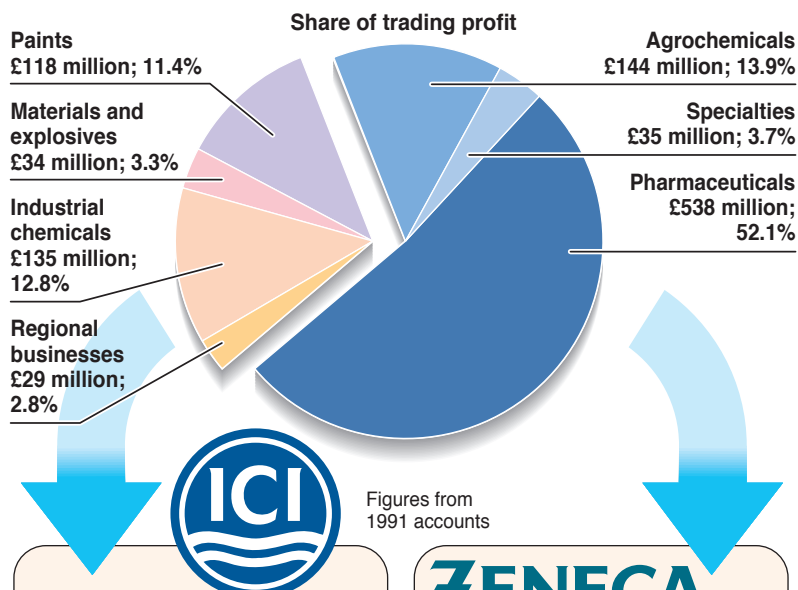
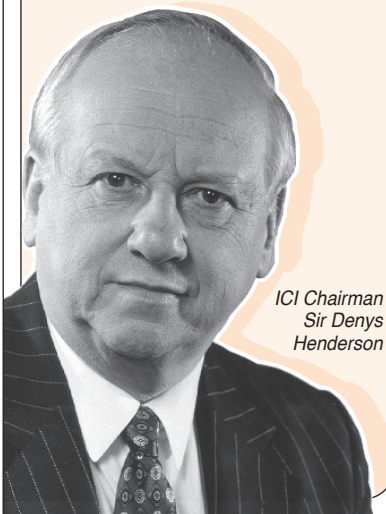


ICI prepares to split in two

ICI – Britain's largest company and one of the world's chemical giants – must decide whether to split itself in two. Formed in 1926 from the merger of four chemical companies ICI currently employs over 130,000 and has patented over 33,000 inventions including Perspex, Terylene and solid emulsion paint



The new ICI will concentrate on bulk commodity chemicals – retaining industrial chemicals, paints, materials, explosives and regional businesses. By demerging, ICI aims to beat the recession which has left the European bulk chemical industry in worse shape than at any time since World War II



ICI Chairman
Sir Denys
Henderson

ZENECA

The new company comprises ICI's pharmaceutical, agrochemical and speciality chemicals businesses.

A £1 million rights issue will enable the parent company's balance sheet to be wiped clean and allow Zeneca to grow by forming strategic alliances with other drug companies.

Zeneca faces difficulties in the U.S. where the patent for its beta-blocker, Tenormin, expired last year, allowing cheaper generics to flood the market.

Zeneca has no big product ready to replace Tenormin for the next two or three years.

The agrochemicals business faces growing losses as European and U.S. farmers expect cutbacks as a result of the GATT talks and the reduction in EC farm subsidies

