaken or decisions taken in violation of the Company's statutes or Company Law which we have to report to you.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained and the financial statements have been prepared in accordance with the applicable Belgian legal and regulatory requirements.

Brussels, 7 May 1998

Klynveld Peat Marwick Goerdeler
Bedrijfsrevisoren/Reviseurs d'Entreprises,
Statutory Auditor

represented by
E. Helsen
Bedrijfsrevisor/Reviseurs d'Entreprises

Note:

The financial statements set out on pages 41 to 46 are an English translation of the financial statements published in the Dutch language. The official financial statements are prepared based on the preformatted forms as prescribed by the Royal Decree of 8 October 1976, the Belgian legislation to bring in force the 4th Directive of the EEC. To facilitate reading the same information as published is shown but after eliminating non-applicable captions and notes to the accounts and after re-ordering the notes in the sequential order of appearance in the balance sheet and the profit and loss accounts. The content of the notes has remained unchanged.

FINANCIAL STATEMENTS OF ICI COORDINATION CENTRE N.V.

1. SHAREHOLDERS, BOARD OF DIRECTORS AND AUDITORS

1.1 Shareholders (as at 31 December 1997)

ICI Theta B.V. (The Netherlands)	92.8%
ICI Switzerland A.G. (Switzerland)	7.2%

1.2 Directors (as at 31 December 1997)

John Russell Houlden
F. Rooseveltlaan 123 box 31
1050 Brussels (5)
Belgium

Roberte Kesteman
Kwadenhoekstraat 12
3012 Wilsele
Belgium

Christopher Vallance
Rivendell
Oxley Road
Torquay TQ1 2HF
United Kingdom

1.3 Auditors

B.C.V. Klynveld Peat Marwick Goerdeler (KPMG) Bedrijfsrevisoren (IBR number B001)
Bourgetlaan 40
1130 Brussels
Belgium

2. BALANCE SHEET

2.1 Assets

	31 December 1997	1996
	(expressed in BEF)	
Fixed assets (note 1)	—	558,037
Amounts due after more than one year (note 2)	1,463,238,411	572,623,616
Long term assets	1,463,238,411	573,181,653
Trade debtors (note 2)	29,755,694	15,600,582
Other amounts receivable (note 2)	27,360,433,576	25,389,448,180
Current asset investments and short-term deposits (note 3)	189,342,944	89,000,000
Cash at bank and in hand	121,367,763	47,354,083
Deferred charges and accrued income (note 4)	5,202,751	3,021,871
Short-term assets	27,706,102,728	25,544,424,716
Total assets	29,169,341,139	26,117,606,369

2.2 Liabilities

	31 December 1997	1996
	(expressed in BEF)	
Share capital (note 5)	13,282,687,417	13,282,687,417
Reserves		
– Legal reserve	621,925,736	440,412,236
– Reserves not available for distribution	716,311,323	458,124,996
Profit and loss reserve	196,688,514	273,465,749
	14,817,612,990	14,454,690,398
Creditors due after more than one year (financial debts) (note 6)	1,137,880,000	2,204,880,000
Creditors due within one year (financial debts) (note 2)	6,310,685,069	5,823,669,764
Trade creditors (note 2)	14,358,552	2,519,222
Accrued tax and remuneration and social security liabilities (note 7)		
– tax liabilities	2,152,592	2,194,889
– remuneration and social security liabilities	5,512,677	11,282,945
Other creditors		
– amounts payable	6,881,139,259	3,613,783,625
Other accruals and deferred income (note 8)	0	4,585,526
	13,213,848,149	9,458,035,971
Total liabilities	29,169,341,139	26,117,606,369

3. PROFIT AND LOSS ACCOUNT

	31 December 1997	1996
	(expressed in BEF)	
Turnover	108,004,150	97,014,962
Other operating income	106,417	46,323
Operating income	108,110,567	97,061,285
Services and other goods	46,336,962	44,898,315
Remuneration, social security costs and pensions (note 9)	68,316,546	57,437,004
Depreciation (note 1)	381,371	524,356
Other operating charges (note 10)	5,012,791	4,838,907
Operating charges	120,047,670	107,698,582
Net operating loss	(11,937,103)	(10,637,297)
Income from current assets	1,782,334,857	1,012,894,608
Other financial income (note 11)	5,440,808,745	3,495,503,013
Interest paid and other debt changes	(393,971,764)	(152,568,700)
Other financial charges (note 12)	(3,184,895,390)	(330,049,416)
Profit before tax and exceptional items	3,632,339,345	4,015,142,208
Exceptional income	8,264	0
Exceptional charges		
– exceptional depreciation (note 1)	(176,666)	(109,176)
– losses on sale of fixed assets	0	
– other exceptional charges	0	
Profit before tax	3,632,170,943	4,015,033,032
Taxation: – current (note 13)	(1,900,951)	(1,487,247)
– corrections to previous years	0	0
Net profit	3,630,269,992	4,013,545,785

4. APPROPRIATION ACCOUNT

	31 December 1997	1996
	(expressed in BEF)	
Profit to be appropriated	3,630,269,992	4,013,545,785
Retained earnings at end of the year	273,465,749	359,645,923
Allocation of profit to:		
– legal reserve	(181,513,500)	(200,677,289)
– other reserves	(258,186,327)	(285,265,045)
Dividends	(3,267,347,400)	(3,613,783,625)
Retained earnings at end of the year	196,688,514	273,465,749

5. NOTES TO THE ACCOUNTS

Note 1: Fixed assets
(Statutory accounts note III 2)

Office equipment:

	Cost	Accumulated Depreciation	Net Book Value
		(expressed in BEF)	
As at 31 December 1996	2,621,788	2,063,751	558,037
Depreciation 1997*	0	558,037	(558,037)
As at 31 December 1997	2,621,788	2,621,788	0

* Shown as current year's depreciation in operating charges amounting to BEF 381,371 and as exceptional depreciation amounting to BEF 176,666.

Note 2: Amounts relating to group companies
(Statutory accounts note XVIII)

Balance sheets:

	31 December 1997	1996
	(expressed in BEF)	
Amounts due from group companies		
– more than one year	1,463,238,411	572,623,616
– less than one year	0	
trade debtors	29,755,694	15,600,582
other	27,358,415,264	25,389,423,180
	28,851,409,369	25,977,647,378
Amounts due to affiliated group companies		
– creditors more than one year	1,137,880,000	2,204,880,000
– creditors due within one year	6,310,685,069	5,823,669,764
– trade creditors less than one year	4,954,345	206,576
– other	6,881,131,025	3,613,783,625
	14,334,650,439	11,642,539,965
Profit and loss account:		
Income from current assets	1,781,918,493	1,008,222,050
Other financial income	5,435,218,733	3,494,394,695
	7,217,137,226	4,502,616,745
Interest and other debt changes	393,786,309	152,439,677
Other financial changes	3,179,420,132	329,304,099
	3,573,206,441	481,743,776

Note 3: Current asset investments and short-term deposits
(Statutory accounts note VI)

	31 December 1997	1996
	(expressed in BEF)	
Short-term deposits	189,342,944	89,000,000

Note 4: Deferred charges and accrued income
(Statutory accounts note VII)

	1997
	(expressed in BEF)
Interest due from subsidiary companies	4,475,715
Other	727,036
	5,202,751

Note 5: Share capital
(Statutory accounts note VIII)

	Amount	Number of shares
	(expressed in BEF)	
As at 31 December 1996	13,282,687,417	1,192,825
Capital increase during 1997	0	0
As at 31 December 1997	13,282,687,417	1,192,825

All shares are without nominal value.

Note 6: Creditors due after more than one year
(Statutory accounts note X A)

	Amount due between 1 and 5 years
	(expressed in BEF)
Loan in Japanese Yen (¥4,000,000,000). Interest is payable at 2.6 per cent per annum and the loan is repayable on 30 November 2000	1,137,880,000

Note 7: Accrued taxes, remuneration and social security liabilities
(Statutory accounts note X C)

None of amounts due to tax authorities or social security authorities is overdue as at 31 December 1997.

Note 8: Other accruals and deferred income
(Statutory accounts note XI)

	1997
	(expressed in BEF)
Accrued interest payable to subsidiary companies (Cashpool activities)	0

Note 9: Payroll expenses
(Statutory accounts note XII C and G)

	31 December 1997	1996
Number of employees:		
– at the closing date	18	27
– average during the year	21	24
Number of actual working hours	40,368	49,409
	(expressed in BEF)	
Gross salaries and sundry remunerations	47,035,576	39,520,789
Social security charges	16,175,115	13,191,547
Pension funds premiums	5,105,855	4,724,668
	68,316,546	57,437,004
Number of interim employees at the closing date	1	2
Number of actual working hours	1,536	787
Total expense	1,699,458	698,793

Note 10: Other operating charges
(Statutory accounts note XII F)

	31 December 1997	1996
	(expressed in BEF)	
Taxes on operations	4,000,000	4,000,000
Sundry	1,012,791	838,907
	5,012,791	4,838,907

Note 11: Other financial income
(Statutory accounts note XIII A)

	31 December 1997	1996
	(expressed in BEF)	
Exchange gains on foreign currency loans	5,435,218,733	3,494,394,695
Other exchange gains	5,590,012	1,108,318
	5,440,808,745	3,495,503,013

Note 12: Other financial charges
(Statutory accounts note XIII E)

	31 December 1997	1996
	(expressed in BEF)	
Exchange losses on intercompany loans	3,179,420,132	329,304,099
Other exchange losses	5,475,258	396,317
Financial charge relating to capital increase	0	349,000
	3,184,895,390	330,049,416

Note 13: Taxation
(Statutory accounts note XIII E)

The amount for current taxes (BEF 1,900,951) represents the tax charge on current year's income.

Note 14: Other taxes paid during the year for account of third parties
(Statutory accounts note XVI)

	1997	1996
	(expressed in BEF)	
Value added taxes		
– charged to the Company	7,696,460	11,272,809
– charged by the Company	(5,683,148)	(10,166,355)
Withholding taxes on salaries	17,933,299	12,079,515

Note 15: Declaration in relation to group accounts
(Statutory accounts VOL 21)

The ultimate parent company of ICI Coordination Centre N.V. is Imperial Chemical Industries PLC, Imperial Chemical House, Millbank, London SW1P 3JF, United Kingdom. Consolidated financial statements of the ultimate parent company can be obtained at this address.

SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with the accounting law of 17 July 1975 and implementing Royal Decrees.

Fixed assets

Office equipment is depreciated on a straight line basis over 5 years.

Receivables and payables

Receivables and payables are stated at their nominal value. Interest income on receivables collected by means of periodic receipts is determined on an actuarial basis and is recorded into the income statement based on the expired period.

Foreign currencies

Assets and liabilities in foreign currencies are converted into BEF at the current rate at the balance sheet date. All resulting exchange differences are recorded into the profit and loss account.

ICI FINANCE PLC

Incorporation and Business

ICI Finance PLC ("ICI Finance") was incorporated with limited liability under the laws of England and Wales on 19 October 1895 with Registered No. 45690.

The business of ICI Finance is to undertake treasury activities on behalf of the ICI Group.

ICI Finance is a wholly-owned indirect subsidiary of ICI. ICI Finance is a 100 per cent.-owned direct subsidiary of Mortar Investments UK Limited.

Directors

The following is a list of the directors of ICI Finance:

Name	Principal Occupation
Alan G Spall (Chairman)	Chief Financial Officer, ICI
David J Gee	Vice President, Finance, ICI
Christopher Vallance	Corporate Treasurer, ICI
Philip J Gillett	Group Taxation Controller, ICI
Helmut K H Radder	Chief Financial Officer, Industrial Chemicals & Materials, ICI

None of the directors listed above performs activities outside the ICI Group which are significant with respect to the ICI Group.

The business address of the directors is Imperial Chemical House, Millbank, London SW1P 3JF.

CAPITALISATION OF ICI FINANCE PLC

The following table sets out the capitalisation of ICI Finance PLC at 31 December 1998.

	£m
Shareholders' Funds	
Share capital – Ordinary shares of £1 each	310
(Authorised 500 million shares; allotted and fully paid 310 million shares)	
Reserves	203
	513
Indebtedness for borrowed money	
Short-term debt (due within one year)	
External	1,000
Intra Group	4,577
Total debt[(a)]	5,577
Total Capitalisation[(b)]	6,090

Notes:

(a) Total debt, none of which was secured, comprised £11 million relating to the Euro Medium Term Note Programme, which is guaranteed by ICI, and £5,566 million of unguaranteed debt.

(b) There has been no material change in the capitalisation of ICI Finance PLC since 31 December 1998.

(c) Current asset investments and cash at bank and in hand amounted to £175 million at 31 December 1998. Since that date substantially all of this amount has been on lent to Group companies.

AUDITOR'S REPORT ON ICI FINANCE PLC

The financial information set out on pages 50 to 55 has been extracted, without material adjustments, from the audited accounts of ICI Finance PLC in respect of the relevant periods. The report below has been extracted from the accounts of ICI Finance PLC for the year ended 31 December 1998. The page references below are to those of such accounts.

"AUDITOR'S REPORT TO THE MEMBERS OF ICI FINANCE PLC

We have audited the financial statements on pages 7 to 14.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described on page 5*, the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the affairs of the Company as at 31 December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
Chartered Accountants
Registered Auditor
8 Salisbury Square
London EC4Y 8BB

29 January 1999"

Note:

* Set out below is the statement in respect of the responsibility of the Directors which appears in the relevant financial statements:

"Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them for safeguarding the assets of the Company and to prevent and detect fraud and other irregularities."

FINANCIAL STATEMENTS OF ICI FINANCE PLC

Profit and Loss Account for the years ended 31 December 1997 and 1998

	Notes	1998	1997
		£'000	*£'000*
Net operating income/(expenses)	3	(81,294)	26,055
Exceptional operating items	4	—	(31,238)
Operating (loss)		(81,294)	(5,183)
Income from shares in Group undertakings		—	100
Interest receivable and similar income	5	505,043	325,586
Interest payable and similar charges	6	(358,798)	(217,267)
Profit on ordinary activities before taxation	2	64,951	103,236
Tax on profit on ordinary activities	7	(19,123)	(32,690)
Profit on ordinary activities after taxation		45,828	70,546
Dividends proposed	8	(150,000)	—
Retained profit/(loss) for the year		(104,172)	70,546
Profit and loss account brought forward		307,404	236,858
Profit and loss account carried forward		203,232	307,404

The Company has no recognised gains or losses other than the profit for the year.

The notes on pages 9 to 14 form an integral part of these financial statements.

Balance sheet at 31 December 1997 and 1998

	Notes	1998	1997
		£'000	*£'000*
FIXED ASSETS			
Tangible assets	9	1,544	–
Investments	10	500	500
CURRENT ASSETS			
Debtors	11	6,022,664	5,043,266
Investments	12	154,015	663,543
Cash at bank and in hand		21,334	27,319
		6,198,013	5,734,128
CREDITORS:			
amounts falling due within one year	13	(5,686,825)	(5,117,224)
NET CURRENT ASSETS		511,188	616,904
TOTAL ASSETS LESS CURRENT LIABILITIES		513,232	617,404
CAPITAL AND RESERVES			
Called up share capital	14	310,000	310,000
Profit and loss account		203,232	307,404
SHAREHOLDER'S FUNDS – EQUITY	15	513,232	617,404

The notes on pages 9 to 14 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 28 January 1999 and were signed on its behalf by:

D J Gee
Director

Notes Relating to the Financial Statements

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985, as amended by the Companies Act 1989.

(b) Foreign currencies

Assets and liabilities in foreign currencies (including forward foreign currency contracts) are converted into sterling at the spot rates of exchange ruling at the balance sheet date. All exchange differences are taken to the profit and loss account.

(c) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of provisions for taxation and accounting purposes.

(d) Financial reporting standard 1 (Revised 1996)

The consolidated financial statements of the Company's ultimate parent undertaking include a consolidated statement of cash flows of the Group. The Company is consequently exempt from preparing a cash flow statement in these financial statements.

(e) Derivative instruments

Derivative instruments, such as interest rate swaps, forward rate agreements and options, are marked to market at the balance sheet date and the surplus or deficit arising taken to the profit and loss account.

2. Segmental information

The Company's activities are carried out wholly in the United Kingdom.

Profit before taxation is not analysed by class of business since the Company's activities are so closely inter-related that a separate analysis would not be meaningful.

3. Net operating income/(expenses)

	1998	1997
	£'000	*£'000*
Gains/(losses) due to exchange and interest rate movements	(80,426)	27,752
Administration and other expenses	(822)	(1,655)
Auditor's remuneration – audit work	(46)	(42)
	(81,294)	26,055

4. Exceptional operating items

	1998	1997
	£'000	*£'000*
Loan commitment fees	–	(31,238)

5. Interest receivable and similar income

	1998	1997
	£'000	*£'000*
Interest from ultimate holding company and fellow subsidiary undertakings	479,284	303,976
Interest from short-term deposits and other interest	25,759	21,610
	505,043	325,586

6. Interest payable and similar charges

	1998	1997
	£'000	£'000
Interest to ultimate holding company and fellow subsidiary undertakings. . .	(304,382)	(173,893)
Interest to subsidiary undertaking	(54)	(42)
Interest on other borrowings	(54,362)	(43,332)
	(358,798)	(217,267)

The above payments are in respect of borrowings wholly repayable within one year.

7. Tax on profit on ordinary activities

	1998	1997
	£'000	£'000
Corporation tax – group relief	(19,123)	(32,683)
Overseas taxation	–	(7)
	(19,123)	(32,690)

UK corporation tax has been provided on the profits of the year at the rate of 31.0% (1997: 31.5%).

8. Dividends

	1998	1997
	£'000	£'000
Dividend proposed	(150,000)	–

9. Fixed assets

	1998	1997
	£'000	£'000
Tangible assets under construction	1,554	–

10. Fixed asset investments

	At 31 December 1997 and 31 December 1998
	£'000
Subsidiary undertaking (unlisted) 500,000 shares of £1 each, fully paid at cost	500

Details of the subsidiary undertaking are given below.

	Country of Registration and Principal Operations	Class of Shares held	% held (direct)	Principal Activities
ICI Finance (Leasing) Limited	England	Ordinary	100	Leasing

In the opinion of the Directors, the value of the investment in the subsidiary undertaking is not less than the amount at which it is stated in the balance sheet.

The Company is exempt (under section 228 of the Companies Act 1985) from the requirement to prepare Group accounts as it is a wholly-owned subsidiary of Mortar Investments UK Ltd which in turn is a wholly-owned subsidiary of Imperial Chemical Industries PLC and is therefore included in the consolidated accounts of Imperial Chemical Industries PLC, a company registered in England.

11. Debtors

	1998	1997
	£'000	*£'000*
Amounts due from holding company and fellow subsidiary undertakings	6,018,200	5,024,496
Other debtors	4,464	18,770
	6,022,664	5,043,266

There are no debtors falling due after more than one year (1997 £Nil).

12. Current asset investments

	1998	1997
	£'000	*£'000*
Securities listed on The London Stock Exchange	–	–
Total listed investments	–	–
Unlisted investments	154,015	663,543
	154,015	663,543

13. Creditors: amounts falling due within one year

	1998	1997
	£'000	*£'000*
Bank loans and overdrafts (unsecured)	(987,826)	(341,258)
Other loans	(11,708)	–
Amounts owed to Group companies		
Holding company and fellow subsidiary undertakings	(4,576,631)	(4,662,323)
Subsidiary undertaking	(770)	(643)
Corporation tax - group relief payable	(34,066)	(65,172)
Accruals and deferred income	(12,532)	(21,490)
Other creditors	(63,292)	(26,338)
	(5,686,825)	(5,117,224)

14. Called up share capital

	Authorised		Allotted and fully paid	
	1998	1997	1998	1997
	£'000	*£'000*	*£'000*	*£'000*
Ordinary shares of £1 each	500,000	500,000	310,000	310,000

15. Reconciliation of movements in shareholders' funds

	1998	1997
	£'000	*£'000*
Opening shareholders' funds	617,404	546,858
Retained profit/(loss) for the year	(104,172)	70,546
Closing shareholders' funds	513,232	617,404

16. Commitments

Commitments existed at 31 December 1998 in connection with forward currency contracts, currency options and cross currency and interest rate swaps, arising in the ordinary course of business.

17. Directors' emoluments and staff costs

The Company employed no staff during year (1997: Nil). None of the Directors received any emoluments in respect of their services to the Company (1997: £Nil).

18. Parent company

Mortar Investments UK Ltd, which is registered in England, is the Company's parent company.

19. Ultimate parent company

The Company's ultimate parent company is Imperial Chemical Industries PLC, which is incorporated in Great Britain and registered in England.

Copies of the Group accounts are available from Imperial Chemical House, Millbank, London SW1P 3JF.

20. Related party transactions

Related party transactions with other members of the ICI Group controlled by Imperial Chemical Industries PLC are not disclosed in accordance with the exemption allowed under Financial Reporting Standard No. 8.

ICI INVESTMENTS (NETHERLANDS) B.V.

Incorporation and Business

ICI Investments (Netherlands) B.V. ("ICI B.V.") was incorporated with limited liability under the laws of the Netherlands on 17 June 1997. It is registered with the Chamber of Commerce and Industry in Rotterdam under number 275870.

The business of ICI B.V. is that of a holding company.

ICI B.V. is a wholly-owned indirect subsidiary of ICI. ICI B.V. is a 100%-owned direct subsidiary of ICI Theta B.V.

Managing Directors

The following is a list of the managing directors of ICI B.V.:

Name	Principal Occupation
Erik Barents	Managing Director, ICI Holland B.V.
Ronald Koning	Corporate Tax Manager, ICI Holland B.V.
Franciscus J M Canters	Industrial Relations Manager, ICI Holland B.V.
Philip J Gillett	Group Taxation Controller, ICI

None of the managing directors listed above perform activities outside the ICI Group which are significant with respect to the ICI Group.

The business address of the managing directors is Merseyweg 10, 3197 KG Botlek-Rotterdam, The Netherlands.

CAPITALISATION OF ICI INVESTMENTS (NETHERLANDS) B.V.

The following table sets out the capitalisation of ICI Investments (Netherlands) B.V. at 31 December 1998.

	NLG (Thousand)
Shareholders' Funds	
Share Capital - shares of NLG 100 each	
(Authorised 2,000 shares; issued and fully paid 400 shares)	40
Share Premium Account	277,962
Reserves[(a)]	(92,860)
	185,142
Indebtedness for borrowed money	
Short-term debt (due within one year)[(d)]	
Intra Group	441,374
Long-term debt (due after more than one year)	
External	2,046,408
Total debt[(b)]	2,487,782
Total Capitalisation[(c)]	2,672,924

Notes:

(a) ICI Investments (Netherlands) B.V. reported a loss of NLG 14.7 million for the quarter ended 31 March 1999.

(b) Total debt, none of which was secured, comprised NLG 2,046,408 relating to the Euro Medium Term Note Programme, which is guaranteed by ICI, and NLG 441,374 of unguaranteed debt.

(c) Save as described above, there has been no material change in the capitalisation of ICI Investments (Netherlands) B.V. since 31 December 1998.

(d) Current asset investments and cash at bank and in hand amounted to NLG 121,000 at 31 December 1998.

(e) Amounts owed to ICI Investments (Netherlands) B.V. by ICI Group companies amounted to NLG 98,597,000 at 31 December 1998.

AUDITOR'S REPORT ON ICI INVESTMENTS (NETHERLANDS) B.V.

The financial information set out on pages 59 to 64 has been extracted, without material adjustments, from the audited accounts of ICI Investments (Netherlands) B.V. in respect of the relevant periods. The report below has been extracted from the accounts of ICI Investments (Netherlands) B.V. for the period ended 31 December 1998.

AUDITOR'S REPORT

Introduction

We have audited the financial statements for 1998 of ICI Investments (Netherlands) B.V., Rotterdam. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 1998 and of the result for the financial year then ended in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of the Netherlands Civil Code.

Rotterdam, 31 March 1999

KPMG Accountants N.V.

FINANCIAL STATEMENTS OF ICI INVESTMENTS (NETHERLANDS) B.V.

BALANCE SHEET AS AT 31 DECEMBER 1998

(after proposed appropriation of result)

	31 December 1998		31 December 1997	
	(in thousands of Dutch guilders)			
Financial fixed assets				
Investments in group companies...........	2,605,499		2,178,200	
Loans to group companies...............	48,416		146,318	
		2,653,915		2,324,518
Current assets				
Amounts receivable from group companies...	50,181		548	
Cash at bank and in hand...............	121		28	
		50,302		576
		2,704,217		2,325,094
Capital and reserves				
Paid-up and called capital	40		40	
Share premium account.................	277,962		—	
Accumulated losses	(92,860)		(31,134)	
		185,142		(31,094)
Long-term liabilities				
Bonds.............................		2,046,408		2,046,408
Current liabilities				
Amounts payable to group companies	441,374		41,337	
Notes	—		211,700	
Other liabilities.......................	31,293		56,743	
		472,667		309,780
		2,704,217		2,325,094

ICI Investments (Netherlands) B.V.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1998

	1998	1997
	(in thousands of Dutch guilders)	
General expenses	189	161
Net interest payable and similar charges	94,768	47,738
Loss before taxation	94,957	47,899
Taxation	(33,231)	(16,765)
Loss after taxation	61,726	31,134

NOTES TO THE FINANCIAL STATEMENTS

General

The Company was incorporated on 17 June 1997. Consequently the first financial year covers the period from 17 June 1997 through 31 December 1997.

The Company's parent company is ICI Theta B.V., Rotterdam. Its ultimate parent company is Imperial Chemical Industries PLC, London, United Kingdom (hereafter "ICI PLC").

Significant accounting policies

The financial statements have been prepared under the historical cost convention and on an accrual basis of accounting.

Consolidated accounts

The Company has elected to invoke Article 408, Title 9 of Book 2 of the Dutch Civil Code whereby the Company is exempt from preparing consolidated financial statements since the financial and other data of the Company and its subsidiaries is consolidated with that of ICI PLC. The Annual Report of ICI PLC will be deposited together with the Company's statement with the Trade Register.

Foreign currencies

Profit and loss items in foreign currencies are translated into Dutch guilders at average rates for the relevant accounting periods. Assets and liabilities in foreign currencies are translated at exchange rates ruling at balance sheet date. Foreign currency exchange gains or losses arising from translation are processed in the profit and loss account.

Financial derivatives

The Company uses currency swaps to reduce exposure to foreign exchange risks and interest rate swaps to adjust interest rate exposure. Principal amounts of currency swaps are revalued at exchange rates ruling at balance sheet date and included in the Dutch guilder value of long-term liabilities. Interest income and expenses from interest rate swaps are processed with net interest payable.

Financial fixed assets

In recognition of its status as a Dutch intermediate holding company of ICI PLC, the investments in group companies are stated at cost, applying historical exchange rates.

Dividends received from pre-acquisition reserves of participating interests are applied to reduce the historical acquisition costs of the relevant investment.

In the event of a permanent diminution in value of an investment, this impairment is reflected by an adjustment to the carrying value of the relevant investment.

Other assets and liabilities

Unless otherwise stated in the financial statements, all other assets and liabilities are shown at face value.

Recognition of income from participating interests

Dividends from participating interests in respect of the financial year or previous years are recorded as income for the year in so far as such dividends are received or declared before preparation of the Company's accounts.

Taxation

The Company and its subsidiaries are part of a fiscal unit, of which ICI Theta B.V. is the parent company. Due to this unity, the Company is jointly and severally liable for the liabilities of the fiscal unit. Taxes payable by the fiscal unit are allocated to the separate companies in proportion to their fiscal results.

BALANCE SHEET AS AT 31 DECEMBER 1998

Financial fixed assets

Investments in group companies

Relates to the 100 per cent interest in the following subsidiaries:

Alabastine Holland B.V., Ammerzoden

Crosfield B.V., Eijsden

Naarden International N.V., Rotterdam

National Starch and Chemical B.V., Zutphen

Quest International Nederland B.V., Naarden

Unichema Chemie B.V., Gouda

Vinamul B.V., Geleen.

The movements during the financial year were as follows:

	(in thousands of Dutch guilders)
Book value as at 31 December 1997	2,178,200
Additions	727,299
Valuation adjustment	(300,000)
Book value as at 31 December 1998	2,605,499

Capital and reserves

Paid-up and called capital

The paid-up and called capital as at 31 December 1998 consists of 400 ordinary shares of NLG 100 each.

Share premium account

The movements during the financial year were as follows:

	(in thousands of Dutch guilders)
Book value as at 31 December 1997	—
Share premium on contribution in kind during the year	577,962
Valuation adjustment – investments in group companies	(300,000)
Book value as at 31 December 1998	277,962

Accumulated losses

	(in thousands of Dutch guilders)
Balance as at 31 December 1997	(31,134)
Loss for the year 1998	(61,726)
Balance as at 31 December 1998	(92,860)

Long-term liabilities

Bonds

The following analysis reflects the effects of financial derivatives on the Company's borrowings.

	Before financial derivatives			After financial derivatives	
Original currency	Original interest rate	Amount NLG,000	Repayment dates	Interest rate	Amount NLG,000
U.S. dollars	6.75	943,750	2002	variable	1,034,853
British pounds	7.625	938,130	2007	variable	1,011,555
		1,881,880			2,046,408

The weighted average interest rate payable in 1998, including the effects of financial derivatives, was approximately 4.0 per cent.

Repayment of the bonds and notes and interest thereon is unconditionally and irrevocably guaranteed by ICI PLC under the Euro Medium Term Note Programme. Under this programme ICI PLC, ICI Finance PLC, ICI Coordination Centre N.V. and the Company (together the Issuers) may issue notes up to a principal amount of USD 4,500 million. The notes (and interest thereon) shall at all time rank *pari passu* amongst themselves and at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Company (and the other Issuers). Furthermore, cross default and negative pledge clauses apply.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1998

Net interest payable and similar charges

Represents the balance of interest payable on the basis of original lending agreements and the income and expenses from interest rate swaps with respect to bonds and notes. The swap contracts have been entered into with other ICI group companies. Furthermore, this item includes interest paid and received on current accounts with group companies. The net interest income from group companies included in this item amounts to NLG 56,359,000.

Managing directors' remuneration

Managing directors did not receive any remuneration.

Employees

There are no employees in the service of the Company.

TAXATION

UNITED KINGDOM

The following is a summary of the Issuers' understanding of current law and practice in the United Kingdom relating to the withholding tax treatment of the Notes. They do not deal with any other United Kingdom tax implications of acquiring, holding, or disposing of the Notes. Prospective Noteholders who are unsure as to their tax position or who may be subject to a tax jurisdiction other than the United Kingdom should seek their own professional advice.

Notes issued by Imperial Chemical Industries PLC and ICI Finance PLC ("U.K. Notes")

1. The U.K. Notes which are and continue to be in bearer form and which carry a right to interest will constitute "quoted Eurobonds" within the meaning of section 124 of the Income and Corporation Taxes Act 1988 ("the Act") provided they are listed on a "recognised stock exchange" within the meaning of section 841 of the Act. The London Stock Exchange and the Paris *Bourse* are currently recognised for this purpose. Payments of interest on U.K. Notes which constitute quoted Eurobonds may be made without withholding or deduction on account of United Kingdom income tax where:

   (a) payment is made through a paying agent at its office outside the United Kingdom; or

   (b) payment is made through a paying agent at its office in the United Kingdom and either;

   (i) the beneficial owner of the Notes and the interest thereon is not resident in the United Kingdom; or

   (ii) the Notes are held in a "recognised clearing system" within the meaning of section 841A of the Act (Euroclear and Cedelbank are both recognised clearing systems for this purpose);

   and, in the case of (b) any other administrative conditions imposed by regulations made under the Act (which may include the making of declarations on the occasion of each payment) have been satisfied.

2. Interest payable on U.K. Notes with a maturity of less than one year will not be regarded as "yearly interest" for the purposes of the Act, and interest on such Notes may be paid without withholding or deduction for or on account of United Kingdom income tax, whether or not such Notes constitute quoted Eurobonds.

3. In all other cases an amount must be withheld from payments of interest on the U.K. Notes on account of income tax at the lower rate (currently 20 per cent.), subject to any direction to the contrary by the Inland Revenue under an applicable double taxation treaty.

4. The interest on the U.K. Notes has a United Kingdom source and accordingly remains subject to United Kingdom tax by direct assessment even if the interest is paid without withholding or deduction. However, interest paid on such Notes will generally not be chargeable to United Kingdom tax by direct assessment in the hands of a holder of U.K. Notes who is neither resident in the United Kingdom throughout the relevant tax year nor trades in the United Kingdom through a branch or agency therein.

   Notes issued by ICI Investments (Netherlands) B.V. and ICI Coordination Centre N.V. ("Non-U.K. Notes")

5. Payments of interest on Non-U.K. Notes may be made without withholding or deduction for or on account of United Kingdom income tax provided that:

   (a) payment is made through a paying agent at its office outside the United Kingdom; or

   (b) payment is made through a paying agent at its office in the United Kingdom and one of the following exemptions applies;

   (i) the Notes are held in a recognised clearing system; or

   (ii) the beneficial owner of the Notes and the interest thereon is not resident in the United Kingdom; or

   (iii) the interest arises to trustees not resident in the United Kingdom of certain discretionary or accumulation trusts (where, *inter alia,* none of the beneficiaries of the trust is resident in the United Kingdom); or

   (iv) the person beneficially entitled to the interest is eligible for certain reliefs from tax in respect of the interest; or

(v) the interest falls to be treated as the income of, or of the government of, a sovereign power or of an international organisation; or

(vi) the Eurobond Note and the interest are beneficially owned by a person falling into certain specified categories, or one of certain other circumstances applies, in each case as prescribed by regulations, which would apply, for example, to Eurobond Notes held under a personal equity plan, in a pension funds pooling scheme or a superannuation fund.

and, in the case of (b), any other administrative conditions imposed by regulations made under the Act (which may include the making of declarations on the occasion of each payment) have been satisfied.

U.K. Notes which constitute quoted eurobonds and non-U.K. Notes

6. In relation to U.K. Notes which constitute quoted eurobonds and non-U.K. Notes (together, "Eurobond Notes"), where a person in the United Kingdom acting in the course of a trade or profession either:

(a) acts as custodian of a Eurobond Note and receives interest on the Eurobond Note or directs that interest on the Eurobond Note be paid to another person or consents to such payment; or

(b) collects or secures payment of or receives interest on a Eurobond Note for a Noteholder or the holder of a Coupon whether by means of Coupons or otherwise (except by means solely of clearing a cheque or arranging for the clearing of a cheque),

that person (a "collecting agent") may withhold on account of income tax at the lower rate unless:

(i) the Eurobond Note is held in a recognised clearing system and the collecting agent either:

(A) pays or accounts for the interest directly or indirectly to the recognised clearing system; or

(B) is acting as depository for the recognised clearing system; or

(ii) the person beneficially entitled to the interest is not resident in the United Kingdom and beneficially owns the Eurobond Note; or

(iii) the interest arises to trustees not resident in the United Kingdom of certain discretionary or accumulation trusts (where, *inter alia*, none of the beneficiaries of the trust is resident in the United Kingdom); or

(iv) the person beneficially entitled to the interest is eligible for certain reliefs from tax in respect of the interest; or

(v) the interest falls to be treated as the income of, or of the government of, a sovereign power or of an international organisation; or

(vi) the Eurobond Note and the interest are beneficially owned by a person falling into certain specified categories, or one of certain other circumstances applies, in each case as prescribed by regulations, which would apply, for example, to Eurobond Notes held under a personal equity plan, in a pension funds pooling scheme or a superannuation fund.

In the case of each of the above exceptions (except (i)(B)), further administrative conditions imposed by the regulations referred to above may have to be satisfied for the relevant exception to be available.

General

7. Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an applicable provision in an appropriate double taxation treaty.

8. Where Notes are issued at a discount or redeemable at a premium, United Kingdom withholding tax will not apply to the payment of such discount or premium so long as it does not constitute yearly interest for U.K. tax purposes.

Proposed EU Withholding Tax Directive

9. In May 1998, the European Commission presented to the Council of Ministers of the European Union ("EU") a proposal to oblige Member States to adopt either a "withholding tax system" or an "information reporting system" in relation to interest, discounts and premiums. It is unclear whether this proposal will be adopted, and if it is adopted, whether it will be adopted in its current form.

   The "withholding tax system" would require a paying agent established in a Member State to withhold tax at a minimum rate of 20 per cent. from any interest, discount or premium paid to an individual resident in another Member State unless such an individual presents a certificate obtained from the tax authorities of the Member State in which he is resident confirming that those authorities are aware of the payment due to that individual.

   The "information reporting system" would require a Member State to supply, to other Member States, details of any payment of interest, discount or premium made by paying agents within its jurisdiction to an individual resident in another Member State.

   For the purposes of the proposed directive, the term "paying agent" is widely defined and includes an agent who collects interest, discounts or premiums on behalf of an individual beneficially entitled thereto. If the proposed directive is adopted in its current form, it will not apply to payments of interest, discounts and premiums made before 1 January 2001.

BELGIUM

The following is a general summary of Belgian taxation as of the date hereof in relation to payments made under and other transfers involving the Notes, Receipts or Coupons. It is not exhaustive and Noteholders who are in doubt as to their tax position should consult their professional advisers.

(a) by application of the Belgian law of 6 August 1993 implemented by the Royal Decree of 26 May 1994 concerning transactions in certain securities, withholding tax is not levied if the Notes are booked on an account that has been opened in the books of a direct or indirect participant of the X/N clearing system of the BNB, and if the holder of the Note falls within the category of persons which may open an X-account in accordance with the requirements of the said legislation. This category includes, among others, non-residents of Belgium who do not use the Notes in connection with a business or any other professional activity in Belgium;

(b) a holder of a Note, Receipt or Coupon who derives income from a Note, Receipt or Coupon or who realises a gain on disposal or redemption of a Note, Receipt or Coupon will not be subject to Belgian taxation on income or capital gains unless (i) the holder is a non-resident who is using the Notes in a fixed base or permanent establishment which he maintains in Belgium, (ii) the holder is an individual resident of Belgium who is using the Notes for his professional activity or (iii) the holder is a company resident in Belgium;

(c) the Notes, Receipts or Coupons will not be subject to Belgian gift taxes provided the gift is not required to be and is not made or evidenced by a deed or other instrument subject to registration in Belgium;

(d) the Notes, Receipts or Coupons will not be subject to Belgian inheritance taxes if held by persons not resident in Belgium at the time of their death;

(e) the Belgian tax on securities transactions will not be levied on subscription to, or purchase or sale of, the Notes, provided such transfers do not take place with the intervention of a Belgian professional securities intermediary; and

(f) the Belgian tax on delivery of bearer securities will not be levied on the Notes so long as they are maintained in the X/N clearing system of the BNB.

NETHERLANDS

The following is a general summary of Netherlands taxation as at the date hereof in relation to payments made under the Notes, Receipts or Coupons. It is not exhaustive and Noteholders who are in doubt as to their tax position should consult their professional advisors.

(a) All payments made by the relevant Issuer under the Notes, Receipts or Coupons may be made free of any withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein;

(b) A holder of Notes, Receipts or Coupons will not be subject to any Netherlands taxes on income or capital gains in respect of any payment under the Notes, Receipts or Coupons or in respect of any gain realised on the disposal or deemed disposal of the Notes, Receipts or Coupons, provided that:

   (i) such holder is neither resident nor deemed to be resident in the Netherlands; and

   (ii) such holder does not have an enterprise or an interest in an enterprise which is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes, Receipts or Coupons are attributable; and

   (iii) neither such holder nor his spouse, other persons sharing his household or certain of their relatives by blood or marriage in the direct line (including foster children) have a substantial or deemed substantial interest (statutory defined terms) in ICI Investments (Netherlands) B.V. or, if such holder or one or more of the other persons referred to does have such an interest, the Notes, Receipts, Coupons and such interest(s) form part of the assets of an enterprise.

   Subject to paragraph (b)(iii), a holder of Notes, Receipts or Coupons will not be or become subject to Netherlands taxation on income or capital gains by reason only of the execution, delivery and/or enforcement of the Notes, Receipts or Coupons or the performance by the relevant Issuer of its obligations under the Notes, Receipts or Coupons.

(c) A holder of Notes, Receipts or Coupons will not be subject to Netherlands net wealth tax in respect of the Notes, Receipts or Coupons, provided that such holder is not an individual or, if he is an individual, provided that the conditions mentioned under (b)(i) and (b)(ii) above are met.

(d) No Netherlands gift, estate or inheritance taxes will arise on the transfer of Notes, Receipts or Coupons by way of a gift by, or on the death of, a holder of Notes, Receipts or Coupons who is neither resident nor deemed to be resident in the Netherlands, unless:

   (i) such holder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes, Receipts or Coupons are or were attributable; or

   (ii) in the case of a gift of a Note, Receipt or Coupon by an individual who at the time of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

(e) No Netherlands turnover tax will arise in respect of any payment in consideration for the issue of the Notes or with respect to any payment by the relevant Issuer of principal, interest or premium (if any) on the Notes.

(f) No Netherlands registration tax, customs duty, transfer tax, stamp duty or any other similar tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgement in the Courts of the Netherlands) of the Notes, Receipts or Coupons or the performance by the relevant Issuer of its obligations under the Notes, Receipts or Coupons.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in a Dealer Agreement dated 15 July 1997 supplemented and amended by a Supplemental Dealer Agreement dated 28 April 1998 and as amended and restated by an Amended and Restated Dealer Agreement dated 7 May 1999 (together the "Dealer Agreement") between the Issuers, the Guarantor, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, each Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by each Issuer through the Dealers, acting as agents of the relevant Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The relevant Issuer (if applicable, failing whom the Guarantor) will pay each relevant Dealer a commission in respect of Notes subscribed by it as separately agreed between them. Each Issuer (if applicable, failing whom the Guarantor) has agreed to reimburse the Arrangers for certain of their expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions payable in respect of an issue of Notes on a syndicated basis will be stated in the relevant Pricing Supplement.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

Selling Restrictions

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche, (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the restricted period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Each issuance of index-, commodity- or currency-linked Notes will be subject to such additional United States selling restrictions as the relevant Issuer and the relevant Dealer(s) may agree, as indicated in the applicable Pricing Supplement. Each Dealer has agreed that it will offer, sell or deliver such Notes only in compliance with such additional United States selling restrictions.

United Kingdom

Each Dealer has agreed that:

1. it has not offered or sold and will not offer or sell (a) any Notes having a maturity of one year or more, in respect of which admission to listing in accordance with Part IV of the Financial Services

Act 1986 (the "Act") is to be sought, to persons in the United Kingdom prior to admission of such Notes to such listing or (b) prior to the date six months after their date of issue, any Notes having a maturity of one year or more, in respect of which admission to such listing is not to be sought, to persons in the United Kingdom, in each case, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances that have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 or, in the case of Notes in respect of which admission to such listing is to be sought, the Act;

2. it has complied with and will comply with all applicable provisions of the Act with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and

3. it has only issued or passed on and will only issue or pass on in the United Kingdom any document received by it in connection with the issue of the Notes, other than any document that consists of or any part of listing particulars, supplementary listing particulars or any other document required or permitted to be published by listing rules under Part IV of the Act, to a person who is of a kind described in Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 (as amended) or is a person to whom such document may otherwise lawfully be issued or passed on.

Germany

In connection with the initial placement of any Notes in Germany, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer and sell such Notes (i) unless otherwise provided in the relevant subscription agreement or the applicable Pricing Supplement in the case of an issue made on a syndicated basis, only for an aggregate purchase price per purchaser of at least DM 80,000 (or the foreign currency equivalent) or such other amount as may be stipulated from time to time by applicable German law or (ii) as may otherwise be permitted in accordance with applicable German law.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the "Securities and Exchange Law"). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Securities and Exchange Law and other relevant laws and regulations of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Netherlands

Each Dealer has represented and agreed (and each further Dealer appointed under the programme will be required to represent and agree) that it has not, directly or indirectly, offered, sold or transferred and that it will not, directly or indirectly, offer, sell or transfer in or (in the case of Notes issued by ICI Investments (Netherlands) B.V.) outside the Netherlands any Notes issued under the Programme which have a denomination of less than NLG 100,000 (or its equivalent in any other currency), to any person (including legal entities) other than (a) to persons who trade or invest in securities in the conduct of their profession or trade within the meaning of the 1995 Act on the supervision of the securities trade (*Wet toezicht effectenverkeer 1995* (the "Securities Act")) and its implementing regulations, and (b) with due observance of article 2 paragraph 2 of the Exemption regulation pursuant to the Securities Act (*Vrijstellingsregeling Wet Toezicht Effectenverkeer 1995*), except in circumstances in which (i) one of the other exemptions set out in article 3 paragraph 2 of the Securities Act or (ii) one of the other exemptions pursuant to article 4 of the Securities Act is applicable, or (iii) the Securities Board of the Netherlands has, upon request, granted an individual dispensation from the prohibition contained in article 3, paragraph 1, of the Securities Act and the conditions attached to such dispensation are fully complied with.

In addition to the above, Zero Coupon Notes in definitive form or other Notes that qualify as savings certificates as defined in the Savings Certificates Act (*Wet inzake spaarbewijzen*) may only be transferred and accepted through the mediation of either the Issuer or a member of the AEX Stock Exchange[1] with due observance of the Savings Certificate Act and its implementing regulations, provided that no such mediation is required (i) in respect of the initial issue of such Notes to the first holders thereof, (ii) to the extent that such Notes are physically outside the Netherlands and are not immediately thereafter distributed in the Netherlands in the course of primary trading or immediately thereafter or (iii) in respect of any transfer and acceptance by individuals who do not act in the conduct of a profession or trade. If the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with.

Savings certificates within the meaning of the Savings Certificates Act are Notes in bearer form which constitute a claim for a fixed sum against the Issuer and on which interest does not become due prior to maturity or on which no interest is due whatsoever.

Belgium

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in respect of Notes except those having a denomination of or for which the minimum investment amount is at least BEF 10,000,000 or the equivalent thereof in other currencies, it has not, directly or indirectly, offered, sold, transferred or delivered in Belgium and will not, directly or indirectly, offer, sell, transfer or deliver in Belgium any Notes (including rights representing an interest in a global Note) to any individual or legal entity other than (i) credit institutions and investment firms referred to in Article 3, 2°, a) of the Belgian Royal Decree of 9 January 1991 on the public character of transactions which aim to solicit public savings and the assimilation of certain transactions with a public offer (ii) institutions for collective investment referred to in Book III of the Belgian Act of 4 December 1990 on financial transactions and the financial markets, (iii) insurance companies referred to in Article 2, paragraph 1 of the Belgian Act of 9 July 1975 on the supervision of insurance companies and (iv) pension funds referred to in Article 2, paragraph 3, 6° of the Belgian Act of 9 July 1975 on the supervision of insurance companies and in the Belgian Decree of 15 May 1985 on the activities of private mutual funds, each acting on their own account in reliance on Article 3, 2° of the Belgian Royal Decree of 9 January 1991 on the public character of transactions which aim to solicit public savings and the assimilation of certain transactions with a public offer. This Offering Circular has been issued to you for your personal use only and exclusively for the purposes of the Offering. Accordingly this Offering Circular may not be used for any other purpose nor passed on to any other person in Belgium. This Offering Circular has not been or will not be approved by the Belgian Banking and Finance Commission (Commissie voor het Bank- en Financiewezen/Commission Bancaire et Financière) in accordance with the Royal Decree N° 185 of 9 July 1935.

In addition, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall only offer or sell any Notes issued under the Programme by ICI Coordination Centre N.V. to persons who qualify for an X-account according to Article 4 of the Royal Decree of 26 May 1994 on the X/N clearing system. An X-account is in that respect reserved for: (i) Belgian corporations subject to Belgian corporate income tax; (ii) institutions, associations and companies provided for in article 2, paragraph 3 of the Belgian Act of 9 July 1975 on the supervision of insurance companies; (iii) state regulated institutions ("institutions parastatales") for social security, or institutions which are equated to these, provided for in article 105, 2° of the Royal Decree of 27 August 1993 implementing the Income Tax Code 1992, (iv) non-resident investors provided for in article 105, 5° of the same decree; (v) investment funds, recognised in the framework of pension savings, provided for in article 115 of the same decree; (vi) companies, associations and other tax payers provided for in article 227, 2° of the Income Tax Code 1992, which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident taxes pursuant to article 233 of the same code; (vii) the Belgian state in respect of investments which are exempt from withholding tax in accordance with article 265 of the Income Tax Code 1992; (viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, when their participation rights are not publicly issued in Belgium and are not traded in Belgium; and (ix) resident corporations when their activities exclusively or principally consist in the granting of credits and loans.

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1 Kindly note that the Savings Certificates Act still refers to 'member of the Stock Exchange Association', but that since the reorganisation of the exchanges in the Netherlands, the reference should be to admitted institutions to the AEX Stock Exchange.

France
Each Issuer, the Guarantor and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, in connection with their initial distribution, it has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in France, and has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France the Offering Circular or any other offering material relating to the Notes, and that such offers, sales and distributions have been and shall be made in France only to (i) qualified investors (*investisseurs qualifiés*) and/or (ii) a restricted group of investors (*cercle restreint d'investisseurs*), all as defined in Article 6 of *ordonnance* no. 67-833 dated 28 September 1967 (as amended) and *décret* no. 98-880 dated 1 October 1998.

Investors in France may only participate in the issue of the Notes for their own account in accordance with the conditions set out in *décret* no. 98-880 dated 1 October 1998. The Notes may only be issued, directly or indirectly, to the public in France in accordance with articles 6 and 7 of *ordonnance* no. 67-833 dated 28 September 1967 (as amended). Where the issue of the Notes is effected as an exception to the rules relating to an *appel public à l'épargne* in France (public offer rules) by way of an offer to a restricted circle of investors, such investors must provide certification as to their personal, professional or family relationship with a member of the management of the Issuer.

General
These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

Other than in the United Kingdom, no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Offering Circular, any other offering material or any Pricing Supplement and none of the Issuers, the Guarantor, nor any other Dealer shall have responsibility therefor.

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement (substantially in the form of the IPMA Pro Forma Pricing Supplement; sections which vary from the IPMA Pro Forma Pricing Supplement are indicated by †) which will be completed for each Tranche of Notes issued under the Programme.

[Date]

IMPERIAL CHEMICAL INDUSTRIES PLC
ICI COORDINATION CENTRE N.V.
ICI FINANCE PLC
ICI INVESTMENTS (NETHERLANDS) B.V.

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
[Guaranteed by IMPERIAL CHEMICAL INDUSTRIES PLC]
under the U.S.$4,500,000,000
Euro Medium Term Note Programme

†[The Notes constitute [commercial paper/shorter term debt securities/longer term debt securities]* issued in accordance with regulations made under section 4 of the Banking Act 1987. The Issuer of the Notes is not an authorised institution or a European authorised institution (as such terms are defined in the Banking Act 1987 (Exempt Transactions) Regulations 1997). Repayment of the principal and payment of any interest or premium in connection with the Notes has [not] been guaranteed [by Imperial Chemical Industries PLC, which is [not an authorised institution or a European authorised institution].**

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs.]

1.	[(i)]	Issuer:	[Imperial Chemical Industries PLC] [ICI Coordination N.V.] [ICI Finance PLC] [ICI Investments (Netherlands)B.V.]
	[(ii)	Guarantor:	Imperial Chemical Industries PLC]
2.	[(i)]	Series Number:	[●]
	[(ii)	Tranche Number:	[●] *(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*]
3.	Specified Currency or Currencies:		[●]
4.	Aggregate Nominal Amount:		
	–	Tranche:	[●]
	–	Series:	[●]
5.	†Issue Price of Tranche:		[●] per cent.
6.	Specified Denominations:		[●]
	(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)		[●]
7.	[(i)]	Issue Date:	[●]
	[(ii)	Interest Commencement Date (if different from the Issue Date):	[●]]
8.	Maturity Date:		[*Fixed rate – specify date/* *Floating rate* – Interest Payment Date falling in [*specify month*]]

Notes:

* Include "commercial paper" if Notes must be redeemed before their first anniversary. Include "shorter term debt securities" if Notes may not be redeemed before their first anniversary but must be redeemed before their third anniversary. Include "longer term debt securities" if Notes may not be redeemed before their third anniversary.

** Unless otherwise permitted, text to be included for all Notes (including Notes denominated in sterling) in respect of which the issue proceeds are accepted by the Issuer in the United Kingdom.

9.	Interest Basis:	[[●] per cent. Fixed Rate] [[LIBOR/EURIBOR] +/– [●] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [*specify other*] (further particulars specified below)
10.	Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [*specify other*]
11.	Change of Interest Basis or Redemption/Payment Basis:	[*Specify details of any provision for change of Notes into another Interest Basis or Redemption/Payment Basis*]
12.	Put/Call Options:	[Investor Put] [Issuer Call] [(further particulars specified below)]
13.	[(i)] Status of the Notes:	[*Give details*]
	[(ii) Status of the Guarantee:	[*Give details*]
14.	Listing:	[London/Luxembourg/*specify other*/None]
15.	Method of distribution:	[Syndicated/Non-syndicated]

Provisions Relating to Interest (if any) Payable

16.	**Fixed Rate Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate[(s)] of Interest:	[●] per cent. per annum [payable [annually/semi-annually/quarterly] in arrear] (If payable other than annually, consider amending Condition "*Interest*".)
	(ii) Interest Payment Date(s):	[●] in each year
	(iii) Fixed Coupon Amount(s):	[●] per [●] in nominal amount
	(iv) Broken Amount(s):	[*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount*]
	(v) †Fixed Day Count Fraction:	[30/360 or Actual/Actual or *specify other*] (*Note that if interest is not payable on a regular basis (for example, if there are Broken Amounts specified) Actual/Actual will not be a suitable Fixed Day Count Fraction*)
	(vi) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[None/*Give details*]
17.	**Floating Rate Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Specified Period(s)/Specified Interest Payment Dates:	[●]
	(ii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ [*specify other*]]
	(iii) Additional Business Centre(s):	[●]
	(iv) Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination/ *specify other*]

	(v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	[●]
	(vi) Screen Rate Determination:	
	– Reference Rate:	[●] *(Either LIBOR, EURIBOR or other, although additional information is required if other – including to fallback provisions in the Agency Agreement)*
	– Interest Determination Date(s):	[●] *(Second London business day prior to the start of each Interest Period if LIBOR and second TARGET day prior to the start of each Interest Period if EURIBOR)*
	– Relevant Screen Page:	[●] *(In the case of EURIBOR, if not Telerate Page 248 ensure it is a page which shows a composite rate)*
	(vii) ISDA Determination:	
	– Floating Rate Option:	[●]
	– Designated Maturity:	[●]
	– Reset Date:	[●]
	(viii) Margin(s):	[+/−] [●] per cent. per annum
	(ix) Minimum Rate of Interest:	[●] per cent. per annum
	(x) Maximum Rate of Interest:	[●] per cent. per annum
	(xi) †Floating Day Count Fraction:	[●]
	(xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
18.	**Zero Coupon Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Accrual Yield:	[●] per cent. per annum
	(ii) Reference Price:	[●]
	(iii) Any other formula/basis of determining amount payable:	[●] *(Consider applicable day count fraction if euro denominated)*
19.	**Index Linked Interest Note Provisions**	[Applicable/Not Applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
	(i) Index/Formula:	[*give or annex details*]
	(ii) †Calculation Agent responsible for calculating the principal and/or interest due:	[●]
	(iii) Provisions for determining coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
	(iv) Specified Period(s)/Specified Interest Payment Dates:	[●]
	(v) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/*specify other*]

	(vi)	Additional Business Centre(s):	[●]
	(vii)	Minimum Rate of Interest:	[●] per cent. per annum
	(viii)	Maximum Rate of Interest:	[●] per cent. per annum
	(ix)	Day Count Fraction:	[●]
20.	**Dual Currency Note Provisions**		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Rate of Exchange/method of calculating Rate of Exchange:	[*give details*]
	(ii)	Calculation Agent, if any, responsible for calculating the principal and/or interest payable:	[●]
	(iii)	Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]
	(iv)	Person at whose option Specified Currency(ies) is/are payable:	[●]

Provisions Relating to Redemption

21.	†Issuer Call		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[●]
	(iii)	If redeemable in part:	
		(a) Minimum Redemption Amount:	[●]
		(b) Maximum Redemption Amount:	[●]
	(iv)	Notice period (if other than as set out in the Conditions):	[●]
22.	†Investor Put		[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i)	Optional Redemption Date(s):	[●]
	(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[●]
	(iii)	Notice period (if other than as set out in the Conditions):	[●]
23.	Final Redemption Amount		[Par/*specify other*/see Appendix]
24.	Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):		[●]

General Provisions Applicable to the Notes

25.	Form of Notes:	[Bearer Notes/Exchangeable Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]. [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date.] [Permanent Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event].]] [Registered Notes: (*specify nominal amounts*)]
26.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	[Not Applicable/*give details*] (*Note that this item relates to the place of payment and not Interest Period end dates to which item 17(iii) relates*)
27.	†Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature):	[Yes/No. *If yes, give details*]
28.	†Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Temporary Global Note, consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/*give details*]
29.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	[Not Applicable/*give details*]
30.	†Redenomination applicable:	Redenomination [not] applicable (*if Redenomination is applicable, specify any provisions necessary to deal with floating rate interest calculation (including alternative reference rates)*)
31.	Other terms or special conditions:	[Not Applicable/*give details*]

Distribution

32.	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilising Manager (if any):	[Not Applicable/*give name*]
33.	If non-syndicated, name of relevant Dealer:	[●]
34.	†Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable:	[TEFRA D/TEFRA C/TEFRA not applicable]
35.	Additional selling restrictions:	[Not Applicable/*give details*]

Operational Information

36.	Any clearing system(s) other than Euroclear and Cedelbank and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
37.	Delivery:	Delivery [against/free of] payment

38. Additional Paying Agent(s)(if any): [●]

39. †If Paris *Bourse* listed, insert:

(a) Sicovam SA number(s): [●]

(b) Paying Agent in France: [*insert name and address*]

(c) (i) address in Paris where relevant documents will be made available for inspection or receipt (free of charge): [*insert address*]

(ii) list of such documents available for inspection or receipt (free of charge): [*insert list*]

(d) Specialist broker: [●]

(e) A summary in French of the principal terms of the issue (*caractéristiques principales*); [●]

(f) A statement in French signed manually by a person duly authorised on behalf of the relevant Issuer, [the Guarantor] and the relevant Dealer or, in the case of a syndicated issue of Notes, the Lead Manager or other Dealer, accepting responsibility for the information contained in the Pricing Supplement, in the following form:

PERSONNES QUI ASSUMENT LA RESPONSABILITE DE LA PRESENTE NOTE D'INFORMATION COMPOSEE DE LA PRESENTE NOTE D'OPERATION (PRICING SUPPLEMENT) [DE LA NOTE D'INFORMATION AYANT RECU DE LA COB LE VISA NO.[●] DU [DATE]] ET DU DOCUMENT DE BASE (OFFERING CIRCULAR)

1. *Au nom de l'émetteur*

A la connaissance de l'émetteur, les données de la présente Note d'Information sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Aucun élément nouveau [(autres que ceux mentionnés dans la présente Note d'Opération)] intervenu depuis:

– le 5 mai 1999, date du no. P99-160 apposé par la Commission des Opérations de Bourse sur le Document de Base,

– [le [●], date du visa no. [●] apposé par la Commission des Opérations de Bourse sur la Note d'Information datée du [●],]

n'est susceptible d'affecter de manière significative la situation financière de l'émetteur dans le contexte de la présente émission.

[ISSUER]

By ....

[*Name and title of signatory*]

[2. *Au nom du garant*

A la connaissance du garant, les données de la présente Note d'Information sont conformes à la réalité et ne comportent pas d'omission de nature à enaltérer la portée.

Aucun élément nouveau [(autres que ceux mentionnés dans la présente Note d'Opération)] intervenu depuis:

le 5 mai 1999, date du no. P99-160 apposeé par la Commission des Opérations de Bourse sur le Document de Base,

[le [●] date du visa no. [●] apposé par la Commission des Opérations de Bourse sur la Note d'Information datée du [●],]

n'est susceptible d'affecter de manière significative la situation financière du garant dans le contexte de la présente émission.

[GUARANTOR]

By ....

[*Name and title of signatory*]]

[2/3]. Au nom de la banque présentatrice

Personne assumant la responsabilité de la Note d'Information.

[*name of the relevant Dealer/Lead Manager*]

By ....

[*Name and title of signatory*]

La notice légale sera publiée au Bulletin des Annonces Légales Obligatoires (BALO) du [*date*].

COMMISSION DES OPERATIONS DE BOURSE

En vue de la cotation à Paris des obligations éventuellement émises dans le cadre de ce Programme, et par application des articles 6 et 7 de l'ordonnance no. 67-833 du 28 septembre 1967 telle que modifiée, la Commission des Opérations de Bourse a enregistré le Document de Base sous le no. P99-160 du 5 mai 1999 et a apposé sur la présente Note d'Information le visa no. [●] du [*date*].

40. †[*Notes in respect of which the issue proceeds are accepted by the Issuer in the United Kingdom and which are to be listed. The text set out below may be deleted if the Issuer is relying on any of Regulation 13(4)(c) to (g)*]

The Issuer confirms that it:

(a) has complied with its obligations under the relevant rules (as defined in the Banking Act 1987 (Exempt Transactions) Regulations 1997) in relation to the admission to and continuing listing of the Programme and of any previous issues made under it and listed on the same exchange as the Programme;

(b) will have complied with its obligations under the relevant rules in relation to the admission to listing of such Notes by the time when such Notes are so admitted; [and]

(c) has not, since the last publication, if any, in compliance with the relevant rules of information about the Programme, any previous issues made under it and listed on the same exchange as the Programme, or the Notes, having made all reasonable enquiries, become aware of any change in circumstances which could reasonably be regarded as significantly and adversely affecting its ability to meet its obligations as Issuer in respect of the Notes as they fall due[./; and

(d) has complied and will continue to comply with its obligations under the Regulations to lodge all relevant information (as defined in the Regulations) in relation to any such Notes with the London Stock Exchange Limited.]

†ISIN:	[●]
Common Code:	[●]

(*insert here any other relevant codes such as CUSIP and CINS codes*)

[*If the Issuer is relying on Regulation 13(4)(b) and the Offering Circular does not include one, include here a summary of the tax treatment relevant to United Kingdom resident holders of the Notes.*]

[Listing Application

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the U.S.$4,500,000,000 Global Medium Term Note Programme of [Imperial Chemical Industries PLC] [ICI Coordination N.V.] [ICI Finance PLC] [ICI Investments (Netherlands) B.V.].

Responsibility

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: ....

Duly authorised

[Signed on behalf of the Guarantor:

By: ....

Duly authorised]

GENERAL INFORMATION

1. The listing of the Notes on the London Stock Exchange will be expressed as a percentage of their principal amount (exclusive of accrued interest). It is expected that listing of the Notes on the London Stock Exchange will be granted on or before 12 May 1999, subject only to the issue of a temporary or permanent Global Note (or one or more Certificates) in respect of each Tranche. Prior to official listing, however, dealings will be permitted by the London Stock Exchange in accordance with its rules. Transactions will normally be effected for delivery on the third working day after the day of the transaction. However, unlisted Notes may be issued pursuant to the Programme.

   It is strongly recommended by the French Ministry of the Economy, Finance and Industry that Notes denominated in French francs or euro should be listed on the Paris *Bourse*, particularly but not exclusively, where such Notes are to be offered publicly in France. The following procedures will apply, *inter alia*, to Paris Listed Notes:

   (i) *Commission des Opérations de Bourse* (COB)

   Prior to the listing of any Notes on the Paris *Bourse*, the Pricing Supplement applicable to such issue of Notes is currently required to be approved at the time of the relevant issue. The relevant approval in relation to this Offering Circular has been evidenced by the issue of the registration no P. 99-160 dated 5 May 1999 by the COB. The relevant approval in relation to each issue will be evidenced by the issue of a *visa* by the COB. The *visa* number will be disclosed in the Pricing Supplement applicable to the relevant Notes.

   (ii) *Bulletin des Annonces Légales Obligatoires* (BALO)

   Prior to the listing of Notes on the Paris *Bourse* details of the relevant issue of Notes will be published (in the form of a *notice légale*) in the BALO.

   (iii) *SBF – Bourse de Paris* (SBF)

   The listing of Notes on the Paris *Bourse* is subject to approval by the SBF. Such approval will be evidenced by publication in the *Bulletin de la SBF – Bourse de Paris.*

   (iv) *Filing of Constitutional Documents*

   Prior to the listing on the Paris *Bourse* of any Notes, a French translation of each Issuer's constitutional documents will be filed with the *Greffe du Tribunal de Commerce* of Paris.

   (v) *Documents available for inspection*

   In the case of Paris Listed Notes, the applicable Pricing Supplement will specify the additional places in Paris at which documents incorporated herein by reference (or otherwise required to be made available for inspection) may be inspected during normal business hours. Each Issuer has undertaken to make such documents available as so required.

2. Each of the Issuers and the Guarantor has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the guarantees relating to them. The issue of the Notes by Imperial Chemical Industries PLC and the giving of the guarantees by Imperial Chemical Industries PLC relating to the Notes issued by ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V. were authorised by resolutions of the Executive Committee of Imperial Chemical Industries PLC passed on 14 July 1997, 22 April 1998 and 5 May 1999, respectively, and the issue of the Notes by ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V., respectively, was authorised by resolutions of the Board of Directors of ICI Coordination Centre N.V. passed on 22 April 1998 and 6 May 1999, the Board of Directors of ICI Finance PLC and by the Board of Managing Directors and by the shareholders in the case of ICI Investments (Netherlands) B.V. passed on 14 July 1997, 22 April 1998 and 5 May 1999.

3. Except as disclosed in this Offering Circular, there has been no significant change in the financial or trading position of Imperial Chemical Industries PLC or ICI Finance PLC or ICI Investments (Netherlands) B.V. or the Group since 31 December 1998 and, in the case of ICI Coordination Centre N.V., since 31 December 1997 and no material adverse change in the financial position or prospects of Imperial Chemical Industries PLC or ICI Finance PLC or ICI Investments

(Netherlands) B.V. since 31 December 1998 and, in the case of ICI Coordination Centre N.V., since 31 December 1997.

4. Except as disclosed in "Imperial Chemical Industries PLC—Litigation" on pages 33 to 34 of this Offering Circular with respect to the Guarantor and certain of its subsidiaries, none of the Issuers nor the Guarantor nor any of their respective subsidiaries is or has been involved in any legal or arbitration proceedings that may have, or have had during the 12 months preceding the date of this document, a significant effect on the financial position of the Group or of the Issuer or the Guarantor nor is any Issuer or the Guarantor aware that any such proceedings are pending or threatened.

5. Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

6. Notes have been accepted for clearance through the Euroclear and Cedelbank systems. The Common Code and the International Securities Identification Number (ISIN) for each Series of Notes will be set out in the relevant Pricing Supplement. If the Notes are to clear through an additional or alternative clearing system (including Sicovam) the appropriate information will be specified in the relevant Pricing Supplement.

7. For so long as Notes may be issued pursuant to this Offering Circular, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Guarantor and the specified office for the time being of the Fiscal Agent and, so long as any of the Notes is listed on the Paris *Bourse*, the specified office in Paris of the Paris Listing Agent:

   7.1 the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);

   7.2 the Dealer Agreement;

   7.3 the Deeds of Covenant;

   7.4 the Memorandum and Articles of Association of each Issuer (together with an English translation in the case of the Articles of Association of ICI Coordination Centre N.V. and of ICI Investments (Netherlands) B.V.);

   7.5 the audited consolidated annual accounts of Imperial Chemical Industries PLC and the audited annual accounts of ICI Finance PLC for the two years ended 31 December 1998 and the audited annual accounts of ICI Coordination Centre N.V. for the two years ended 31 December 1997 and the audited annual accounts of ICI Investments (Netherlands) B.V. for the period ended 31 December 1998;

   7.6 each Pricing Supplement for Notes that are listed on the London Stock Exchange or any other stock exchange;

   7.7 a copy of this Offering Circular together with any Supplement to this Offering Circular or further Offering Circular;

   7.8 a copy of the subscription agreement for Notes issued on a syndicated basis that are listed on the London Stock Exchange; and

   7.9 all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular.

8. KPMG Audit Plc (Chartered Accountants) have audited, and rendered unqualified audit reports on, the accounts of Imperial Chemical Industries PLC and ICI Finance PLC respectively for the three years ended 31 December 1998, KPMG Bedrijfsrevisoren has rendered an unqualified audit report on ICI Coordination Centre N.V. for the three years ended 31 December 1997 and KPMG Accountants N.V. has rendered an unqualified audit report on ICI Investments (Netherlands) B.V. for its first accounting period from 17 June 1997 to 31 December 1997 and for the year ended 31 December 1998.

9. KPMG Audit Plc, KPMG Bedrijfsrevisoren and KPMG Accountants N.V. have given their written consent to the inclusion in this document of their reports in the form and context in which they

are respectively included and have authorised the contents of their respective reports for the purposes of Section 152(1)(e) of the Financial Services Act 1986.

10. **Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuers in the United Kingdom and which are issued pursuant to an exempt transaction under regulation 13(1) or (3) of the Banking Act 1987 (Exempt Transactions) Regulations 1997 (the "Regulations") will constitute commercial paper, shorter term debt securities or longer term debt securities (in each case, as defined in the Regulations), as specified in the applicable Pricing Supplement, in each case issued in accordance with regulations made under section 4 of the Banking Act 1987.** The Issuers are not authorised institutions or European authorised institutions (as such terms are defined in the Regulations) and repayment of the principal and payment of any interest or premium in connection with such Notes will, in the case of issues by ICI Coordination Centre N.V., ICI Finance PLC and ICI Investments (Netherlands) B.V. only, be guaranteed by Imperial Chemical Industries PLC, which is not an authorised institution or a European authorised institution.

    In relation to any Notes which are to be issued pursuant to an exempt transaction under regulation 13(3) of the Regulations where such Notes would fall within regulation 13(4)(a) or (b) of the Regulations:

    (a) the relevant Issuer confirms that, as at the date hereof, it has complied with its obligations under the relevant rules (as defined in the Regulations) in relation to the admission to and continuing listing of the Programme and of any previous issues made under it and listed on the same exchange as the Programme;

    (b) the relevant Issuer confirms that it will have complied with its obligations under the relevant rules in relation to the admission to listing of such Notes by the time when such Notes are so admitted; and

    (c) the relevant Issuer confirms that, as at the date hereof, it has not, since the last publication, if any, in compliance with the relevant rules of information about the Programme, any previous issues made under it and listed on the same exchange as the Programme, or any Notes falling within regulation 13(4)(a) or (b) of the Regulations, having made all reasonable enquiries, become aware of any change in circumstances which could reasonably be regarded as significantly and adversely affecting its ability to meet its obligations as issuer in respect of such Notes as they fall due.

    In relation to Notes which are to be exempt transactions under regulation 13(3) of the Regulations and fall within regulation 13(4)(b) of the Regulations, the relevant Issuer confirms that, as at the date hereof, it has complied and will continue to comply with its obligations under the Regulations to lodge all relevant information (as defined in the Regulations) in relation to any such Notes with the London Stock Exchange.

11. The third stage of European economic and monetary union commenced on 1 January 1999 when the value of the euro as against the currencies of the member states participating in the third stage was irrevocably fixed and the euro became a currency in its own right. Each euro is denominated into 100 cents and, for a transitional period of three years, into participating member currencies at the following fixed exchange rates:

Austrian schilling	13.7603	German mark	1.95583
Belgian franc	40.3399	Irish punt	0.787564
Dutch guilder	2.20371	Italian lira	1936.27
Finnish markka	5.94573	Luxembourg franc	40.3399
French franc	6.55957	Portuguese escudo	200.482
		Spanish pesetas	166.386

    With effect from 1 January 2002 the participating member currencies will cease to exist.

12. A copy of this Offering Circular has been, and a copy of each Pricing Supplement for Notes listed on the London Stock Exchange or the Paris *Bourse* will be, filed with the Securities Board of the Netherlands if required by, and depending on, the relevant exemption or exception from the offering prohibition of article 3 of the 1995 Act on the supervision of the securities trade (as amended) and the regulations issued pursuant thereto.

PARIS BOURSE RESPONSIBILITY STATEMENT

PERSONNES QUI ASSUMENT
LA RESPONSABILITE DU DOCUMENT DE BASE
EN CE QUI CONCERNE LES TITRES QUI SERONT ADMIS A LA NEGOCIATION
AU PREMIER MARCHE DE LA SBF—BOURSE DE PARIS

1. **Au nom des émetteurs**

A la connaissance de chaque émetteur, les données du présent Document de Base sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

IMPERIAL CHEMICAL INDUSTRIES PLC	ICI COORDINATION CENTRE N.V.
NAME R J RUSHTON	NAME R KESTEMAN
TITLE SECRETARY	*TITLE MANAGING DIRECTOR*
ICI FINANCE PLC	ICI INVESTMENTS (NETHERLANDS) B.V.
NAME M W GROSSET	NAME R KONING
TITLE SECRETARY	*TITLE DIRECTOR*

2. **Au nom du garant**

A la connaissance du garant, les données du présent Document de Base sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

IMPERIAL CHEMICAL INDUSTRIES PLC

NAME R J RUSHTON

TITLE SECRETARY

3. **Au nom de la banque présentatrice**

Personne assumant la responsabilité du présent Document de Base.

DEUTSCHE BANK FRANCE S.A.

NAME EUGENE BURGHARDT	NAME CHRISTOPHE ANGELY
TITLE HEAD OF GLOBAL MARKET	*TITLE HEAD OF DEBT CAPITAL MARKET*

COMMISSION DES OPERATIONS DE BOURSE

En vue de la cotation à Paris des obligations éventuellement émises dans le cadre de ce Programme, et par application des articles 6 et 7 de l'ordonnance no. 67-833 du 28 septembre 1967, la Commission des Opérations de Bourse a enregistré le présent Document de Base sous le no. P99-160 du 5 mai 1999.

REGISTERED OFFICES OF THE ISSUERS

Imperial Chemical Industries PLC
Imperial Chemical House
Millbank
London SW1P 3JF

ICI Coordination Centre N.V.
Everslaan, 45
B-3078 Everberg
Belgium

ICI Finance PLC
Imperial Chemical House
Millbank
London SW1P 3JF

ICI Investments (Netherlands) B.V.
Merseyweg 10
3197 KG Botlek-Rotterdam
The Netherlands

FISCAL AGENT, PAYING AGENT, CALCULATION AGENT, REGISTRAR AND TRANSFER AGENT

The Chase Manhattan Bank
Trinity Tower
9 Thomas More Street
London E1 9YT

PAYING AGENT

The Chase Manhattan Bank (Belgian Branch)
Blue Tower, 9th Floor
Avenue Louise 326, Box 51
B-1050 Brussels,
Belgium

PAYING AGENT AND TRANSFER AGENT

Chase Manhattan Bank Luxembourg S.A.
5 Rue Plaetis
L-2338 Luxembourg

ARRANGER

Deutsche Bank AG London
6 Bishopsgate
London EC2N 4DA

LONDON LISTING AGENT

Deutsche Bank AG London
6 Bishopsgate
London EC2N 4DA

PARIS LISTING AGENT

Deutsche Bank France S.A.
3 avenue de Friedland
75008 Paris
France

AUDITORS

To
Imperial Chemical Industries PLC
and
ICI Finance PLC

KPMG Audit Plc
8 Salisbury Square
London EC4Y 8BB

To
ICI Coordination Centre N.V.

KPMG Bedrijfsrevisoren
Bourgetlaan 30
1130 Brussels
Belgium

To
ICI Investments (Netherlands) B.V.

KPMG Accountants N.V.
P.O. Box 29174
3001 GD
Rotterdam
The Netherlands

LEGAL ADVISERS

To the Issuers and the Guarantor

in respect of English law

ICI Group Legal Department
9 Millbank
London SW1P 3JF

in respect of laws of the Netherlands

Nauta Dutilh
Weena 750
3014 DA Rotterdam
The Netherlands

in respect of Belgian law

Nauta Dutilh
Chaussee de la Hulpe 177/6
B-1170 Brussels
Belgium

To the Dealers

in respect of English law

Allen & Overy
One New Change
London EC4M 9QQ

Allen & Overy
21, rue Jean Goujon
75008 Paris
France