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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 2, 1997

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THE COOPER COMPANIES, INC.

(Exact name of registrant as specified in its charter)

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Delaware	1-8597	94-2657368
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

6140 Stoneridge Mall Road, Suite 590, Pleasanton, California 94588  
(Address of principal executive offices)

(510) 460-3600  
(Registrant's telephone number, including area code)

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ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements.

- (1) Audited Financial Statements for Contact Lens Technologies Limited for the year ended 31 March 1997.
- (2) Audited Financial Statements for New Focus Health Care Limited for the Year ended 31 March 1997.
- (3) Audited Financial Statements for Contact Lens Technologies Limited for the period 1 April 1997 to 31 October 1997.
- (4) Audited Financial Statements for New Focus Health Care Limited for the period 1 April 1997 to 31 October 1997.
- (5) Unaudited Financial Statements for Contact Lens Technologies Limited for the period 1 April 1996 to 31 October 1996.
- (6) Unaudited Financial Statements for New Focus Health Care Limited for the period 1 April 1996 to 31 October 1996.

(b) Pro forma financial information.

- (1) Unaudited pro forma financial information for The Cooper Companies, Inc. for the year ended October 31, 1997.



SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE COOPER COMPANIES, INC.

By /s/ Stephen C. Whiteford

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Stephen C. Whiteford  
Vice President and  
Corporate Controller  
(Principal Accounting Officer)

Dated: February 13, 1998



CONTACT LENS TECHNOLOGIES LIMITED  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 1997

DIRECTORS

A D Galley

I R Bussey

G Fryling

SECRETARY

I R Bussey

COMPANY NUMBER 02908056

REGISTERED OFFICE

Unit 2, Southpoint, Hamble, Southampton, Hampshire, S03 5RF

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CONTACT LENS TECHNOLOGIES LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 1997.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of contact lens technology, manufacture of machinery and wholesaling of contact lenses.

On 3 December 1997 Coopervision Inc., took over Contact Lens Technologies Limited.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	NUMBER OF SHARES	
	1997	1996
G H Galley (Resigned 02-12-97)	400	400
A D Galley	350	350
B Bevis (Resigned 02-12-97)	200	200

In addition I R Bussey and G Fryling were appointed directors of the company on 2 December 1997.

DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The existing auditors, Leonard Gold Chartered Accountants, will be replaced by KPMG in accordance with section 388 of the Companies Act 1985.

This report was approved by the board on 10 February 1998 in accordance with the provisions of Part VII of the Companies Act 1985, as amended, relating to small companies.

Signed by order of the board of directors.

/s/ I R BUSSEY  
-----  
I R Bussey  
SECRETARY

10 FEBRUARY 1998



INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS AND SHAREHOLDERS

CONTACT LENS TECHNOLOGIES LIMITED

We have audited the financial statements of Contact Lens Technologies Limited. These financial statements are the responsibility of Contact Lens Technologies Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United Kingdom, which are substantially consistent with those of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Contact Lens Technologies Limited at 31 March 1997 and 1996, and the results of their operations and their cash flows for each of the years in the three-year period ended 31 March 1997, in conformity with generally accepted accounting principles in the United Kingdom.

Generally accepted accounting principles in the United Kingdom vary in certain significant respects from generally accepted accounting principles in the United States. Application of generally accepted accounting principles in the United States would have affected results of operations for each of the years in the three year period ended 31 March 1997 and shareholders' equity as at 31 March 1997 and 1996, to the extent summarised in note 19 to the financial statements.

/s/ LEONARD GOLD  
-----  
LEONARD GOLD  
CHARTERED ACCOUNTANTS  
Registered Auditors  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG  
10 FEBRUARY 1998



CONTACT LENS TECHNOLOGIES LIMITED  
 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1997

	NOTES -----	1997 ----- 'L'	1996 ----- 'L'	1995 ----- 'L'
TURNOVER.....		1,251,124	415,777	--
COST OF SALES.....		(930,357)	(314,781)	--
		-----	-----	-----
GROSS PROFIT.....		320,767	100,996	--
ADMINISTRATIVE EXPENSES.....		(306,671)	(148,821)	--
		-----	-----	-----
OTHER OPERATING INCOME.....	3	14,096 347,245	(47,825) 186,206	-- --
		-----	-----	-----
OPERATING PROFIT.....		361,341	138,381	--
PROFIT ON SALE OF FIXED ASSETS.....		16,475	--	--
		-----	-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST.....		377,816	138,381	--
INTEREST PAYABLE.....		(67,266)	(13,345)	--
		-----	-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION.....		310,550	125,036	--
TAX ON PROFIT ON ORDINARY ACTIVITIES.....	4	(110,477)	(35,750)	--
		-----	-----	-----
RETAINED PROFIT FOR THE YEAR.....	11	'L'200,073 =====	'L'89,286 =====	'L' -- =====

The results in the profit and loss account relate to continuing operations.

There were no recognised gains or losses other than those included in the profit and loss account.

The notes on pages 6 to 13 form part of these financial statements.



CONTACT LENS TECHNOLOGIES LIMITED  
BALANCE SHEET AS AT 31 MARCH 1997

	NOTES	1997	1996
	-----	-----	-----
		'L'	'L'
<b>FIXED ASSETS</b>			
Tangible assets.....	5	909,743	860,769
<b>CURRENT ASSETS</b>			
Stocks.....	6	237,298	44,223
Debtors.....	7	386,516	283,593
Cash at bank.....		2,114	--
		625,928	327,816
<b>CREDITORS:</b>			
Amounts falling due within one year.....	8	(943,447)	(747,091)
Net current liabilities.....		(317,519)	(419,275)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES.....</b>			
		592,224	441,494
<b>CREDITORS:</b>			
Amounts falling due after more than one year.....	8	(301,865)	(325,458)
<b>PROVISION FOR LIABILITIES AND CHARGES</b>			
Deferred taxation.....	9	--	(25,750)
<b>NET ASSETS.....</b>		<b>'L'290,359</b>	<b>'L'90,286</b>
		=====	=====
<b>CAPITAL AND RESERVES</b>			
Called up share capital.....	10	1,000	1,000
Profit and loss account.....	11	289,359	89,286
<b>Shareholders' Funds.....</b>	12	<b>'L'290,359</b>	<b>'L'90,286</b>
		=====	=====

Approved by the board of directors on 10 February, 1998 and signed on its behalf. These accounts are prepared in accordance with the provisions of Part VII of the Companies Act 1985, as amended, relating to small companies.

/S/ A D GALLEY

.....  
A D Galley  
Director

/S/ I R BUSSEY

.....  
I R Bussey  
Director

The notes on pages 6 to 13 form part of these financial statements.





## CONTACT LENS TECHNOLOGIES LIMITED

## CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

	NOTE	1997		1996		1995	
	----	'L'	'L'	'L'	'L'	'L'	'L'
NET CASH INFLOW FROM OPERATIONS							
ACTIVITIES.....	16		372,193		42,575		209,481
RETURNS ON INVESTMENT AND SERVICING							
OF FINANCE							
Interest paid.....			(72,822)		(4,366)		--
TAXATION							
Corporation tax paid.....			(9,822)		--		--
CAPITAL EXPENDITURE AND FINANCIAL							
INVESTMENTS							
Payments to acquire tangible							
fixed assets.....		(193,679)		(884,612)		(209,481)	
Receipts from sale of tangible							
fixed assets.....		62,000		221,446		--	
		-----		-----		-----	
NET CASH OUTFLOW FROM CAPITAL							
EXPENDITURE.....			(131,679)		(663,166)		(209,481)
FINANCING							
Issue of ordinary share							
capital.....		--		600		--	
Bank loan advance.....		--		365,000		--	
Bank loan repayments.....		(29,093)		(3,042)		--	
		-----		-----		-----	
NET CASH (OUTFLOW)/INFLOW FROM							
FINANCING.....			(29,093)		362,558		--
INCREASE/(DECREASE) IN CASH.....	17		'L'128,777		'L'(262,399)		'L' --
			=====		=====		=====

The notes on pages 6 to 13 form part of these financial statements.



## 1. ACCOUNTING POLICIES

### BASIS OF PREPARATION OF ACCOUNTS

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

### TURNOVER

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

### TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Improvements to property.....	20% per annum straight line
Plant and equipment.....	15% per annum straight line
Purpose built equipment.....	15% per annum straight line
Fixtures and fittings.....	15% per annum straight line
Computer equipment.....	33% per annum straight line

The freehold property is maintained as a matter of company policy, by a continual repair programme, such that the residual value of the property is at least equal to its book value.

### STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

### FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Translation in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

### DEFERRED TAXATION

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.



CONTACT LENS TECHNOLOGIES LIMITED  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

2. OPERATING PROFIT

The operating profit is stated after charging:

	1997	1996	1995
	'L'	'L'	'L'
Depreciation of tangible fixed assets -- owned by the company.....	99,180	11,878	--
Directors' emoluments -- remuneration.....	35,000	15,000	--
Equipment hire.....	--	12,796	--
Auditors' remuneration.....	2,040	2,405	--
	=====	=====	=====

3. OTHER OPERATING INCOME

	1997	1996	1995
	'L'	'L'	'L'
Rent received.....	52,000	13,000	--
Hire of equipment.....	120,000	18,206	--
Technology licence.....	100,000	150,000	--
Optical Sciences Inc. settlement.....	65,195	--	--
Commission received.....	10,051	--	--
	'L' 347,245	'L' 181,206	'L' --
	=====	=====	=====

4. TAXATION

	1997	1996	1995
	'L'	'L'	'L'
UK current year taxation			
UK corporation tax at 33%.....	116,000	10,000	--
(1996 -- 25%).....		--	
Deferred.....	(25,750)	25,750	--
	90,250	35,750	--
Prior years			
Corporation Tax.....	20,227	--	--
	'L' 110,477	'L' 35,750	'L' --
	=====	=====	=====



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 1997

5. TANGIBLE FIXED ASSETS

	FREEHOLD PROPERTY	IMPROVEMENTS TO PROPERTY	PLANT AND EQUIPMENT
	'L'	'L'	'L'
<b>COST</b>			
At 1 April 1996.....	365,000	5,000	42,539
<b>DEPRECIATION</b>			
At 1 April 1996.....	--	249	4,753
Charge for year.....	--	996	6,384
	--	1,245	11,137
<b>NET BOOK VALUES</b>			
At 31 March 1996.....	'L'365,000	'L'4,751	'L'37,786
At 31 March 1997.....	'L'365,000	'L'3,755	'L'31,402

	PURPOSE BUILT EQUIPMENT	FIXTURES AND FITTINGS	COMPUTER EQUIPMENT	TOTALS
	'L'	'L'	'L'	'L'
<b>COST</b>				
At 1 April 1996.....	457,288	--	2,820	872,677
Additions.....	185,297	5,051	3,331	193,679
Disposals.....	(45,525)	--	--	(45,525)
	597,060	5,051	6,151	1,020,801
<b>DEPRECIATION</b>				
At 1 April 1996.....	6,492	--	384	11,878
Charge for year.....	89,640	420	1,740	99,180
	96,132	420	2,124	111,058
<b>NET BOOK VALUES</b>				
At 31 March 1996.....	'L'450,796	--	'L'2,436	'L'860,769
At 31 March 1997.....	'L'500,928	'L'4,631	'L'4,027	'L'909,743





CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 1997

6. STOCKS

	1997	1996
	----- 'L'	----- 'L'
Contact lenses.....	223,008	35,067
Packing and labels.....	14,290	9,156
	-----	-----
	'L' 237,298	'L' 44,223
	=====	=====

7. DEBTORS

	1997	1996
	----- 'L'	----- 'L'
Due within one year:		
Value added tax.....	--	153,541
Trade debtors.....	309,895	127,652
Other debtors.....	76,621	2,400
	-----	-----
	'L' 386,516	'L' 283,593
	=====	=====

There were no amounts falling due after more than one year.

8. CREDITORS

	AMOUNTS FALLING DUE WITHIN ONE YEAR		AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	
	1997	1996	1997	1996
	----- 'L'	----- 'L'	----- 'L'	----- 'L'
Bank loans and overdraft (secured).....	166,736	298,899	301,865	325,458
Corporation tax.....	136,405	10,000	--	--
Director's current account.....	73	148,857	--	--
Trade creditors.....	9,471	107,745	--	--
Accruals.....	139,601	27,937	--	--
Other taxes and social security.....	42,703	950	--	--
Other creditors.....	--	70,000	--	--
Due to related company.....	448,458	82,703	--	--
	-----	-----	-----	-----
	'L' 943,447	'L' 747,091	'L' 301,865	'L' 325,458
	=====	=====	=====	=====

The bank loan is repayable by equal monthly instalments over 10 years commencing February 1995 with 'L'149,735 being due after five years.

Of the creditors 'L'468,601 are secured.



9. DEFERRED TAXATION

	PROVIDED FOR		NOT PROVIDED FOR	
	1997	1996	1997	1996
	'L'	'L'	'L'	'L'
Depreciation of fixed assets.....	43,000	31,000	--	--
Accrued royalties and interest.....	(43,000)	(5,250)	--	--
	-----	-----	-----	-----
	'L' --	'L' 25,750	'L' --	'L' --
	=====	=====	=====	=====

10. CALLED UP SHARE CAPITAL

	1997	1996
	-----	-----
Authorised Ordinary shares of 'L'1 each.....	'L'5,000,000	'L'5,000,000
Ordinary shares of 'L'1 each.....	'L' 1,000	'L' 1,000
	=====	=====

11. PROFIT AND LOSS ACCOUNT

	1997	1996
	-----	-----
	'L'	'L'
Balance at 1 April 1996.....	89,286	--
Retained profit for the year.....	200,073	89,286
	-----	-----
Balance at 31 March 1997.....	'L' 289,359	'L' 89,286
	=====	=====

12. RECONCILIATION AND MOVEMENT IN SHAREHOLDERS FUNDS

	1997	1996
	-----	-----
	'L'	'L'
Profit for the year.....	200,073	89,286
New shares issued during the year.....	--	998
	-----	-----
New additions during the year.....	200,073	90,284
Shareholders funds at 1 April 1996.....	90,286	2
	-----	-----
Shareholders funds at 31 March 1997.....	'L' 290,359	'L' 90,286
	=====	=====



13. RELATED PARTY TRANSACTIONS

During the year the company acquired 'L'1,001,473 (1996: 'L'233,601) of contact lenses from Aspect Vision Care Limited. It also received rent of 'L'52,000 (1996: 'L'13,000) and equipment rentals of 'L'120,000 (1996: 'L'18,206). Aspect Vision Care Limited is controlled by common directors, G H and A D Galley, and of which B Bevis is also a director.

14. CONTROLLING PARTY

The directors as disclosed in the directors' report are the controlling party by virtue of their 95% holding in the equity share capital of the company on 31 March 1997.

15. POST BALANCE SHEET EVENTS

The financial statements take into consideration events occurring between 31 March 1997 and the date of their approval by the board of directors.

16. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1997	1996	1995
	'L'	'L'	'L'
Operating profit.....	361,341	138,381	--
Depreciation charges.....	99,180	11,878	--
Increase in stocks.....	(193,075)	(44,223)	--
Increase in debtors.....	(102,923)	(283,192)	--
Increase in creditors.....	207,670	219,731	209,481
	-----	-----	-----
Net cash inflow from operating activities.....	'L' 372,193	'L' 42,575	'L' 209,481

17. ANALYSIS OF CHANGES IN NET DEBT

	AT 31.3.95	CASH FLOWS	OTHER CHARGES	AT 31.3.96	CASH FLOWS	OTHER CHARGES	AT 31.3.97
	'L'	'L'	'L'	'L'	'L'	'L'	'L'
Cash in hand and at bank	--	--	--	--	2,114	--	2,114
Bank overdraft	--	(262,399)	--	(262,399)	126,663	--	(135,736)
	-----	-----	-----	-----	-----	-----	-----
Bank loans	--	(262,399)	--	(262,399)	128,777	--	(133,622)
	--	3,042	(365,000)	(361,958)	29,093	--	(332,865)
	-----	-----	-----	-----	-----	-----	-----
TOTAL	'L' --	'L' (259,357)	'L' (365,000)	'L' (624,357)	'L' 157,870	'L' --	'L' (466,487)



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

18. RECONCILIATION OF NET CASH FLOWS TO MOVEMENT IN NET DEBT

	1997		1996		1995	
	'L'	'L'	'L'	'L'	'L'	'L'
Increase/(decrease) in cash in the period.....	128,777		(262,399)		--	
Cash outflow from repayment of bank loans.....	29,093		3,042		--	
	-----		-----		-----	
New bank loan.....		157,870		(259,357)		--
		--		(365,000)		--
		-----		-----		-----
Movement in net debt in the year.....		157,870		(624,357)		--
Net debt at 1 April 1996.....		(624,357)		--		--
		-----		-----		-----
Net debt at 31 March 1997.....		'L'(466,487)		'L'(624,357)		'L'--
		=====		=====		=====

19a. SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN UK AND US GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The Company's financial statements are prepared in accordance with generally accepted accounting principles applicable in the United Kingdom (UK GAAP), which differ in certain significant respects from those applicable in the United States (US GAAP). The following are the main differences which are relevant to the Company's financial statements.

CAPITALISATION OF INTEREST

Interest incurred as part of the cost of constructing fixed assets is capitalised and amortised over the life of the asset under UK GAAP. In accordance with common UK practice, the company does not capitalise such interest in its financial statements.

FREEHOLD PROPERTY DEPRECIATION

Under certain circumstances UK GAAP does not require freehold properties to be depreciated. US GAAP requires that freehold properties must be depreciated over their useful economic lives.

DEFERRED TAXATION

Under UK GAAP deferred taxes are accounted for to the extent that it is considered probable that a liability or asset will crystallise in the foreseeable future. Under US GAAP, deferred taxes are accounted for on all timing differences and a valuation allowance is established in respect of those deferred tax assets where it is more likely than not that some portion will remain unrealised.





b. ADJUSTMENT TO UK PROFITS AND SHAREHOLDERS EQUITY FOR US GAAP

Approximate effect on profit after taxation of significant differences between UK GAAP and US GAAP

	31 MARCH, 1997 ---	31 MARCH 1996 ---	31 MARCH 1995 ---
	'L'	'L'	'L'
Profit after taxation under UK GAAP.....	200,073	89,286	--
US GAAP adjustments:			
Capitalisation of interest.....	--	13,345	--
Depreciation on interest capitalised.....	(2,002)	--	--
Freehold property depreciation.....	(9,125)	(1,521)	--
Tax effect on the foregoing adjustments.....	661	(4,404)	--
Deferred tax.....	(3,047)	(2,759)	--
	-----	-----	-----
Profit after tax under US GAAP.....	'L'186,560	'L'93,947	'L'--
	=====	=====	=====

Approximate effect on profit after taxation of significant differences between UK GAAP and US GAAP.

	31 MARCH 1997 ---	31 MARCH 1996 ---
	'L'	'L'
Shareholders' equity under UK GAAP.....	290,359	90,286
US GAAP adjustments:		
Capitalisation of interest.....	13,345	13,345
Depreciation on interest capitalised.....	(2,002)	--
Freehold property depreciation.....	(10,646)	(1,521)
Tax effect on the foregoing adjustments.....	(3,743)	(4,404)
Deferred tax.....	(5,806)	(2,759)
	-----	-----
Shareholders' equity under US GAAP.....	'L'281,507	'L'94,947
	=====	=====

c. BASIS OF PREPARATION OF CASH FLOW STATEMENT

The company's cash flow statement is prepared in accordance with UK Financial Reporting Standard No 1 (Revised) 'Cash Flow Statements' (FRS 1-Revised), the objectives and principles of which are similar to those set out in Statement of Financial Accounting Standards 95, 'Statement of Cash Flows' (SFAS 95) under US GAAP. The principal differences between FRS 1 (Revised) and SFAS 95 relate to classification. Under FRS 1 (Revised), the company presents its cash flows for (a) operating activities; (b) returns on investment and servicing of finance; (c) taxation; (d) capital expenditure and financial investment; and (e) financing activities. SFAS 95 requires only three categories of cash flow activity (a) operating; (b) investing; and (c) financing.

Cash flows from taxation and returns on investment and servicing of finance under FRS 1 (Revised) would be included as operating activities under SFAS 95. Under FRS 1 (Revised) cash includes only cash in hand plus deposits repayable on demand, less overdrafts repayable on demand. Under SFAS 95 cash and cash equivalents include all highly liquid short term investments with original maturities of three months or less.



NEW FOCUS HEALTH CARE LIMITED

REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 1997

DIRECTORS

A D Galley  
I R Bussey  
G Fryling

SECRETARY

I R Bussey

COMPANY NUMBER 01847802

REGISTERED OFFICE

Unit 2, South Point, Hamble, Southampton, Hampshire, S031 4RF

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NEW FOCUS HEALTH CARE LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 1997.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The group's principal activities and those of its trading subsidiaries continues to be those of manufacturers and wholesalers of contact lenses. The directors are satisfied with the results of the group for the year and expect further growth and increasing profits in the coming year.

The performance of the three trading subsidiaries, Aspect Vision Care Limited, Aspect Speciality Limited and Aspect Vision Italia SRL is also considered satisfactory with all three operating profitably during the year. Aspect Speciality Limited has since the year end transferred its trade to Aspect Vision Care Limited and ceased trading.

On 3 December 1997 CooperVision Inc. took over New Focus Health Care Limited.

RESULTS AND DIVIDENDS

The consolidated profit for the year, after taxation and minority interest, amounted to 'L'2,120,139. The directors recommend that no dividend be paid and that the balance be carried forward.

FIXED ASSETS

The movement in fixed assets during the year are set out in notes 10 and 11 to the financial statements. In addition the Aspect Vision Care Limited purchased a freehold property for 'L'783,350 on 2 June 1997.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	Number of Shares	
	1997	1996
G H Galley (resigned 2 December 1997)	241,303	241,303
W T Brooker (resigned 2 December 1997)	241,303	241,303
A D Galley	241,302	241,302

In addition I R Bussey and G Fryling were appointed directors of the company on 2 December 1997.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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 are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EMPLOYEES

The group is committed to communication with employees throughout the group by its system of keeping employees informed of developments and progress through briefings by management and widely distributed news and information bulletins.

The group's aim is to meet the obligations of the code of good practice on the employment of disabled people. Full and fair consideration is given to disabled applicants for employment and training, and career development is encouraged on the basis of their aptitude and abilities.

POLICY ON PAYMENT OF CREDITORS

It is group policy not to follow a particular code but, in respect of all of its suppliers to settle the terms of payment when agreeing each transaction; to ensure that suppliers are made aware of the terms of payment; and to abide by those terms.

TAXATION STATUS OF THE COMPANY

The company is a close company within the provisions of Section 414, Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, Leonard Gold Chartered Accountants, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

Signed by order of the board of directors,

/s/ I R BUSSEY

-----  
I R BUSSEY  
SECRETARY

10 FEBRUARY 1998





INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS AND SHAREHOLDERS

NEW FOCUS HEALTH CARE LIMITED

-----

We have audited the financial statements of New Focus Health Care Limited and subsidiaries. These consolidated financial statements are the responsibility of New Focus Health Care Limited's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United Kingdom, which are substantially consistent with those of the United States. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.

In our opinion the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New Focus Health Care Limited at 31 March 1997 and 1996, and the results of their operations and their cash flows for each of the years in the three-year period ended 31 March 1997, in conformity with generally accepted accounting principles in the United Kingdom.

Generally accepted accounting principles in the United Kingdom vary in certain significant respects from generally accepted accounting principles in the United States. Application of generally accepted accounting principles in the United States would have affected results of operations for each of the years in the three year period ended 31 March 1997 and shareholders' equity as at 31 March 1997 and 1996, to the extent summarised in note 29 to the consolidated financial statements.

/s/ LEONARD GOLD

Leonard Gold Chartered Accountants  
Registered Auditors  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

10 FEBRUARY 1998



## NEW FOCUS HEALTH CARE LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1997

	Notes	1997	1996	1995
		'L'	'L'	'L'
TURNOVER	2	16,929,483	10,533,835	6,257,844
COST OF SALES		(7,525,409)	(5,910,462)	(3,384,325)
GROSS PROFIT		9,404,074	4,623,373	2,873,519
DISTRIBUTION COSTS		(689,844)	(561,201)	(332,617)
ADMINISTRATIVE EXPENSES		(5,667,807)	(4,301,036)	(2,183,442)
		3,046,423	(238,864)	357,460
OTHER OPERATING INCOME	4	154,378	99,636	35,382
OPERATING PROFIT/(LOSS)		3,200,801	(139,228)	392,842
EXCEPTIONAL ITEM	7	2,176,229	755,733	-
INTEREST RECEIVABLE		994	8,270	1,835
INTEREST PAYABLE	5	(428,092)	(307,572)	(109,700)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		4,949,932	317,203	284,977
TAX ON PROFIT ON ORDINARY ACTIVITIES	8	(1,703,398)	(182,841)	(97,024)
PROFIT FOR THE FINANCIAL YEAR		3,246,534	134,362	187,953
MINORITY INTEREST		(1,126,395)	(165,065)	(42,094)
RETAINED PROFIT/(LOSS) FOR THE YEAR	17	'L'2,120,139 =====	'L'(30,703) =====	'L'145,859 =====

The results in the profit and loss account relate to continuing operations.

There were no recognised gains or losses other than those included in the profit and loss account.

The notes on pages 8 to 21 form part of these financial statements.



## NEW FOCUS HEALTH CARE LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 1997

	Notes	1997	1996
	-----	-----	-----
		'L'	'L'
FIXED ASSETS			
Tangible Assets	10	4,043,222	1,693,840
CURRENT ASSETS			
Stocks	12	3,701,011	1,546,883
Debtors	13	6,415,593	3,713,260
Cash at Bank and In Hand		476,584	173,798
		-----	-----
		10,593,188	5,433,941
CREDITORS:			
Amounts falling due within one year	14	(9,177,340)	(5,327,241)
		-----	-----
NET CURRENT ASSETS		1,415,848	106,700
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES			
		5,459,070	1,800,540
CREDITORS:			
Amounts falling due after more than one year	14	(1,456,018)	(994,987)
		-----	-----
NET ASSETS		'L'4,003,052	'L'805,553
		=====	=====
CAPITAL AND RESERVES			
Called up Share Capital	15	7,239	7,239
Share Premium Account	16	317,761	317,761
Profit and Loss Account	17	2,350,851	230,712
		-----	-----
Shareholders' Funds	18	2,675,851	555,712
Minority Interest		1,327,201	249,841
		-----	-----
		'L'4,003,052	'L'805,553
		=====	=====

APPROVED BY THE BOARD ON 10 FEBRUARY 1998

/s/ A D GALLEY

A D GALLEY -- DIRECTOR

/s/ I R BUSSEY

I R BUSSEY -- DIRECTOR

The notes on pages 8 to 21 form part of these financial statements.



NEW FOCUS HEALTH CARE LIMITED

COMPANY BALANCE SHEET AS AT 31 MARCH 1997

	Notes	1997	1996
		'L'	'L'
<b>FIXED ASSETS</b>			
Investments	11	1,118,556	1,118,556
<b>CURRENT ASSETS</b>			
Debtors	13	284,059	286,176
<b>CREDITORS:</b>			
Amounts falling due within one year	14	(1,450)	(41,710)
<b>NET CURRENT ASSETS</b>		282,609	244,466
<b>NET ASSETS</b>		'L'1,401,165	'L'1,363,022
<b>CAPITAL AND RESERVES</b>			
Called up Share Capital	15	7,239	7,239
Share Premium	16	317,761	317,761
Profit and Loss Account	17	1,076,165	1,038,022
<b>Shareholders' Funds</b>	18	'L'1,401,165	'L'1,363,022

APPROVED BY THE BOARD ON 10 FEBRUARY 1998

/s/ A D GALLEY

A D GALLEY -- DIRECTOR

/s/ I R BUSSEY

I R BUSSEY -- DIRECTOR

The notes on pages 8 to 21 form part of these financial statements.





## NEW FOCUS HEALTH CARE LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 1997

	Notes	1997	1996	1995
	-----	-----	-----	-----
		'L'	'L'	'L'
NET CASH INFLOW FROM OPERATING ACTIVITIES	26	2,481,228	1,469,815	490,159
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest Received		994	8,270	1,835
Interest Paid		(202,969)	(165,787)	(88,817)
Interest Element of Finance Lease Rental Payments		(73,489)	(29,794)	(20,883)
		-----	-----	-----
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(275,464)	(187,311)	(107,865)
TAXATION				
Corporation Tax Paid		(107,864)	(98,987)	(5,108)
ACT Received		412	-	-
		-----	-----	-----
TAX PAID		(107,452)	(98,987)	(5,108)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
Payment/(Receipts) to Acquire Minority Interest		(49,035)	74,093	-
Payments to acquire Tangible Fixed Assets		(2,438,726)	(803,165)	(657,541)
Receipts from Sales of Tangible Fixed Assets		37,318	71,390	14,750
Purchase of Subsidiary Fixed Assets		-	(36,976)	-
		-----	-----	-----
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(2,450,443)	(694,658)	(642,791)
FINANCING				
Bank Loan Advance		665,000	-	500,000
Bank Loan Repayment		(116,495)	(76,786)	(10,180)
Finance Lease and Hire Purchase Repayment		(345,621)	(187,499)	(158,908)
		-----	-----	-----
NET CASH INFLOW/(OUTFLOW) FROM FINANCING		202,884	(264,285)	330,912
		-----	-----	-----
(DECREASE)/INCREASE IN CASH	27	'L'(149,247)	'L'224,574	'L'65,307
		=====	=====	=====

The notes on pages 8 to 21 form part of these financial statements.



1. ACCOUNTING POLICIES

BASIS OF PREPARATION OF ACCOUNTS

The financial statements are prepared in accordance with applicable accounting standards, and incorporate the results of the principal activities which are described in the directors' report and which are continuing. There have been no changes in accounting policies during the year.

CONSOLIDATION

The consolidated financial statements include the results of New Focus Health Care Limited and its subsidiary undertakings drawn up to 31 March 1997. No profit and loss account for the company has been presented for New Focus Health Care Limited as permitted by Section 230 of the Companies Act 1985.

TURNOVER

Turnover comprises the invoiced value of goods and services sold exclusive of Value Added Tax.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short Leasehold Properties	- over the term of the lease
Plant, Equipment and Fittings	- 3-7 years
Motor Vehicles	- 4 years

The freehold property is maintained as a matter of company policy, by a continual repair programme, such that the residual value of the property is at least equal to its book value.

Goodwill on Consolidation

The excess of the cost of acquisition over the fair value of the underlying net assets is written off to profit and loss account in the year in which it arises.

Stocks

Stocks are valued at the lower of cost, based on normal levels of activity, and net realisable value, (inclusive of a proportion of appropriate overheads).



## 1. ACCOUNTING POLICIES (CONTINUED)

## DEFERRED TAXATION

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

## RESEARCH AND DEVELOPMENT

Expenditure on research and development is written off against profits in the period in which it is incurred.

## FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transactions. Exchange differences are taken into account in arriving at the operating results.

The profit and loss accounts of overseas operations are translated into sterling at the average rate. The balance sheet of the overseas operation is translated into sterling at the closing rate.

Exchange differences arising from the translation of the results of overseas operations are recorded in the profit and loss account.

## LEASING AND HIRE PURCHASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

## PENSION SCHEME

The group operates group personal pension schemes for the benefit of the employees, and the pension charge represents the amounts payable by the group to the schemes in respect of the year.

## 2. TURNOVER BY GEOGRAPHICAL REGION

	1997	1996	1995
	---	---	---
	'L'	'L'	'L'
United Kingdom	9,066,178	6,080,426	3,837,984
Europe	5,979,053	3,708,049	2,238,520
Rest of the World	1,884,252	745,360	181,340
	-----	-----	-----
	'L'16,929,483	'L'10,533,835	'L'6,257,844
	=====	=====	=====



## 3. OPERATING PROFIT

The operating profit/(loss) is stated after charging:

	1997	1996	1995
	----	----	----
	'L'	'L'	'L'
Goodwill written off	210,965	658,741	--
Depreciation of tangible fixed assets			
- owned by the company	405,359	200,217	103,181
- under hire purchase and finance lease contracts	255,134	131,551	75,579
- Loss/(Profit) on disposal of fixed assets	3,427	(14,730)	(3,985)
Hire of Equipment	59,400	50,569	31,309
Other Operating Lease Rentals	142,687	156,218	99,052
Auditors' remuneration	39,679	41,389	13,682
	=====	=====	=====

## 4. OTHER OPERATING INCOME

	1997	1996	1995
	----	----	----
	'L'	'L'	'L'
Sale of Business	6,800	2,109	--
Commission	144,703	81,390	35,382
Postage and Freight	2,875	--	--
Royalties	--	16,000	--
Sundry Receipts	--	137	--
	-----	-----	-----
	'L'154,378	'L'99,636	'L'35,382
	=====	=====	=====

## 5. INTEREST PAYABLE

	1997	1996	1995
	----	----	----
	'L'	'L'	'L'
On Bank Loans, Overdrafts and Other Loans			
- - repayable within five years, by instalments	(8,922)	3,447	-
- - repayable within five years, not by instalments	301,130	218,721	74,655
- - repayable wholly or partly in more than five years	66,256	56,705	14,162
- - on hire purchase and finance lease charges	69,628	28,699	20,883
	-----	-----	-----
	'L'428,092	'L'307,572	'L'109,700
	=====	=====	=====





## 6. STAFF COSTS

	1997	1996	1995
	---	---	---
	'L'	'L'	'L'
The average weekly number of employees, including directors, during the year was:			
Manufacturing	344	199	98
Sales	73	54	41
Directors	5	5	5
	-----	-----	-----
	422	258	144
	=====	=====	=====
STAFF COSTS (FOR THE ABOVE PERSONS):			
Directors' Remuneration	194,120	198,086	140,076
Directors' Benefits in Kind	28,415	29,141	22,416
Directors' Social Security Costs	19,830	19,023	14,288
Directors' Pension Contributions	16,229	13,044	8,441
Other Wages and Salaries (including social security costs)	6,797,548	3,927,409	1,857,282
Other Pension Costs	107,344	68,347	32,998
	-----	-----	-----
	'L'7,163,486	'L'4,255,050	'L'2,075,501
	=====	=====	=====

Of the above directors' remuneration 'L'182,120 (1996: 'L'186,086 and 1995: 'L'80,076) was paid by a subsidiary undertaking.

	1997	1996	1995
	---	---	---
	'L'	'L'	'L'
Directors' Emoluments			
Aggregate Emoluments	222,099	227,227	162,492
Company Pension Contributions to Money Purchase Schemes	16,229	13,044	8,441
	-----	-----	-----
	'L'238,328	'L'240,271	'L'170,933
	=====	=====	=====

	Number	Number	Number
	-----	-----	-----
Number of Directors who are members of a Money Purchase Scheme	3	3	1
	=====	=====	=====

	1997	1996	1995
	---	---	---
	'L'	'L'	'L'
Emoluments of Highest Paid Director			
- - Aggregate Emoluments	81,639	79,429	70,943
- - Company Pension Contributions to Money Purchase Scheme	6,120	7,434	--
	=====	=====	=====



## 7. EXCEPTIONAL ITEMS

	1997	1996	1995
	----	----	----
Settlement of Trade Dispute	<u>'L'2,125,406</u>	<u>'L'755,733</u>	<u>'L' -</u>

## 8. TAXATION

	1997	1996	1995
	----	----	----
	'L'	'L'	'L'
UK CURRENT YEAR TAXATION			
UK CORPORATION TAX AT 33% DEFERRED	1,900,800 (201,000)	534,266 (353,000)	97,000 --
	<u>1,699,800</u>	<u>181,266</u>	<u>97,000</u>
PRIOR YEARS			
Corporation Tax	3,598	1,575	24
	<u>'L'1,703,398</u>	<u>'L'182,841</u>	<u>'L'97,024</u>

## 9. PROFIT ATTRIBUTABLE TO THE MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company amounted to 'L'38,143 (1996: 'L'311,048 profit and 1995: 'L'71,298 loss).

## 10. TANGIBLE FIXED ASSETS - GROUP

	Freehold Property	Short Leasehold Property	Plant, Equipment & Fittings	Motor Vehicles	Totals
	-----	-----	-----	-----	-----
	'L'	'L'	'L'	'L'	'L'
COST					
At 1 April 1996	--	309,761	2,121,391	341,431	2,772,583
Additions	950,000	317,450	1,766,180	19,990	3,053,620
Disposals	--	--	(547,865)	(36,375)	(584,240)
	<u>950,000</u>	<u>627,211</u>	<u>3,339,706</u>	<u>325,046</u>	<u>5,241,963</u>
DEPRECIATION					
At 1 April 1996	--	55,341	907,183	116,219	1,078,743
Charge for Year	--	80,519	493,783	86,197	660,493
Disposals	--	--	(522,197)	(18,298)	(540,495)
	<u>--</u>	<u>135,854</u>	<u>878,769</u>	<u>184,118</u>	<u>1,198,741</u>
NET BOOK VALUES					
At 31 March 1997	<u>'L'950,000</u>	<u>'L'491,357</u>	<u>'L'2,460,937</u>	<u>'L'140,928</u>	<u>'L'4,043,222</u>
At 31 March 1996	<u>--</u>	<u>'L'254,420</u>	<u>'L'1,214,208</u>	<u>'L'225,212</u>	<u>'L'1,693,840</u>

The net book value of tangible fixed assets include an amount of 'L'820,618 (1996: 'L'471,331) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged on these assets during the period amounted to 'L'255,134 (1996: 'L'131,551).

At the balance sheet date the group had capital commitments amounting to 'L'264,733 (1996: 'L'505,934) in respect of contracts approved by

the board and contracted for.



## 10. TANGIBLE FIXED ASSETS - GROUP (CONTINUED)

Included within fixed assets are fully depreciated assets with cost as follows:-

	1997	1996
	-----	-----
	'L'	'L'
Plant, Equipment and Fittings	89,623	562,687
Motor Vehicles	35,000	-
	-----	-----
	'L'124,623	'L'562,687
	=====	=====

## 11. INVESTMENTS - COMPANY

Investments in Subsidiary Undertakings:

	1997	1996
	-----	-----
	'L'	'L'
Cost at 1 April 1997	1,118,556	1,118,556
Provisions as at 1 April 1996	-	(577,735)
	-----	-----
Movement on Provisions	1,118,556	540,821
	-	577,735
	-----	-----
Cost at 31 March 1997	'L'1,118,556	'L'1,118,556
	=====	=====

Name	Holding %	Country of Incorporation	Country of Registration
-----	-----	-----	-----
Aspect Vision Care Limited - Contact lens manufacture and distribution	65.8%	England	Great Britain
Aspect Vision Italia SRL - Contact lens distribution	70%	Italy	Italy
Aspect Speciality Limited - Contact lens distribution	75.5%	England	Great Britain
Focus Solutions Limited			
- Dormant	100%	England	Great Britain
Aspect Contact Lenses Limited			
- Dormant	100%	England	Great Britain
Averlan Company Limited			
- Dormant	100%	England	Great Britain

## 12. STOCKS - GROUP

	1997	1996
	-----	-----
	'L'	'L'
Lenses	2,836,727	1,223,734
Materials	256,771	96,333
Packaging and Labels	164,576	99,037
Moulds	353,058	80,978
Work in Progress	86,879	46,801
Plant Stock	3,000	-
	-----	-----
	'L'3,701,011	'L'1,546,883
	=====	=====







## 13. DEBTORS - GROUP

	1997	1996
	----- 'L'	----- 'L'
Trade Debtors	3,502,689	2,473,120
Amounts due from Related Company	448,458	82,703
Prepayments	180,515	318,576
Other Debtors	1,729,931	273,436
Deferred Taxation (Note 19)	554,000	353,000
	----- 'L'6,415,593	----- 'L'3,500,835
	=====	=====

There were no amounts falling due after more than one year.

## DEBTORS - COMPANY

	1997	1996
	----- 'L'	----- 'L'
Due within one year:		
Dividend Receivable	-	286,176
Amounts Due from Group Undertakings	284,059	-
	----- 'L'284,059	----- 'L'286,176
	=====	=====

There were no amounts falling due after more than one year.

## 14. CREDITORS - GROUP

	Amounts falling due within one year		Amounts falling due after more than one year	
	1997	1996	1997	1996
	----- 'L'	----- 'L'	----- 'L'	----- 'L'
Bank Loan and Overdraft	917,510	423,625	797,527	290,874
Net obligations Under Finance Leases & Hire Purchase				
Contracts	275,079	197,512	289,546	97,840
Corporation Tax	2,330,800	534,266	--	--
Directors' Loan and Current Accounts	75,442	88,397	--	--
Factoring Creditor	755,617	398,065	--	--
Trade Creditors	1,743,644	1,815,831	--	--
Accruals	2,296,903	1,393,593	--	--
Other Taxes & Social Security	431,822	190,224	--	--
Other Creditors	205,523	128,376	368,945	170,300
Patent Holders Loan	--	--	--	435,973
Pension Loan	145,000	157,352	--	--
	----- 'L'9,177,340	----- 'L'5,327,241	----- 'L'1,456,018	----- 'L'994,987
	=====	=====	=====	=====



## 14. CREDITORS - GROUP (CONTINUED)

The bank loan, overdrafts and directors' loan are secured by fixed and floating charges over the assets of the company.

The factoring account is secured by a floating charge over the company's sales ledger.

The finance leases and hire purchase contracts are all repayable within five years and are secured on the assets concerned. Bank loan repayments totalling 'L'381,284 are due after five years. The bank loans of 'L'639,905 and 'L'321,634 are repayable by instalments of 'L'8,130.64 and 'L'10,180 respectively to achieve repayment by September 2006 and February 2000.

Of the creditors 'L'3,035,279 (1996: 'L'1,407,916) are secured.

## CREDITORS - COMPANY

	Amounts falling due within one year -----	
	1997 ----- 'L'	1996 ----- 'L'
Accruals and Deferred Income	1,450	2,668
Amounts Due to Group Companies	-	39,042
	----- 'L'1,450	----- 'L'41,710
	=====	=====

There were no amounts falling due after more than one year.

## 15. CALLED UP SHARE CAPITAL

	1997 -----		1996 -----	
	Authorised ----- 'L'	Issued and Fully Paid ----- 'L'	Authorised ----- 'L'	Issued and Fully Paid ----- 'L'
Ordinary Shares of 'L'0.01	500,000	7,239	500,000	7,239
Convertible Redeemable Preferred Ordinary Shares of 'L'0.01	900,000	--	900,000	--
Preferred Ordinary Shares of 'L'0.01	1,600,000	--	1,600,000	--
	----- 'L'3,000,000	----- 'L'7,239	----- 'L'3,000,000	----- 'L'7,239
	=====	=====	=====	=====

## 16. SHARE PREMIUM ACCOUNT

There was no movement in the share premium account during the year.



## 17. PROFIT AND LOSS ACCOUNT

	Group ----- 'L'	Company ----- 'L'
Balance at 1 April 1996	230,712	1,038,022
Retained Profit For The Year	2,120,139	38,143
Balance at 31 March 1997	'L'2,350,851 =====	'L'1,076,165 =====

## 18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

There was no movement in the shareholders' funds during the year except for the profit as set out in note 17.

## 19. DEFERRED TAX - GROUP

	Unprovided -----		Provided -----	
	1997 ----- 'L'	1996 ----- 'L'	1997 ----- 'L'	1996 ----- 'L'
Accelerated Capital Allowance	-	27,000	50,000	3,000
Finance Lease Payments	-	35,000	54,000	-
Short Term Timing Difference	-	-	(658,000)	(356,000)
	'L' - =====	'L'62,000 =====	'L' (554,000) =====	'L' (353,000) =====

## 20. OPERATING LEASES - GROUP

At 31 March 1997 the group had the following commitments under non-cancellable operating leases as follows:-

	1997 -----		1996 -----	
	Land and Building ----- 'L'	Other ----- 'L'	Land and Building ----- 'L'	Other ----- 'L'
Expiry Date:				
Within one year	43,500	53,015	6,000	-
Between two and five years	40,800	200,879	135,500	83,058
After more than five years	30,000	-	30,000	-
	=====	=====	=====	=====

## 21. CONTROLLING PARTY

The directors of the company, as disclosed in the Directors' Report, are the controlling party of New Focus Health Care Limited by virtue of their 100% holding in the equity share capital of the company on 31 March 1997.



## 22. RELATED PARTY TRANSACTIONS - GROUP

The group had the following transactions with Contact Lens Technologies Limited, a company of which G H Galley, A D Galley and B Bevis (directors of Aspect Vision Care Limited) are directors.

	1997	1996
	-----	-----
	'L'	'L'
Sale of Contact Lenses	1,001,473	233,601
Rent of Property	52,000	13,000
Rent of Equipment	120,000	18,206
	=====	=====

In addition the company's directors own the patent rights along with B Bevis, I Atkinson and A Morland to the company's manufacturing process. Royalties of 10p per finished lens and 7p per finished mould are charged by the patent holders for their rights.

## 23. CONTINGENT LIABILITIES - GROUP

Guarantees for deferred duty totalling 'L'60,000 have been given to H M Customs & Excise.

## CONTINGENT LIABILITIES - COMPANY

The company has provided unlimited guarantees in respect of bank borrowings of certain subsidiary undertakings. At 31 March 1997 this liability amounted to 'L'1,375,624 (1996: 'L'615,245).

## 24. PENSION COMMITMENTS - GROUP

The group administers group personal pension schemes for its employees. The assets of the schemes are held separately from those of the group in independently administered funds.

## 25. POST BALANCE SHEET EVENTS

The financial statements take into consideration events occurring between 31 March 1997 and the date of their approval by the board of directors. A subsidiary undertaking purchased the freehold of the Thermo King premises in Hamble for 'L'783,350 on 2 June 1997.





## 26. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1997 ----- 'L'	1996 ----- 'L'	1995 ----- 'L'
Operating Profit/(Loss)	3,200,801	(139,228)	392,842
Depreciation Charge	660,493	331,768	178,760
Loss/(Profit) on Disposal of Tangible Fixed Assets	3,427	(14,730)	(3,985)
Exceptional Item - Settlement of Trade Dispute	2,176,229	755,733	--
(Increase)/Decrease in Stocks	(2,151,128)	127,585	(792,477)
Increase in Debtors	(2,501,745)	(1,411,818)	(232,803)
Increase in Creditors	1,093,151	1,820,505	947,822
	-----	-----	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES	'L' 2,481,228 =====	'L' 1,469,815 =====	'L' 490,159 =====

## 27. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.94 ----- 'L'	Cash Flows 'L'	Other Changes ----- 'L'	At 31.3.95 ----- 'L'	Cash Flows 'L'	Other Changes 'L'	At 31.3.96 ----- 'L'	Cash Flows 'L'
Cash in Hand and at Bank	87	1,227	-	1,314	172,484	-	173,798	302,786
Bank Overdraft	(417,635)	64,080	-	(353,555)	52,090	-	(301,465)	(452,033)
		-----			-----			-----
Bank Loans Hire Purchase and Finance Lease	-	65,307 10,180	(500,000)	(489,820)	224,574 76,786	-	(413,034)	(149,247) 116,495
	(28,950)	158,908	(480,590)	(350,632)	187,499	(132,219)	(295,352)	345,621
TOTAL	'L' (446,498) =====	'L' 234,395 =====	'L' (980,590) =====	'L' (1,192,693) =====	'L' 488,859 =====	'L' (132,219) =====	'L' (836,053) =====	'L' 312,869 =====

	Other Changes ----- 'L'	At 31.3.97 ----- 'L'
Cash in Hand and at Bank	-	476,564
Bank Overdraft	-	(753,498)
Bank Loans Hire Purchase and Finance Lease	(665,000)	(961,539)
	(614,894)	(564,625)
TOTAL	'L' (1,279,894) =====	'L' (1,803,078) =====



## 28. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 27)

	1997		1996		1995	
	'L'	'L'	'L'	'L'	'L'	'L'
(Decrease) Increase in cash in the Period	(149,247)		224,574		65,307	
Cash Outflow from Repayment of Bank Loans	116,495		76,786		10,180	
Cash Outflow from Repayment of Hire Purchase and Finance Leases	345,621		187,499		158,908	
		312,869		488,859		234,395
New Bank Loan	(65,000)		--		(500,000)	
New Hire Purchase and Finance Leases	(614,894)		(132,219)		(480,590)	
		(1,279,894)		(132,219)		(980,590)
Movement in Net Debt in the Year		(967,025)		356,640		(746,195)
Net Debt at 1 April 1996		(836,053)		(1,192,693)		(446,498)
Net Debt at 31 March 1997	'L'	<u>(1,803,078)</u>	'L'	<u>(836,053)</u>	'L'	<u>(1,192,693)</u>



29A. SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN UK AND US GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

The Group's financial statements are prepared in accordance with generally accepted accounting principles applicable in the United Kingdom (UK GAAP), which differ in certain significant respects from those applicable in the United States (US GAAP). The following are the main differences which are relevant to the Company's financial statements.

Goodwill

Under US GAAP goodwill arising on acquisitions accounted for under the purchase method is capitalised and amortized over its estimated useful life. Goodwill is amortized using the straight line method over periods up to 40 years. Under UK GAAP goodwill, the excess cost of acquisition over the fair value of the underlying net assets, may be written off to the profit and loss account in the year in which it arises.

DEFERRED TAXATION

Under UK GAAP deferred taxes are accounted for to the extent that it is considered probable that a liability or asset will crystallise in the foreseeable future. Under US GAAP, deferred taxes are accounted for on all timing differences and a valuation allowance is established in respect of those deferred tax assets where it is more likely than not that some portion will remain unrealised.

b. ADJUSTMENT TO UK PROFITS AND SHAREHOLDERS EQUITY FOR US GAAP

Approximate effect on profit after taxation of significant differences between UK GAAP and US GAAP:

	31 March 1997	31 March 1996	31 March 1995
	'L'	'L'	'L'
Profit/(Loss) after taxation under UK GAAP	2,120,139	(30,703)	145,859
US GAAP adjustments:			
Capitalisation of goodwill	210,965	658,741	--
Amortisation of goodwill	(65,874)	(34,922)	--
Deferred tax	35,000	(101,000)	(11,000)
Minority Interest on the foregoing adjustments	(61,491)	(178,629)	3,758
Profit after tax under US GAAP	'L'2,238,739 =====	'L'313,487 =====	'L'138,617 =====



Approximate cumulative effect on shareholders' equity of significant differences between UK GAAP and US GAAP:

	31 March 1997 ----- 'L'	31 March 1996 ----- 'L'
Shareholders' equity under UK GAAP	2,675,851	555,712
US GAAP adjustments:		
Capitalisation of goodwill	869,706	658,741
Amortisation of goodwill	(100,796)	(34,922)
Deferred tax	(10,000)	(45,000)
Minority Interest on the foregoing adjustments	(259,254)	(197,763)
	-----	-----
Shareholders' equity under US GAAP	'L'3,175,507 =====	'L'936,768 =====

c. BASIS OF PREPARATION OF CASH FLOW STATEMENT

The group's statement of cash flows is prepared in accordance with UK Financial Reporting Standard No 1 (Revised) "Cash Flow Statements" (FRS 1-Revised), the objectives and principles of which are similar to those set out in Statement of Financial Accounting Standards 95, "Statement of Cash Flows" (SFAS 95) under US GAAP. The principal differences between FRS 1 (Revised) and SFAS 95 relate to classification. Under FRS 1 (Revised), the company presents its cash flows for (a) operating activities; (b) returns on investment and servicing of finance; (c) taxation; (d) capital expenditure and financial investment; and (e) financing activities. SFAS 95 requires only three categories of cash flow activity (a) operating; (b) investing; and (c) financing.

Cash flows from taxation and returns on investment and servicing of finance under FRS 1 (Revised) would be included as operating activities under SFAS 95. Under FRS 1 (Revised) cash includes only cash in hand plus deposits repayable on demand, less overdrafts repayable on demand. Under SFAS 95 cash and cash equivalents include all highly liquid short term investments with original maturities of three months or less. In addition, under SFAS 95 changes in minority interests would be presented as a cash flow from operating activities.





REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997  
FOR  
CONTACT LENS TECHNOLOGIES LIMITED



CONTACT LENS TECHNOLOGIES LIMITED

INDEX TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

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CONTACT LENS TECHNOLOGIES LIMITED  
COMPANY INFORMATION  
FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

DIRECTORS: A Galley  
G Fryling  
I R Bussey

SECRETARY: I R Bussey

REGISTERED OFFICE: Unit 2  
South Point  
Hamble  
Southampton  
Hampshire  
SO31 4RF

REGISTERED NUMBER: 02908056 (England and Wales)

AUDITORS: Leonard Gold Chartered Accountants  
Registered Auditors  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG



CONTACT LENS TECHNOLOGIES LIMITED

REPORT OF THE DIRECTORS  
FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

The directors present their report with the financial statements of the company for the period 1 April 1997 to 31 October 1997.

PRINCIPAL ACTIVITY

The principal activity, of the company in the period under review was that of contact lens technology, manufacture of machinery and wholesaling of contact lenses.

On 3 December 1997 Coopervision Inc took over the company.

DIRECTORS

The directors during the period under review were:

G H Galley (Resigned 2.12.97)  
A Galley  
B Bevis (Resigned 2.12.97)

In addition G Fryling and I R Bussey were appointed directors on 2 December 1997.

The beneficial interests of the directors holding office on 31 October 1997 in the issued share capital of the company were as follows:

	31.10.97	1.4.97
Ordinary I shares		
G H Galley	400	400
A Galley	350	350
B Bevis	200	200

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently:
- make judgments and estimates that are reasonable and prudent:
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The existing auditors, Leonard Gold Chartered Accountants, will be replaced by KPMG in accordance with Section 388 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985, as amended, relating to small companies.

ON BEHALF OF THE BOARD:

/s/ I R BUSSEY  
-----  
I R Bussey  
SECRETARY

Dated: 10 February 1998





CONTACT LENS TECHNOLOGIES LIMITED

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF  
CONTACT LENS TECHNOLOGIES LIMITED

We have audited the financial statements on pages four to thirteen which have been prepared under the historical cost convention and the accounting policies set out on page seven.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page two 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 October 1997 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985, as amended.

/s/ LEONARD GOLD

-----  
Leonard Gold  
Chartered Accountants  
Registered Auditors  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

Dated: 10 FEBRUARY 1998



CONTACT LENS TECHNOLOGIES LIMITED  
 PROFIT AND LOSS ACCOUNT  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

		PERIOD 1.4.97 TO 31.10.97 ----- 'L'	YEAR ENDED 31.3.97 ----- 'L'
	Notes		
TURNOVER.....	2	2,727,904	1,251,124
Cost of sales.....		1,966,748 -----	930,357 -----
GROSS PROFIT.....		761,156	320,767
Administrative expenses.....		462,257 -----	290,196 -----
		298,899	30,571
Other operating income.....		281,346 -----	347,245 -----
OPERATING PROFIT.....	3	580,245	377,816
Interest payable and similar charges.....		40,110 -----	67,266 -----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION.....		540,135	310,550
Tax on profit on ordinary activities.....	4	172,282 -----	110,477 -----
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION.....		367,853	200,073
Retained profit brought forward.....		289,359 -----	89,286 -----
RETAINED PROFIT CARRIED FORWARD.....		'L' 657,212 =====	'L' 289,359 =====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current period or previous year.



## CONTACT LENS TECHNOLOGIES LIMITED

BALANCE SHEET  
31 OCTOBER 1997

	Notes	31.10.97		31.3.97	
		'L'	'L'	'L'	'L'
FIXED ASSETS:					
Tangible assets.....	5		853,475		909,743
CURRENT ASSETS:					
Stocks.....	6	295,597		237,298	
Debtors.....	7	1,665,124		386,516	
Cash at bank.....		--		2,114	
		-----		-----	
		1,960,721		625,928	
CREDITORS: Amounts falling					
due within one year.....	8	(1,876,860)		(943,447)	
		-----		-----	
NET CURRENT ASSETS/(LIABILITIES):					
			83,861		(317,519)
			-----		-----
TOTAL ASSETS LESS CURRENT					
LIABILITIES.....			937,336		592,224
CREDITORS: Amounts falling					
due after more than one year....	9		(279,124)		(301,865)
			-----		-----
			'L'658,212		'L'290,359
			=====		=====
CAPITAL AND RESERVES:					
Called up share capital.....	14		1,000		1,000
Profit and loss account.....			657,212		289,359
			-----		-----
Shareholders' funds	16		'L'658,212		'L'290,359
			=====		=====

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985, as amended, relating to small companies.

ON BEHALF OF THE BOARD:

/s/ A GALLEY

-----  
A Galley - DIRECTOR

/s/ I R BUSSEY

-----  
I R BUSSEY - DIRECTOR

Approved by the Board on 10 February 1998



CONTACT LENS TECHNOLOGIES LIMITED  
 CASH FLOW STATEMENT  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

	NOTES	PERIOD		YEAR ENDED	
		1.4.97 TO 31.10.97		31.3.97	
		'L'	'L'	'L'	'L'
Net cash inflow from operating activities.....	18		49,175		372,193
Returns on investment and servicing of finance					
Interest paid.....			(27,646)		(72,822)
Taxation					
Corporation tax paid.....					(9,822)
Capital expenditure and financial investments			--		
Payments to acquire tangible fixed assets.....		(1,746)		(193,679)	
Receipts from sale of tangible fixed assets.....		--		62,000	
		-----		-----	
Net cash outflow from capital expenditure.....			(1,746)		(131,679)
Financing					
Bank loan repayments.....		(20,725)		(29,093)	
		-----		-----	
Net cash outflow from financing.....			(20,725)		(29,093)
(Decrease)/increase in cash.....	19		'L' (942)		'L' 128,777
			=====		=====





1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention.

TURNOVER

Turnover represents net invoiced sales of goods, excluding value added tax.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvement to property.....	-20% on cost
Plant and equipment.....	-15% on cost
Purpose built equipment.....	-15% on cost
Computer equipment.....	-33% on cost
Fixtures and fittings.....	-15% on cost

The freehold property is maintained as a matter of company policy, by a continual repair programme, such that the residual value of the property is at least equal to its book value.

STOCKS

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

DEFERRED TAXATION

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

OPERATING LEASES

Rentals paid under operating leases are charged to the profit and loss account as incurred.

ROYALTIES

The company pays royalties to certain patent holders on a contractually agreed basis. Royalties are charged to the profit and loss account on an accruals basis in line with those contracts.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	PERIOD 1.4.97 TO 31.10.97 'L'	YEAR ENDED 31.3.97 'L'
Depreciation-owned assets.....	58,014	99,180
Profit on disposal of fixed assets.....	--	(16,475)
Auditors' remuneration.....	5,788	2,040
Operating lease -- plant and machinery.....	31,819	54,548
	-----	-----
Directors' emoluments and other benefits etc.....	20,417	35,000
	=====	=====

4. TAXATION

The tax charge on the profit on ordinary activities for the period was as follows:

	PERIOD 1.4.97 TO 31.10.97 'L'	YEAR ENDED 31.3.97 'L'
UK Corporation tax.....	243,000	116,000
Under provision re prior years.....	--	30,227
Deferred taxation.....	(70,718)	(25,750)
	-----	-----
	172,282	110,477
	=====	=====

UK Corporation Tax has been charged at 31% (Year ended 31 March, 1997 -- 33%).



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

5. TANGIBLE FIXED ASSETS

	FREEHOLD PROPERTY ----- `L'	IMPROVEMENTS TO PROPERTY ----- `L'	PLANT AND EQUIPMENT ----- `L'
COST:			
At 1 April 1997	365,000	5,000	42,539
	-----	-----	-----
At 31 October 1997	365,000	5,000	42,539
	-----	-----	-----
DEPRECIATION:			
At 1 April 1997	--	1,245	11,137
Charge for period	--	394	3,724
	-----	-----	-----
At 31 October 1997	--	1,539	14,861
	-----	-----	-----
NET BOOK VALUE:			
At 31 October 1997	365,000	3,461	27,678
	=====	=====	=====
At 31 March 1997	365,000	3,755	31,402
	=====	=====	=====

	PURPOSE BUILT EQUIPMENT ----- `L'	FIXTURES AND FITTINGS ----- `L'	COMPUTER EQUIPMENT ----- `L'	TOTALS ----- `L'
COST:				
At 1 April 1997	597,060	5,051	6,151	1,020,801
Additions	--	--	1,746	1,746
	-----	-----	-----	-----
At 31 October 1997	597,060	5,051	7,897	1,022,547
	-----	-----	-----	-----
DEPRECIATION:				
At 1 April 1997	96,132	420	2,124	111,058
Charge for period	52,255	441	1,300	58,014
	-----	-----	-----	-----
At 31 October 1997	148,387	861	3,424	169,072
	-----	-----	-----	-----
NET BOOK VALUE:				
At 31 October 1997	448,673	4,190	4,473	853,475
	=====	=====	=====	=====
At 31 March 1997	500,928	4,631	4,027	909,743
	=====	=====	=====	=====



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

6. STOCKS

	31.10.97	31.3.97
	-----	-----
	'L'	'L'
Contact lenses	273,048	223,008
Packaging and labels	22,549	14,290
	-----	-----
	295,597	237,298
	=====	=====

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.97	31.3.97
	-----	-----
	'L'	'L'
Trade debtors	1,506,291	309,895
Other debtors	60,907	76,621
Prepayments and accrued income	9,091	--
Directors' current accounts	18,117	--
Deferred tax (note 13)	70,718	--
	-----	-----
	1,665,124	386,516
	=====	=====

The company made the following loans to a director during the period:

	BALANCE AT 31.10.97	HIGHEST BALANCE DURING THE PERIOD
	-----	-----
G H Galley	'L'18,117	'L'18,117
	=====	=====

The loan has been repaid since the period end.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.97	31.3.97
	-----	-----
	'L'	'L'
Bank loans and overdrafts (see note 10)	167,580	166,736
Trade creditors	26,729	9,471
Accruals	400,596	139,601
Due to related company	901,086	448,458
Directors' current accounts	--	73
Social security and other taxes	1,464	42,703
Corporation tax	379,405	136,405
	-----	-----
	1,876,860	943,447
	=====	=====

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.10.97	31.3.97
	-----	-----
	'L'	'L'
Bank loans (see note 10)	279,124	301,865



=====



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

10. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	31.10.97	31.3.97
	-----	-----
	'L'	'L'
Amounts falling due within one year or on demand:		
Bank overdrafts	134,564	135,736
Bank loans	33,016	31,000
	-----	-----
	167,580	166,736
	=====	=====
Amounts falling due between one and two years:		
Bank loans	35,016	33,016
	=====	=====
Amounts falling due between two and five years:		
Bank loans	117,048	118,048
	=====	=====
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	127,060	150,801
	=====	=====

11. OBLIGATIONS UNDER LEASING AGREEMENTS

The following payments are committed to be paid within one year:

OPERATING LEASES		
	31.10.97	31.3.97
	-----	-----
	'L'	'L'
Expiring:		
Between one and five years	54,548	54,548
	=====	=====

12. SECURED DEBTS

The following secured debts are included within creditors:

	31.10.97	31.3.97
	-----	-----
	'L'	'L'
Bank overdrafts	134,564	135,736
Bank loans	312,140	332,865
	-----	-----
	446,704	468,601
	=====	=====



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

13. DEFERRED TAXATION

Deferred taxation for which provision has been made in the financial statements and the amounts for which no provision has been made, are as follows:

	PROVIDED		NOT PROVIDED	
	31.10.97	31.3.97	31.10.97	31.3.97
	----- 'L'	----- 'L'	----- 'L'	----- 'L'
Depreciation of fixed assets	51,365	41,490	--	5,454
Less: Accrued interest and royalties	(122,083)	(41,490)	--	--
	----- (70,718)	----- --	----- --	----- 5,454
	=====	=====	=====	=====

14. CALLED UP SHARE CAPITAL

AUTHORISED: NUMBER:	CLASS:	NOMINAL VALUE:	31.10.97	31.3.97
-----	-----	-----	-----	-----
5,000,000	Ordinary	1	5,000,000 =====	5,000,000 =====

Allotted, issued and fully paid:

NUMBER:	CLASS:	NOMINAL VALUE:	31.10.97	31.3.97
-----	-----	-----	-----	-----
			----- 'L'	----- 'L'
1,000	Ordinary	1	1,000 =====	1,000 =====

15. RELATED PARTY DISCLOSURES

During the period the company acquired 'L'1,909,565 (year ended 31 March 1997: 'L'1,001,473) of contact lenses from Aspect Vision Care Limited. It also received rent of 'L'30,333 (year ended 31 March 1997: 'L'52,000) and equipment rentals of 'L'70,000 (year ended 31 March 1997: 'L'120,000). Aspect Vision Care Limited is controlled by common directors, G H Galley and A D Galley, and of which B Bavis is also a director.

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.10.97	31.3.97
	----- 'L'	----- 'L'
Profit for the financial period	367,853	200,073
NET ADDITION TO SHAREHOLDERS' FUNDS	----- 367,853	----- 200,073
Opening shareholders' funds	290,359	90,286
CLOSING SHAREHOLDERS' FUNDS	----- 658,212	----- 290,359
Equity interests	===== 658,212	===== 290,359

17. CONTROLLING PARTY

The directors as disclosed in the directors' report are the controlling party by virtue of their 95% holding in the equity share capital of the company as at 31 October 1997.



CONTACT LENS TECHNOLOGIES LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE PERIOD 1 APRIL 1997 TO 31 OCTOBER 1997

18. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	PERIOD 1.4.97 TO 31.10.97	YEAR ENDED 31.3.97
	'L'	'L'
Operating Profit	580,245	377,816
Depreciation Charges	58,014	99,180
Profit on Disposal of Fixed Assets	--	(16,475)
Increase in Stocks	(58,299)	(193,075)
Increase in Debtors	(1,207,890)	(102,923)
Increase in Creditors	677,105	207,670
	-----	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES	'L'49,175	'L'372,193
	=====	=====

19. ANALYSIS OF CHANGES IN NET DEBT

	AT 31.3.96	CASH FLOWS	AT 31.3.97	CASH FLOWS	AT 31.10.97
	'L'	'L'	'L'	'L'	'L'
Cash in Hand and at Bank	--	2,114	2,114	(2,114)	--
Bank Overdraft	(262,399)	126,663	(135,736)	1,172	(134,564)
		-----		-----	
Bank Loans	(361,958)	128,777 29,093	(332,865)	(942) 20,725	(312,140)
TOTAL	'L'(624,357)	'L'157,870	'L'(466,487)	'L'19,783	'L'(446,704)
	=====	=====	=====	=====	=====

20. RECONCILIATION OF NET CASH FLOWS TO MOVEMENT IN NET DEBT

	PERIOD 1.4.97 TO 31.10.97	YEAR ENDED 31.3.97
	'L'	'L'
(Decrease)/Increase in Cash in the Period	(942)	128,777
Cash Outflow from Repayment of Bank Loans	20,725	29,093
	-----	-----
Movement in Net Debt in the Period	19,783	157,870
Net Debt at 1 April 1997	(466,487)	(624,357)
Net Debt at 31 October 1997	'L'(446,704)	'L'(466,487)
	=====	=====





21. SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN UK AND US GENERALLY  
 ACCEPTED ACCOUNTING PRINCIPLES - (UNAUDITED)

The significant differences between UK GAAP and US GAAP are explained in Note 19 to the Company's financial report for the year ended 31 March 1997 included elsewhere in this Form 8-K filing.

Approximate effect on profit after taxation of significant differences between UK GAAP and US GAAP.

	7 months ended 31 October 1997
	----- 'L'
Profit/(Loss) after taxation under UK GAAP	367,853
US GAAP adjustments:	
Capitalisation of Interest	0
Depreciation on Interest Capitalised	-1,168
Freehold Property Depreciation	-5,323
Tax effect on the foregoing adjustments	589
Deferred tax	5,806
	-----
Profit/(Loss) after taxation under US GAAP	367,757 =====

Approximate cumulative effect on shareholders equity of significant differences between UK GAAP and US GAAP

	31 October 1997
	----- 'L'
Shareholders' equity under UK GAAP	658,212
US GAAP adjustments:	
Capitalisation of Interest	13,345
Depreciation on Interest Capitalised	-3,170
Freehold Property Depreciation	-15,969
Tax effect on the foregoing adjustments	-3,154
Deferred tax	
	-----
Shareholders Equity under US GAAP	649,264 =====



NEW FOCUS HEALTH CARE LIMITED

REPORTS AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 OCTOBER 1997

DIRECTORS

A D Galley  
I R Bussey  
G Fryling

SECRETARY

I R Bussey

COMPANY NUMBER 01847802

REGISTERED OFFICE

Unit 2, South Point, Ramble, Southampton, Hampshire, SO31 4RF

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Consolidated Profit and Loss Account	4
Consolidated Balance Sheet	5
Company Balance Sheet	6
Consolidated Cashflow Statement	7
Notes to the Financial Statements	8 - 19



NEW FOCUS HEALTH CARE LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for the period ended 31 October 1997.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The group's principal activities and those of its trading subsidiaries continues to be those of manufacturers and wholesalers of contact lenses. The directors are satisfied with the results of the group for the period and expect further growth and increasing profits in the coming year.

The performance of the trading subsidiaries, Aspect Vision Care Limited and Aspect Vision Italia SRL is also considered satisfactory with both operating profitably during the period. Aspect Speciality Limited ceased trading on 31 May 1997 and transferred its trade to Aspect Vision Care Limited.

On 3 December 1997 CooperVision Inc. took over New Focus Health care Limited.

RESULTS AND DIVIDENDS

The consolidated profit for the year, after taxation and minority interest, amounted to 'L'350,226. The directors recommend that no dividend be paid and that the balance be carried forward.

FIXED ASSETS

The movement in fixed assets during the period are set out in notes 10 to 12 to the financial statements. In particular Aspect Vision Care Limited purchased a freehold property for 'L'789,090 on 2 June 1997.

DIRECTORS

The directors who served during the period and their beneficial interests in the company's issued ordinary share capital were:

		Number Of Shares	
		31 October 1997	31 March 1997
		-----	-----
G H Galley	(Resigned 02.12.97)	221,303	241,303
W T Brooker	(Resigned 02.12.97)	241,303	241,303
A D Galley		261,302	241,302

In addition I R Bussey and G Fryling were appointed directors on 2 December 1997.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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 are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EMPLOYEES

The group is committed to communication with employees throughout the group by its system of keeping employees informed of developments and progress through briefings by management and widely distributed news and information bulletins.

The group's aim is to meet the obligations of the code of good practice on the employment of disabled people. Full and fair consideration is given to disabled applicants for employment and training, and career development is encouraged on the basis of their aptitude and abilities.

POLICY ON PAYMENT OF CREDITORS

It is group policy not to follow a particular code but, in respect of all of its suppliers to settle the terms of payment when agreeing each transaction; to ensure that suppliers are made aware of the terms of payment; and to abide by those terms.

TAXATION STATUS OF THE COMPANY

The company is a close company within the provisions of Section 414, Income and Corporation Taxes Act 1988.

AUDITORS

The existing auditors, Leonard Gold Chartered Accountants, will be replaced by KPMG in accordance with section 388 of the Companies Act 1985.

Signed by order of the board of directors,

/s/ I R Bussey

-----  
I R BUSSEY  
SECRETARY

10 FEBRUARY 1998





REPORT OF THE AUDITORS TO THE MEMBERS OF  
NEW FOCUS HEALTH CARE LIMITED

We have audited the financial statements on pages 4 to 20 which have been prepared under the historical cost convention, and the accounting policies set out on pages 8 and 9

Respective Responsibilities of Directors and Auditors:

As described on pages 1 and 2 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and 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 affairs of the company and group at 31 October 1997 and of the profit of the group for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

/s/ Leonard Gold

-----  
LEONARD GOLD CHARTERED ACCOUNTANTS  
Registered Auditor  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

10 FEBRUARY 1998



## NEW FOCUS HEALTH CARE LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 OCTOBER 1997

	Notes	7 months ended 31 October 1997	12 months ended 31 March 1997
		'L'	'L'
TURNOVER	2	13,023,482	16,929,483
COST OF SALES		(7,627,213)	(7,525,409)
GROSS PROFIT		5,396,269	9,404,074
DISTRIBUTION COSTS		(418,255)	(689,844)
ADMINISTRATIVE EXPENSES		(3,754,666)	(5,667,807)
		1,223,348	3,046,423
OTHER OPERATING INCOME	4	171,242	154,378
OPERATING PROFIT		1,394,590	3,200,801
EXCEPTIONAL ITEM	7	(170,000)	2,176,229
INTEREST RECEIVABLE		590	994
INTEREST PAYABLE	5	(367,337)	(428,092)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		857,843	4,949,932
TAX ON PROFIT ON ORDINARY ACTIVITIES	8	(342,000)	(1,703,398)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		515,843	3,246,534
MINORITY INTEREST - EQUITY INTEREST		(165,617)	(1,126,395)
RETAINED PROFIT FOR THE PERIOD	18	'L'350,226 =====	'L'2,120,139 =====

The results in the profit and loss account relate to continuing operations.

There were no recognised gains or losses other than those included in the profit and loss account.

The notes on pages 8 to 20 form part of these financial statements,



## NEW FOCUS HEALTH CARE LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31 OCTOBER 1997

	Notes	31 October 1997	31 March 1997
		'L'	'L'
<b>FIXED ASSETS</b>			
Intangible Assets	10	107,982	-
Tangible Assets	11	6,326,837	4,043,222
		-----	-----
		6,434,819	4,043,222
		-----	-----
<b>CURRENT ASSETS</b>			
Stocks	13	3,938,066	3,701,011
Debtors	14	6,247,261	6,415,593
Cash at Bank and In Hand		121,644	476,584
		-----	-----
		10,306,971	10,593,188
<b>CREDITORS</b>			
Amounts falling due within one year	15	(9,887,554)	(9,177,340)
		-----	-----
<b>NET CURRENT ASSETS</b>		419,417	1,415,848
		-----	-----
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,854,236	5,459,070
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	(2,353,635)	(1,456,018)
		-----	-----
<b>NET ASSETS</b>		'L'4,500,601	'L'4,003,052
		=====	=====
<b>CAPITAL AND RESERVES</b>			
Called up Share Capital	16	7,239	7,239
Share Premium Account	17	317,761	317,761
Profit and Loss Account	18	2,701,077	2,350,851
		-----	-----
Shareholders' Funds - Equity Interest	19	3,026,077	2,675,851
Minority Interest - Equity Interest		1,474,524	1,327,201
		-----	-----
		'L'4,500,601	'L'4,003,052
		=====	=====

APPROVED BY THE BOARD ON 10 FEBRUARY 1998

/s/ I R Bussey

-----  
I R BUSSEY - DIRECTOR

/s/ A D Galley

-----  
A D GALLEY - DIRECTOR

The notes on pages 8 to 20 form part of these financial statements,



NEW FOCUS HEALTH CARE LIMITED

COMPANY BALANCE SHEET AS AT 31 OCTOBER 1997

	Notes	31 October 1997	31 March 1997
	-----	-----	-----
		'L'	'L'
<b>FIXED ASSETS</b>			
Investments	12	1,118,556	1,118,556
		-----	-----
<b>CURRENT ASSETS</b>			
Debtors	14	306,958	284,059
<b>CREDITORS</b>			
Amounts falling due within one year	15	(2,000)	(1,450)
		-----	-----
<b>NET CURRENT ASSETS</b>		304,958	282,609
		-----	-----
<b>NET ASSETS</b>		'L'1,423,514	'L'1,401,165
		=====	=====
<b>CAPITAL AND RESERVES</b>			
Called up Share Capital	16	7,239	7,239
Share Premium	17	317,761	317,761
Profit and Loss Account	18	1,098,514	1,076,165
		-----	-----
<b>Shareholders' Funds - Equity Interest</b>	19	'L'1,423,514	'L'1,401,165
		=====	=====

APPROVED BY THE BOARD ON 10 FEBRUARY 1998

/s/ I R Bussey

-----  
I R BUSSEY - DIRECTOR

/s/ A D Galley

-----  
A D GALLEY - DIRECTOR

The notes on pages 8 to 20 form part of these financial statements.





## NEW FOCUS HEALTH CARE LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 OCTOBER 1997

	Notes	7 months ended 31 October 1997		12 months ended 31 March 1997	
		'L'	'L'	'L'	'L'
NET CASH INFLOW FROM OPERATING ACTIVITIES	27		2,008,782		2,481,228
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest Received		590		994	
Interest Paid		(225,235)		(202,969)	
Interest Element of Finance Lease					
Rental Payments		(61,857)		(73,489)	
		-----		-----	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			(286,502)		(275,464)
TAXATION					
Corporation Tax Paid		(317,369)		(107,864)	
ACT Received		-		412	
		-----		-----	
TAX PAID			(317,369)		(107,452)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
Payment to Acquire Minority					
Interest		(18,294)		(49,035)	
Payment to Acquire Intangible					
Fixed Assets		(311,706)		-	
Payments to Acquire Tangible					
Fixed Assets		(2,230,228)		(2,438,726)	
Receipts from Sales of Tangible					
Fixed Assets		398,906		37,318	
		-----		-----	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE			(2,161,322)		(2,450,443)
FINANCING					
Bank Loan Advance		630,000		665,000	
Bank Loan Repayment		(119,225)		(116,495)	
Finance Lease and Hire Purchase					
Repayment		(325,877)		(345,621)	
		-----		-----	
NET CASH INFLOW FROM FINANCING			184,898		202,884
			-----		-----
DECREASE IN CASH	28		'L' (571,513)		'L' (149,247)
			=====		=====

The notes on pages 8 to 20 form part of these financial statements.



1. ACCOUNTING POLICIES

Basis Of Preparation Of Accounts

The financial statements are prepared in accordance with applicable accounting standards, and incorporate the results of the principal activities which are described in the directors' report and which are continuing. There have been no changes in accounting policies during the period

Consolidation

The consolidated financial statements include the results of New Focus Health Care Limited and its subsidiary undertakings drawn up to 31 October 1997. No profit and loss account for the company has been presented for New Focus Health Care Limited as permitted by Section 230 of the Companies Act 1985.

Turnover

Turnover comprises the invoiced value of goods and services sold exclusive of Value Added Tax.

Tangible Fixed Assets And Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Property Improvements	- 10 years
Short Leasehold Properties	- over the term of the lease
Plant, Equipment and Fittings	- 3-7 years
Motor Vehicles	- 4 years

The freehold property is maintained as a matter of company policy, by a continual repair programme, such that the residual value of the property is at least equal to its book value.

Goodwill on Consolidation

The excess of the cost of acquisition over the fair value of the underlying net assets is written off to profit and loss account in the year in which it arises. However, in the case of the further acquisition of shares in Aspect Speciality Limited, the purchased goodwill has been capitalised and is to be amortised over 10 years, which is, in the directors' opinion, its useful economic life.

Stocks

Stocks are valued at the lower of cost, based on normal levels of activity, and net realisable value, (inclusive of a proportion of appropriate overheads).



1. ACCOUNTING POLICIES (CONTINUED)

Royalties

The group pays royalties to certain patent holders on a contractually agreed basis. Royalties are charged to the profit and loss account on an accrual basis in line with these contracts.

Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

Research And Development

Expenditure on research and development is written off against profits in the period in which it is incurred.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transactions. Exchange differences are taken into account in arriving at the operating results.

The profit and loss accounts of overseas operations are translated into sterling at the average rate. The balance sheet of the overseas operation is translated into sterling at the closing rate.

Exchange differences arising from the translation of the results of overseas operations are recorded in the profit and loss account.

Leasing And Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pension Scheme

The group operates group personal pension schemes for the benefit of the employees, and the pension charge represents the amounts payable by the group to the schemes in respect of the period.



## 2. TURNOVER BY GEOGRAPHICAL REGION

	7 months ended 31 October 1997	12 months ended 31 March 1997
	----- 'L'	----- 'L'
United Kingdom	6,863,871	9,066,178
Europe	4,306,489	5,979,053
Rest of the World	1,853,122	1,884,252
	-----	-----
	'L'13,023,482	'L'16,929,483
	=====	=====

## 3. OPERATING PROFIT

The operating profit is stated after charging:

	7 months ended 31 October 1997	12 months ended 31 March 1997
	----- 'L'	----- 'L'
Goodwill written off	200,000	210,965
Amortisation of goodwill	3,724	-
Depreciation of tangible fixed assets		
- owned by the company	317,631	405,359
- under hire purchase and finance lease contracts	226,506	255,134
- (Profit)/Loss on disposal of fixed assets	(41,710)	3,427
Hire of Equipment	18,863	59,400
Other Operating Lease Rentals	66,995	142,687
Auditors' remuneration	19,345	39,679
	=====	=====

## 4. OTHER OPERATING INCOME

	7 months ended 31 October 1997	12 months ended 31 March 1997
	----- 'L'	----- 'L'
Sale of Business	10,029	6,800
Commission	160,855	144,703
Postage and Freight	358	2,875
	-----	-----
	'L'171,242	'L'154,378
	=====	=====





## 5. INTEREST PAYABLE

	7 months ended 31 October 1997	12 months ended 31 March 1997
	----- 'L'	----- 'L'
On Bank Loans, Overdrafts and Other Loans		
- repayable within five years, by instalments	11,320	(8,922)
- repayable within five years, not by instalments	211,709	301,130
- repayable wholly or partly in more than five years	82,451	66,256
- on hire purchase and finance lease charges	61,857	69,628
	-----	-----
	'L'367,337	'L'428,092
	=====	=====

## 6. STAFF COSTS

	7 months ended 31 October 1997	12 months ended 31 March 1997
	----- 'L'	----- 'L'
The average weekly number of employees, including directors, during the period was:		
Manufacturing	486	344
Sales	69	75
Directors	3	3
	---	---
	558	422
	===	===
Staff Costs (for the above persons):		
Directors' Remuneration	114,333	194,120
Directors' Benefits in Kind	18,500	28,415
Directors' Social Security Costs	11,483	19,830
Directors' Pension Contributions	8,013	16,229
Other Wages and Salaries (including social security costs)	5,642,353	6,797,548
Other Pension Costs	99,618	107,344
	-----	-----
	'L'5,894,300	'L'7,163,486
	=====	=====

Of the above directors' remuneration 'L'107,333 (year ended 31 March 1997: 'L'182,120) was paid by a subsidiary undertaking.

	7 months ended 31 October 1997	12 months ended 31 March 1997
	----- 'L'	----- 'L'
Directors' Emoluments		
Aggregate Emoluments	132,833	222,535
Company Pension Contributions to Money Purchase Schemes	8,013	16,229
	-----	-----
	'L'140,846	'L'238,764
	=====	=====



## 6. STAFF COSTS (CONTINUED)

	Number	Number
Number of Directors who are members of a Money Purchase Scheme	2 ===	3 ===
	7 months ended 31 October 1997 ----- 'L'	12 months ended 31 March 1997 ----- 'L'
Emoluments of Highest Paid Director		
- Aggregate Emoluments	45,946	81,639
- Company Pension Contributions to Money Purchase Scheme	4,046 =====	6,120 =====

## 7. EXCEPTIONAL ITEMS

	7 months ended 31 October 1997 ----- 'L'	12 months ended 31 March 1997 ----- 'L'
Branch Closure Costs	(170,000)	-
Settlement of Trade Dispute	-	2,176,229
	----- 'L' (170,000) =====	----- 'L' 2,176,229 =====

## 8. TAXATION

	7 months ended 31 October 1997 ----- 'L'	12 months ended 31 March 1997 ----- 'L'
UK Current Year Taxation		
UK Corporation Tax at 31% (year ended 31 March 1997: 33%)	446,000	1,900,800
Deferred	(104,000)	(201,000)
	----- 342,000	----- 1,699,800
Prior Years Corporation Tax	-	3,598
	----- 'L' 342,000 =====	----- 'L' 1,703,398 =====

## 9. PROFIT ATTRIBUTABLE TO THE MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company for the 7 month period amounted to 'L'22,349 (Year ended 31 March 1997: 'L'38,143).



## 10. INTANGIBLE FIXED ASSETS - GROUP

	Goodwill
	-----
	'L'
COST	
Additions	111,706
	-----
AMORTISATION	
Charge for Period	3,724
	-----
NET BOOK VALUES	
At 31 March 1997	-
At 31 October 1997	'L'107,982
	=====

## 11. TANGIBLE FIXED ASSETS - GROUP

	Freehold Property	Property Improvements	Short Leasehold Property	Plant, Equipment & Fittings	Motor Vehicles	Totals
	-----	-----	-----	-----	-----	-----
	'L'	'L'	'L'	'L'	'L'	'L'
COST						
At 1 April 1997	950,000	575,864	51,347	3,339,706	325,046	5,241,963
Additions	789,090	174,914	-	2,018,097	202,847	3,184,948
Disposals	-	-	-	(362,613)	(134,750)	(497,363)
	-----	-----	-----	-----	-----	-----
At 31 October 1997	'L'1,739,090	'L'750,778	'L'51,347	'L'4,995,190	'L'393,143	'L'7,929,548
	-----	-----	-----	-----	-----	-----
DEPRECIATION						
At 1 April 1997	-	110,927	24,927	878,769	184,118	1,198,741
Charge for Period	-	38,847	13,551	439,170	52,569	544,137
Disposals	-	-	-	(31,830)	(108,337)	(140,167)
	-----	-----	-----	-----	-----	-----
At 31 October 1997	-	149,774	38,478	1,286,109	128,350	1,602,711
	-----	-----	-----	-----	-----	-----
NET BOOK VALUES						
At 31 March 1997	'L'950,000	'L'464,937	'L'26,420	'L'2,460,937	'L'140,928	'L'4,043,222
At 31 October 1997	'L'1,739,090	'L'601,004	'L'12,869	'L'3,709,081	'L'264,793	'L'6,326,837
	=====	=====	=====	=====	=====	=====

The net book value of tangible fixed assets include an amount of 'L'1,457,974 (31 March 1997: 'L'820,618) in respect of assets held under finance leases and hire purchase contracts. Depreciation charged on these assets during the period amounted to 'L'226,506 (31 March 1997: 'L'255,134).

At the balance sheet date the group had capital commitments amounting to 'L'405,892 (31 March 1997: 'L'264,733) in respect of contracts approved by the board and contracted for.



## 11. TANGIBLE FIXED ASSETS (CONTINUED) - GROUP

Included within fixed assets are fully depreciated assets with cost as follows:-

	31 October 1997 ----- 'L'	31 March 1997 ----- 'L'
Plant, Equipment and Fittings	118,492	89,623
Motor Vehicles	-	35,000
	----- 'L'118,492 =====	----- 'L'124,623 =====

## 12. INVESTMENTS - COMPANY

Investments in Subsidiary Undertakings:

	31 October 1997 -----	31 March 1997 -----
Cost at 1 April 1997 and 31 October 1997	'L'1,118,556 =====	'L'1,118,556 =====

Name ----	Holding % -----	Country of Incorporation -----	Country of Registration -----
Aspect Vision Care Limited - Contact lens manufacture and distribution	65.8%	England	Great Britain
Aspect Vision Italia SRL - Contact lens distribution	70%	Italy	Italy
Aspect Speciality Limited - Dormant	89.75%	England	Great Britain
Focus Solutions Limited - Dormant	100%	England	Great Britain
Aspect Contact Lenses Limited - Dormant	100%	England	Great Britain
Averlan Company Limited - Dormant	100%	England	Great Britain

All of the above holdings are in ordinary shares.

## 13. STOCKS - GROUP

	31 October 1997 ----- 'L'	31 March 1997 ----- 'L'
Lenses	2,480,064	2,836,727
Materials	306,078	256,771
Packaging and Labels	200,278	164,576
Moulds	443,404	353,058
Work in Progress	507,575	86,879
Plant Stock	667	3,000
	----- 'L'3,938,066 =====	----- 'L'3,701,011 =====





## 14. DEBTORS - GROUP

	31 October 1997 ----- 'L'	31 March 1997 ----- 'L'
Trade Debtors	3,934,685	3,502,689
Amounts due from Related Company	901,086	448,458
Prepayments	338,698	180,515
Other Debtors	243,356	1,729,931
Deferred Taxation (Note 20)	658,000	554,000
Directors' Loan Account	171,436	-
	----- 'L'6,247,261 =====	----- 'L'6,415,593 =====

There were no amounts falling due after more than one year.

The group made the following loan to a director during the period:-

	Balance at 31.10.97 -----	Highest Balance During the Period -----
G H Galley	'L'171,436 =====	'L'171,436 =====

The loan has been repaid since the period end.

## DEBTORS - COMPANY

	31 October 1997 -----	31 March 1997 -----
Due within one year:		
Amounts Due from Group Undertakings	'L'306,958 =====	'L'284,059 =====

There were no amounts falling due after more than one year.

## 15. CREDITORS - GROUP

	Amounts falling due within one year -----		Amounts falling due after more than one year -----	
	31 October 1997 ---- 'L'	31 March 1997 ---- 'L'	31 October 1997 ---- 'L'	31 March 1997 ---- 'L'
Bank Loan and Overdraft	1,151,064	917,510	1,291,320	797,527
Net Obligations Under Finance Leases & Hire Purchase				
Contracts	468,853	275,079	724,615	289,546
Corporation Tax	2,459,431	2,330,800	-	-
Directors' Loan and Current Accounts	686,981	75,442	-	-
Factoring Creditor	827,510	755,617	-	-
Trade Creditors	1,051,022	1,743,644	-	-
Accruals	2,197,820	2,296,903	-	-
Other Taxes & Social Security	258,428	431,822	-	-
Other Creditors	641,445	205,523	337,700	368,945
Pension Loan	145,000	145,000	-	-
	----- 'L'9,887,554 =====	----- 'L'9,177,340 =====	----- 'L'2,353,635 =====	----- 'L'1,456,018 =====



## 15. CREDITORS (CONTINUED) - GROUP

The bank loan, overdrafts, directors' loan and pension loan are secured by fixed and floating charges over the assets of the company concerned.

The factoring account is secured by a floating charge over the sales ledger of the company concerned.

The finance leases and hire purchase contracts are all repayable within five years and are secured on the assets concerned. Bank loan repayments totalling 'L'624,085 are due after five years. The bank loans of 'L'609,781, 'L'599,509 and 'L'263,023 are repayable by monthly instalments of 'L'8,130.64, 'L'7,622.75 and 'L'10,180 respectively to achieve repayment by September 2006, June 2007 and February 2000.

Of the creditors 'L'4,665,788 (31 March 1997: 'L'3,255,721) are secured.

## CREDITORS - COMPANY

	Amounts falling due within one year -----	
	31 October 1997	31 March 1997
	----	----

Accruals and Deferred Income	'L'2,000 =====	'L'1,450 =====
------------------------------	-------------------	-------------------

There were no amounts falling due after more than one year.

## 16. CALLED UP SHARE CAPITAL

	31 October 1997 -----		31 March 1997 -----	
	Authorised	Issued and Fully Paid	Authorised	Issued and Fully Paid
	----- 'L'	----- 'L'	----- 'L'	----- 'L'
Ordinary Shares of 'L'0.01	500,000	7,239	500,000	7,239
Convertible Redeemable Preferred Ordinary Shares of 'L'0.01	900,000	-	900,000	-
Preferred Ordinary Shares of 'L'0.01	1,600,000	-	1,600,000	-
	----- 'L'3,000,000 =====	----- 'L'7,239 =====	----- 'L'3,000,000 =====	----- 'L'7,239 =====

## 17. SHARE PREMIUM ACCOUNT

There was no movement in the share premium account during the period.



## 18. PROFIT AND LOSS ACCOUNT

	Group ----- 'L'	Company ----- 'L'
Balance at 1 April 1997	2,350,851	1,076,165
Retained Profit For The Period	350,226	22,349
	-----	-----
Balance at 31 October 1997	'L'2,701,077 =====	'L'1,098,514 =====

## 19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

There was no movement in the shareholders' funds during the period except for the profit as set out in note 18.

## 20. DEFERRED TAX - GROUP

	Unprovided -----		Provided -----	
	31 October 1997 ----- 'L'	31 March 1997 ----- 'L'	31 October 1997 ----- 'L'	31 March 1997 ----- 'L'
Accelerated Capital Allowance	-	-	84,000	50,000
Finance Lease Payments	-	-	52,000	54,000
Short Term Timing Difference	-	-	(794,000)	(658,000)
	-----	-----	-----	-----
	'L' -	'L' -	'L'(658,000)	'L'(554,000)
	====	====	=====	=====

## 21. OPERATING LEASES - GROUP

At 31 October 1997 the group had the following commitments under non-cancellable operating leases as follows:-

	31 October 1997 ----- Land and Building ----- 'L'	31 March 1997 ----- Land and Building ----- 'L'
Expiry Date:		
Within one year	84,300	43,500
Between two and five years	-	40,800
After more than five years	30,000	30,000
	=====	=====

## 22. CONTROLLING PARTY

The directors of the Company, as disclosed in the Directors' Report, are the controlling party of New Focus Health Care Limited by virtue of their 100% holding in the equity share capital of the company at 31 October 1997.

On 3 December 1997 the company was taken over by CooperVision Inc., a company registered and incorporated in the United States of America.



## 23. RELATED PARTY TRANSACTIONS - GROUP

The group had the following transactions with Contact Lens Technologies Limited, a company of which G H Galley, A D Galley and B Bevis (directors of Aspect Vision Care Limited) were directors during the period.

	7 months ended 31 October 1997	12 months ended 31 March 1997
	----- 'L'	----- 'L'
Sale of Contact Lenses	1,933,425	1,001,473
Rent of Property	30,333	52,000
Rent of Equipment	70,000	120,000
	=====	=====

In addition the company's directors own the patent rights along with B Bevis, I Atkinson and A Morland to the company's manufacturing process. Royalties of 10p per finished lens and 7p per finished mould are charged by the patent holders for their rights.

## 24. CONTINGENT LIABILITIES - GROUP

Guarantees for deferred duty totalling 'L'60,000 (31 March 1997 'L'60,000) have been given to H M Customs & Excise.

The group had outstanding forward foreign exchange contracts amounting to 'L'1,153,657 (31 March 1997: 'L'Nil).

## CONTINGENT LIABILITIES - COMPANY

The company has provided unlimited guarantees in respect of bank borrowings of certain subsidiary undertakings. At 31 October 1997 this liability amounted to 'L'1,997,958 (31 March 1997: 'L'1,375,624).

## 25. PENSION COMMITMENTS - GROUP

The group administers group personal pension schemes for its employees. The assets of the schemes are held separately from those of the group in independently administered funds.

## 26. POST BALANCE SHEET EVENTS

The financial statements take into consideration events occurring between 31 October 1997 and the date of their approval by the board of directors.





## 27. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	7 months ended 31 October 1997	12 months ended 31 March 1997
	'L'	'L'
Operating Profit	1,394,590	3,200,801
Depreciation Charge	747,861	660,493
(Profit)/Loss on Disposal of Tangible Fixed Assets	(41,710)	3,427
Exceptional Item	(170,000)	2,176,229
Increase in Stocks	(237,056)	(2,151,128)
Increase in Debtors	272,332	(2,501,745)
Increase in Creditors	42,765	1,093,151
NET CASH INFLOW FROM OPERATING ACTIVITIES	'L' 2,008,782	'L' 2,481,228

## 28. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.96	Cash Flows	Other Changes	At 31.3.97	Cash Flows	Other Changes	At 31.10.97
	'L'	'L'	'L'	'L'	'L'	'L'	'L'
Cash in Hand and at Bank	173,798	302,786	-	476,584	(354,940)	-	121,644
Bank Overdraft	(301,465)	(452,033)	-	(753,498)	(216,573)	-	(970,071)
Bank Loans Hire Purchase and Finance Lease	(413,034)	116,495	(665,000)	(961,539)	119,226	(630,000)	(1,472,313)
	(295,352)	345,621	(614,894)	(564,625)	325,877	(954,720)	(1,193,468)
TOTAL	'L' (836,053)	'L' 312,869	'L' (1,279,894)	'L' (1,803,078)	'L' (126,410)	'L' (1,584,720)	'L' (3,514,208)



## 29. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 27)

	7 months ended 31 October 1997		12 months ended 31 March 1997	
	'L'	'L'	'L'	'L'
Decrease in Cash in the Period	(571,513)		(149,247)	
Cash Outflow from Repayment of Bank Loans	119,226		116,495	
Cash Outflow from Repayment of Hire Purchase and Finance Leases	325,877		345,621	
	-----		-----	
		(126,410)		312,869
New Bank Loan	(630,000)		(665,000)	
New Hire Purchase and Finance Leases	(954,720)		(614,894)	
	-----		-----	
		(1,584,720)		(1,279,894)
		-----		-----
Movement in Net Debt in the Period		(1,711,130)		(967,025)
Net Debt at 1 April 1997		(1,803,078)		(836,053)
		-----		-----
Net Debt at 31 October 1997		'L' (3,514,208)		'L' (1,803,078)
		=====		=====



30. SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN UK AND US GENERALLY  
 ACCEPTED ACCOUNTING PRINCIPLES - (UNAUDITED)

The significant differences between UK GAAP and US GAAP are explained in Note 29 to the Company's financial report for the year ended 31 March 1997 included elsewhere in this Form 8-K filing.

Approximate effect on profit after taxation of significant differences between UK GAAP and US GAAP.

	7 months ended 31 October 1997
	----- 'L'
Profit/(Loss) after taxation under UK GAAP	350,226
US GAAP adjustments:	
Capitalisation of Goodwill	200,000
Amortisation of Goodwill	-57,399
Deferred tax	10,000
Minority Interest on the foregoing adjustments	-52,178
	-----
Profit/(Loss) after taxation under US GAAP	450,649
	=====

Approximate cumulative effect on shareholders equity of significant differences between UK GAAP and US GAAP

	31 October 1997
	----- 'L'
Shareholders' equity under UK GAAP	3,026,077
US GAAP adjustments:	
Capitalisation of Goodwill	1,069,706
Amortisation of Goodwill	-158,195
Deferred tax	0
Minority Interest on the foregoing adjustments	-311,432
	-----
Shareholders Equity under US GAAP	3,626,156
	=====



Interim Financial Statements (Unaudited)  
Contact Lens Technologies Limited  
Profit and Loss Account for the 7 months Ended 31 October 1996

-----

	7 months Ended 31 October 1996 'L'
Turnover	786,667
Cost of Sales	-392,754
Gross Profit	----- 393,913
Distribution Costs	0
Administrative Expenses	-228,313
	----- 165,600
Other Operating Income	0
Operating Profit	----- 165,600
Exceptional Item	0
Interest Recievable	0
Interest Payable	0
	-----
Profit on Ordinary Activites Before Taxation	165,600
Tax on Profit on Ordinary Activites	-64,445
	-----
Profit for the Financial Period	101,155
Minority Interest	0
	-----
Retained Profit for the Period	101,155 =====

The results in the profit and loss account relate to continuing operations.

There were no recognised gains or losses other than those included in the profit and loss account.





Balance Sheet as at 31 October 1996

	31 October 1996
	'L'
Fixed Assets	
Intangible Assets	0
Tangible Assets	932,174
Investments	0
	-----
	932,174
Current Assets	
Stocks	103,894
Debtors	350,079
Cash at Bank and in hand	26,500
	-----
	480,473
Creditors	
Amounts falling due within one year	-917,041
	-----
Net Current Assets	-436,567
	-----
Total Assets less Current Liabilities	495,607
Creditors:	
Amounts falling due after more than one year	-304,167
	-----
Net Assets	191,440
	=====
Capital and Reserves	
Called up Share Capital	1,000
Share Premium Account	0
Profit and Loss Account	190,440
	-----
Shareholders Funds	191,440
Minority Interest	0
	-----
	191,440
	=====



Cash Flow Statement for the 7 months Ended 31 October 1996

	7 months Ended 31 October 1996 'L'
NET CASH INFLOW FROM OPERATING ACTIVITIES	443,212
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	
Interest Received	0
Interest Paid	0
interest Element of Finance Lease Rental Payments	-----
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	0
TAXATION	
Corporation Tax Paid	(9,822)
ACT Received	-----
TAX PAID	(9,822)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	
Payment to Acquire Minority Interest	0
Payment to Acquire Intangible Fixed Assets	0
Payment to Acquire Tangible Fixed Assets	(189,520)
Receipts from Sales of Tangible Fixed Asssets	62,000
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	----- (127,520)
FINANCING	
Bank Loan Advance	0
Bank Loan Repayment	(16,971)
Finance Lease and Hire Purchase Repayment	0
NET CASH INFLOW FROM FINANCING	----- (16,971)
INCREASE/(DECREASE) IN CASH	----- 288,899 =====



Note 1. Basis of preparation of interim financial statements

The accompanying financial statements, which are unaudited, are prepared in accordance with generally accepted accounting principles in the United Kingdom (UK GAAP), which differs in certain significant respects from those applicable in the United States (US GAAP). (See Note 2.) The results for the partial period reported herein are not necessarily indicative of the results to be expected for future periods.

In the opinion of the Directors, the accompanying unaudited financial statements contain all adjustments necessary to present fairly the Company's financial position, results of operations and cash flows for the period presented. The accompanying unaudited interim financial statements should be read in conjunction with the audited financial statements and notes thereto included elsewhere in this Form 8-K filing.

Note 2. Adjustments to UK Profits and Shareholders Equity for US GAAP

The significant differences between UK GAAP and US GAAP are explained in Note 19 to the Company's financial report for the year ended 31 March 1997 included elsewhere in this Form 8-K filing.

Approximate effect on profit after taxation of significant differences between UK GAAP and US GAAP.

	7 months Ended 31 October 1996 'L'
Profit/(Loss) after taxation under UK GAAP	101,155
US GAAP adjustments:	
Capitalisation of Interest	0
Depreciation on Interest Capitalised	-1,168
Freehold Property Depreciation	-5,323
Tax effect on the foregoing adjustments	385
Deferred tax	-1,777
	-----
Profit/(Loss) after taxation under US GAAP	93,272 =====

Approximate cumulative effect on shareholders equity of significant differences between UK GAAP and US GAAP

	31 October 1996 'L'
Shareholders' equity under UK GAAP	191,440
US GAAP adjustments:	
Capitalisation of Interest	13,345
Depreciation on Interest Capitalised	-1,168
Freehold Property Depreciation	-6,844
Tax effect on the foregoing adjustments	-4,018
Deferred tax	-4,536
	-----
Shareholders Equity under US GAAP	188,219 =====



## Basis of Preparation of Cash Flow Statement

The company's cash flow statement is prepared in accordance with UK Financial Reporting Standard No. 1 (Revised) "Cash Flow Statements" (FRS 1 - Revised), the objectives and principles of which are similar to those set out in Statement of Financial Accounting Standards 95, "Statement of Cash Flows" (SFAS 95) under US GAAP. The principle differences between FRS 1 (Revised) and SFAS 95 relate to classification. Under FRS 1 (Revised), the Company presents its cash flows for (a) operating activities; (b) returns on investment and servicing of finance; (c) taxation; (d) capital expenditure and financial investment; and (e) financing activities. SFAS 95 requires only three categories of cash flow activity (a) operating; (b) investing; and (c) financing.

Cash Flows from taxation and returns on investment and servicing of finance under FRS 1 (Revised) would be included as operating activities under SFAS 95. Under FRS 1 (Revised) cash includes only cash in hand plus deposits repayable on demand, less overdrafts repayable on demand. Under SFAS 95 cash and cash equivalents include all highly liquid short term investments with original maturities of three months or less.

7 months Ended  
31 October 1996  
'L'

### Note 3. Reconciliation of Operating Profit to the Net Cash Inflow from Operating Activities

Operating Profit	165,600
Depreciation Charge	57,855
(Profit)/Loss on Disposal of Tangible Assets	(1,740)
Exceptional Item	0
(Increase)/Decrease in Stocks	(59,671)
(Increase)/Decrease in Debtors	(66,486)
Increase/(Decrease) in Creditors	347,655
	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES	443,212
	=====

31 October 1996  
'L'

### Note 4. Stocks

Contact Lenses	86,389
Packaging and Labels	17,505
	-----
Total	103,894
	-----





Interim Financial Statements (Unaudited)  
 New Focus Health Care Limited  
 Consolidated Profit and Loss Account for the 7 months Ended 31 October 1996

	7 months Ended 31 October 1996 'L'
Turnover	9,936,389
Cost of Sales	-5,025,751
Gross Profit	----- 4,910,639
Distribution Costs	-290,112
Administrative Expenses	-2,619,430
	----- 2,001,096
Other Operating Income	0
Operating Profit	----- 2,001,096
Exceptional Item	1,269,333
Interest Recievable	935
Interest Payable	-198,472
Profit on Ordinary Activites Before Taxation	----- 3,072,893
Tax on Profit on Ordinary Activities	-991,550
Profit for the Financial Period	----- 2,081,343
Minority Interest	-710,987
Retained Profit for the Period	----- 1,370,356 =====

The results in the profit and loss account relate to continuing operations.

There were no recognised gains or losses other than those included in the profit and loss account.



Consolidated Balance Sheet as at 31 October 1996

	31 October 1996
	'L'
Fixed Assets	
Intangible Assets	9,237
Tangible Assets	3,640,718
Investments	0
	-----
	3,649,955
Current Assets	
Stocks	2,898,876
Debtors	6,064,175
Cash at Bank and in hand	11,408
	-----
	8,974,459
Creditors	
Amounts falling due within one year	-8,315,964
	-----
Net Current Assets	658,495
	-----
Total Assets less Current Liabilities	4,308,450
Creditors:	
Amounts falling due after more than one year	-1,557,557
	-----
Net Assets	2,750,894
	=====
Capital and Reserves	
Called up Share Capital	7,239
Share Premium Account	317,761
Profit and Loss Account	1,465,066
	-----
Shareholders Funds	1,790,066
Minority Interest	960,828
	-----
	2,750,894
	=====



Consolidated Cash Flow Statement for the 7 months Ended 31 October 1996

	7 months Ended 31 October 1996 'L'
NET CASH INFLOW FROM OPERATING ACTIVITIES	904,139
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	
Interest Received	484
Interest Paid	(35,614)
	-----
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(35,130)
	-----
TAX PAID	0
	-----
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	
Payment to Acquire Tangible Fixed Assets	(1,802,224)
	-----
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(1,802,224)
	-----
FINANCING	
Bank Loan Advance	665,000
Bank Loan Repayment	(42,785)
Finance Lease and Hire Purchase Repayment	(224,014)
	-----
NET CASH INFLOW FROM FINANCING	398,201
	-----
INCREASE/(DECREASE) IN CASH	(535,014)
	=====



Note 1. Basis of preparation of interim financial statements

The accompanying financial statements, which are unaudited, are prepared in accordance with generally accepted accounting principles in the United Kingdom (UK GAAP), which differs in certain significant respects from those applicable in the United States (US GAAP). (See Note 2.) The results for the partial period reported herein are not necessarily indicative of the results to be expected for future periods.

In the opinion of the Directors, the accompanying unaudited financial statements contain all adjustments necessary to present fairly the Company's financial position, results of operations and cash flows for the period presented. The accompanying unaudited interim financial statements should be read in conjunction with the audited financial statements and notes thereto included elsewhere in this Form 8-K filing.

Note 2. Adjustments to UK Profits and Shareholders Equity for US GAAP

The significant differences between UK GAAP and US GAAP are explained in Note 29 to the Company's financial report for the year ended 31 March 1997 included elsewhere in this Form 8-K filing.

Approximate effect on profit after taxation of significant differences between UK GAAP and US GAAP.

	7 months Ended 31 October 1996 'L'
Profit/(Loss) after taxation under UK GAAP	1,370,356
US GAAP adjustments:	
Capitalisation of Goodwill	0
Amortisation of Goodwill	-38,427
Deferred tax	20,417
Minority Interest on the foregoing adjustments	-6,152
	-----
Profit/(Loss) after taxation under US GAAP	1,346,194
	=====

Approximate cumulative effect on shareholders equity of significant differences between UK GAAP and US GAAP

	31 October 1996 'L'
Shareholders' equity under UK GAAP	1,790,066
US GAAP adjustments:	
Capitalisation of Goodwill	658,741
Amortisation of Goodwill	-73,349
Deferred tax	-24,583
Minority Interest on the foregoing adjustments	-191,572
	-----
Shareholders Equity under US GAAP	2,159,303
	=====





Basis of Preparation of Cash Flow Statement

The group's cash flow statement is prepared in accordance with UK Financial Reporting Standard No.1 (Revised) "Cash Flow Statements" (FRS 1 - Revised), the objectives and principles of which are similar to those set out in Statement of Financial Accounting Standards 95, "Statement of Cash Flows" (SFAS 95) under US GAAP. The principle differences between FRS 1(Revised) and SFAS 95 relate to classification. Under FRS 1(Revised), the Group presents its cash flows for (a) operating activities; (b) returns on investment and servicing of finance; (c) taxation; (d) capital expenditure and financial investment; and (e) financing activities. SFAS 95 requires only three categories of cash flow activity (a) operating; (b) investing; and (c) financing.

Cash flows from taxation and returns on investment and servicing of finance under FRS 1 (Revised) would be included as operating activities under SFAS 95. Under FRS 1 (Revised) cash includes only cash in hand plus deposits repayable on demand, less overdrafts repayable on demand. Under SFAS 95 cash and cash equivalents include all highly liquid short term investments with original maturities of three months or less. In addition, under SFAS 95 changes in minority interests would be presented as a cash flow from operating activities.

7 months Ended  
31 October 1996  
'L'

Note 3. Reconciliation of Operating Profit to the Net Cash Inflow from Operating Activities

Operating Profit	2,001,096
Depreciation Charge	422,000
(Profit)/Loss on Disposal of Tangible Assets	15,050
Exctentional Item	1,269,333
(Increase)/Decrease in Stocks	(1,351,993)
(Increase)/Decrease in Debtors	(2,350,915)
Increase/(Decrease) in Creditors	899,568
	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES	904,139
	=====

31 October 1996  
'L'

Note 4. Stocks

Lenses	2,182,401
Materials	275,480
Packaging & Labels	134,132
Moulds	271,343
Work in Progress	35,520
	-----
Total	2,898,876
	=====



THE COOPER COMPANIES, INC.  
UNAUDITED PRO FORMA CONSOLIDATED CONDENSED  
FINANCIAL STATEMENTS

In December 1997, The Cooper Companies, Inc., a Delaware corporation (the "Company"), through its wholly owned subsidiary, Aspect Vision Holdings Limited, an English company ("AVH"), acquired all of the outstanding capital stock of the following privately held English companies: New Focus Health Care Limited ("NFHC"), Contact Lens Technologies Limited ("CLT") and Aspect Vision Care Limited ("AVC"). The Company also acquired a majority of the outstanding capital stock of Aspect Vision Italia S.R.L., a privately held Italian company ("AVI"), and intends to purchase the remainder of AVI's stock pursuant to certain put and call option arrangements, at prices to be agreed upon by the parties. NFHC consolidated financial reports include AVC and AVI. NFHC, AVC, AVI and CLT are herein collectively referred to as "Aspect." Aspect was a privately-held manufacturer of high quality contact lenses sold primarily in the United Kingdom and other European countries.

The Company paid approximately 'L'30 million, or \$51.0 million at the date of the closing in cash ('L'12 million) and 8% five-year notes ('L'18 million), and will pay an additional amount after approximately 3 years based on performance of Aspect over that period. The minimum amount of the additional payment will accrete to 'L'5 million after approximately 3 years, and there is no maximum limit. The cash payment was partially financed under the Company's \$50 million revolving credit agreement and cash then on hand. The acquisition will be accounted for under the purchase method. Aspect will operate under its current name and management as a part of CooperVision, Inc., the Company's contact lens business.

The following unaudited pro forma consolidated condensed financial statements have been prepared to illustrate the effect of the acquisition of Aspect, and include an unaudited pro forma consolidated condensed statement of income for the year ended October 31, 1997, and an unaudited pro forma consolidated condensed balance sheet as of October 31, 1997. The unaudited pro forma financial statements are based on the historical consolidated financial statements of the Company, NFHC and CLT, prepared in accordance with United States generally accepted accounting principles. The unaudited pro forma consolidated condensed financial statements reflect a preliminary allocation of the purchase price. Management is in the process of obtaining valuations of the individual assets acquired. Accordingly, the actual purchase price allocation may differ significantly from the preliminary allocation used herein.

The unaudited pro forma consolidated condensed balance sheet as of October 31, 1997 assumes that the acquisition was consummated on October 31, 1997, and the unaudited pro forma consolidated condensed statement of income for the year ended October 31, 1997 assumes that the acquisition had been consummated as of November 1, 1996.



THE COOPER COMPANIES, INC.  
 Unaudited Pro Forma Consolidated Condensed Statement of Income  
 (In thousands, except per share figures)

	Year Ended October 31, 1997			
	Historical ----- TCC -----	Aspect	Pro forma Adjustments	Pro forma -----
Net sales of products	\$ 88,769	\$38,002	\$ -	\$126,771
Net service revenue	52,704	-	-	52,704
Net operating revenue	----- 141,473	----- 38,002	----- -	----- 179,475
Cost of products sold	27,325	20,685	-	48,010
Cost of services provided	46,538	-	-	46,538
Selling, general and administrative expense	38,337	12,700	-	51,037
Research and development expense	1,739	-	-	1,739
Amortization of intangibles	1,745	139	1,202 (a)	3,086
Income from operations	----- 25,789	----- 4,478	----- (1,202)	----- 29,065
Interest expense	4,214	1,153	3,693 (b)	9,060
Other (loss) income, net	209	1,562	-	1,771
Income from continuing operations before income taxes	----- 21,784	----- 4,887	----- (4,895)	----- 21,776
(Benefit of) provision for income taxes	(26,606)	2,034	(1,278) (c)	(25,850)
Income from continuing operations	----- \$ 48,390	----- \$ 2,853	----- \$(3,617)	----- \$ 47,626
Earnings per share from continuing operations	=====	=====	=====	=====
Number of shares used to compute earnings per share	=====			=====
	13,071			13,109
	=====			=====

The unaudited pro forma consolidated condensed statement of income has been prepared to reflect the acquisition of Aspect as if it had occurred on November 1, 1996. The acquisition has been accounted for under the purchase method of accounting.

The unaudited pro forma consolidated condensed statement of income excludes any potential benefits that might result from the acquisition due to synergies that may be derived. The unaudited pro forma consolidated condensed statement of income does not purport to be indicative of the results that actually would have occurred if the acquisition had occurred on the date indicated or indicative of results which may be obtained in the future. The unaudited pro forma consolidated condensed statement of income should be read in conjunction with the historical consolidated financial statements and accompanying notes for Aspect and the Company. The unaudited pro forma consolidated condensed financial statements reflect a preliminary allocation of the purchase price. Management is in the process of obtaining valuations of the individual assets acquired. Accordingly, the actual purchase price allocation may differ significantly from the preliminary allocation used herein.

The following is a summary of adjustments reflected in the unaudited pro forma consolidated condensed statements of income:

- (a) Adjustment to reflect the annual amortization amount of the excess of the purchase price over the historical cost basis of the net assets acquired, subject to allocation, over an estimated 40-year life.
- (b) Adjustment to reflect interest expense amounts at an annual rate of 8%, on the debt to the prior owners (\$2.2 million) and additional borrowings for the acquisition (\$1.1 million).
- (c) Adjustment for the tax savings related to the additional interest deduction at the U.K. tax rate of 33%, and also tax savings on the intangible amortization deduction in the U.S. at 5%.



THE COOPER COMPANIES, INC.  
Unaudited Pro Forma Consolidated Condensed Balance Sheet  
(In thousands)

October 31, 1997

	Historical		Pro forma Adjustments	Pro forma
	TCC	Aspect		
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 18,249	\$ 204	\$(7,534)(a)	\$ 10,919
Trade and patient accounts receivable, net	27,469	9,109	-	36,578
Inventories	15,096	7,089	-	22,185
Other current assets	5,021	2,628	-	7,649
<b>Total current assets</b>	<b>65,835</b>	<b>19,030</b>	<b>(7,534)</b>	<b>77,331</b>
Property, plant and equipment at cost	56,578	14,988	-	71,566
Less accumulated depreciation and amortization	17,055	2,967	-	20,022
	39,523	12,021	-	51,544
Goodwill and other intangibles, net	36,698	181	48,076 (b)	84,955
Deferred tax and other assets	33,242	-	-	33,242
	<b>\$ 75,298</b>	<b>\$31,232</b>	<b>\$40,542</b>	<b>\$247,072</b>
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Short-term debt	\$ 438	\$ 5,530	\$ -	\$ 5,968
Accounts payable	7,907	1,805	-	9,712
Other current liabilities	16,138	6,099	-	22,237
Accrued income taxes	9,134	4,752	-	13,886
<b>Total current liabilities</b>	<b>33,617</b>	<b>18,186</b>	<b>-</b>	<b>51,803</b>
Long-term debt	9,125	4,408	41,357 (c)	54,890
Other noncurrent liabilities	21,023	-	6,336 (d)	27,359 (d)
<b>Total liabilities</b>	<b>63,765</b>	<b>22,594</b>	<b>47,693</b>	<b>134,052</b>
Stockholders' equity				
Common stock	1,480	12	(8)(e)	1,484
Additional paid-in capital	249,213	534	949 (e)	250,696
Other equity	(731)	-	-	(731)
Accumulated deficit	(138,429)	8,092	(8,092)(e)	(138,429)
<b>Stockholders' equity</b>	<b>111,533</b>	<b>8,638</b>	<b>(7,151)</b>	<b>113,020</b>
	<b>\$175,298</b>	<b>\$31,232</b>	<b>\$40,542</b>	<b>\$247,072</b>

The unaudited pro forma consolidated condensed balance sheet has been prepared to reflect the acquisition of Aspect as if it occurred on October 31, 1997. The acquisition has been accounted for under the purchase method of accounting.

The following is a summary of the pro forma adjustments reflected in the unaudited pro forma consolidated condensed balance sheet:

- (a) Represents the cash used from cash and cash equivalents on hand paid on the acquisition date.
- (b) Includes the excess of purchase price over historical cost basis of net assets acquired, subject to allocation, of \$48.1 million arising from the acquisition of Aspect.
- (c) Represents the notes payable to the prior owners (\$27.9 million), and additional borrowings for the acquisition and related acquisition costs (\$900 thousand).
- (d) Represents the discounted minimum future payments to the prior owners of Aspect.
- (e) Represents the elimination of the purchased equity of Aspect, plus \$1.5 million in capital stock and additional paid-in capital for 38 thousand shares of the Company's stock issued at approximately a fair market value of \$39.25 per share as part of the cost of the acquisition.

STATEMENT OF DIFFERENCES

The British pound sterling sign shall be expressed as..... 'L'





