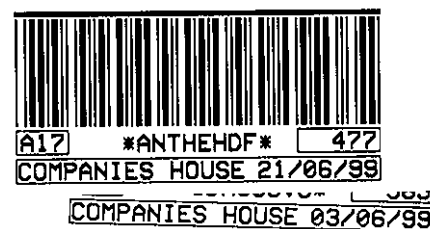


**CIC FILM PROPERTIES**  
**REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 1998**

**REGISTERED NO: 199959**



**CIC FILM PROPERTIES**

**DIRECTOR** Cinema International Corporation (UK)

**SECRETARY** J C Ribbons

**REGISTERED OFFICE** Lee House  
90 Great Bridgewater Street  
Manchester  
M1 5JW

**CIC FILM PROPERTIES  
DIRECTOR'S REPORT**

The director presents its report and audited financial statements for the year ended 31 December 1998.

**BUSINESS REVIEW**

CIC Film Properties (the "Company") has not traded during the year. It owns 95% of the issued share capital of the Empire-Ritz (Leicester Square) which also does not trade.

The Company was dormant within the meaning of Section 250, Companies Act 1985, throughout the year ended 31 December 1998.

**DIRECTORS AND THEIR INTERESTS**

The director of the Company during the year is stated on page 1.

Throughout the year Cinema International Corporation (UK) held all 157,455 shares.

By Order of the Board



J C Ribbons  
Secretary  
25 February 1999

## **CIC FILM PROPERTIES**

### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

Company law requires the director 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 director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable it to ensure that the financial statements comply with the Companies Act 1985. It is 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.

**CIC FILM PROPERTIES  
BALANCE SHEET  
AS AT 31 DECEMBER 1998**

	Note	1998 £	1997 £
<b>Fixed assets</b>			
Investments	4	95	95
<b>Current assets</b>			
Amounts owed by group undertakings		280,895	280,895
<b>Total assets less current liabilities</b>		<u>280,990</u>	<u>280,990</u>
<b>Capital and reserves</b>			
Called up share capital	5	157,455	157,455
Profit and loss account		<u>123,535</u>	<u>123,535</u>
<b>Equity Shareholders' Funds</b>		<u>280,990</u>	<u>280,990</u>

**Approved by the Board on 25 February 1999**

The Company was dormant throughout the financial year.

  
Director's representative  
for Cinema International Corporation (UK)

The notes on page 5 form an integral part of these financial statements.

**CIC FILM PROPERTIES**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

**Investments**

Investments are stated at cost less provision for any permanent diminution in value.

**2 RESULT FOR THE YEAR**

The Company did not trade during the years ended 31 December 1998 and 31 December 1997 and consequently made neither a profit nor a loss in those years.

**3 DIRECTOR'S EMOLUMENTS**

The director did not receive any remuneration in respect of its services to the Company during the year ended 31 December 1998 (1997 - £Nil).

**4 FIXED ASSET INVESTMENTS**

	1998	1997
	£	£
Costs of shares in subsidiary undertaking	95	95

The subsidiary undertaking is Empire-Ritz (Leicester Square), an unlimited company registered in England, which does not trade. The Company holds 95% of it's share capital. In the opinion of the director the value of the investment is not less than book value.

The Company is a wholly owned subsidiary of Cinema International Corporation NV, which is incorporated in The Netherlands. Under the provisions of Section 228 of the Companies Act 1985, group financial statements have not been prepared.

**5 CALLED UP SHARE CAPITAL**

The authorised share capital of the Company comprises 200,000 Ordinary shares of £1 each, of which 157,455 Ordinary shares are allotted and fully paid.

**6 PARENT UNDERTAKINGS**

The Company's immediate parent undertaking is Cinema International Corporation (UK). The smallest and largest group which includes the Company's financial statements is Cinema International Corporation NV which is incorporated in The Netherlands. Copies of Cinema International Corporation NV's financial statements can be obtained from Rijswijkstraat 175, 1062 EV, Amsterdam.