

CORDIANT LIMITED
(formerly Cordiant Finance Limited)

FINANCIAL STATEMENTS

31ST DECEMBER 1998

COMPANY NO: 660277



REPORT OF THE DIRECTORS

The directors submit their annual report together with financial statements for the year ended 31st December 1998 which were approved by the board on 22nd April 1999.

CHANGE OF NAME

On 21st January 1999 the company changed its name from Cordiant Finance Limited to Cordiant Limited.

ACTIVITIES

The company did not trade during the year.

DIRECTORS

The directors who served during the year were as follows:-

PG Howell (resigned 11 June 1998)
DIC Weatherseed (resigned 10 June 1998)
D F Ham (appointed 10 June 1998)
S M Howard (appointed 10 June 1998)
D Williams (appointed 10 June 1998)

No director had an interest in shares of the company. Their interests in shares of other group companies were as follows:-

	<u>Cordiant Communications Group plc</u>	
	<u>Ordinary Shares</u>	
	<u>31st December 1998</u>	<u>31st December 1997*</u>
DF Ham	78,571	78,571
SM Howard	178,138	178,138

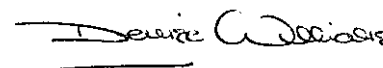
* or date of appointment if later.

Directors' interests include share options granted

ELECTIVE RESOLUTIONS

The company has passed resolutions under sections 252 and 366A of the Companies Act 1985 dispensing with the requirements to lay accounts and reports before the company in general meeting and hold annual general meetings.

By order of the board



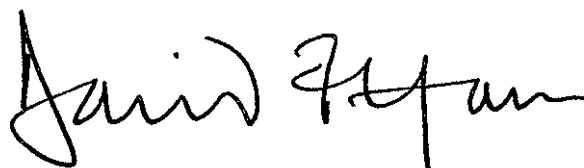
D Williams
Secretary
121 - 141 Westbourne Terrace,
London, W2 6JR
22nd April 1999

BALANCE SHEET

	<u>Note</u>	<u>31st Dec 1998</u> £	<u>31st Dec 1997</u> £
CURRENT ASSETS			
Debtors	2	50,000	57,700
CREDITORS:			
Amounts falling due within one year	3	-	(7,700)
NET ASSETS		<u>£50,000</u>	<u>£50,000</u>
CAPITAL AND RESERVES			
Called up share capital	4	50,000	50,000
Profit and loss account	5	-	-
EQUITY SHAREHOLDERS' FUNDS		<u>£50,000</u>	<u>£50,000</u>

The Company was dormant within the meaning of section 250 of the Companies Act 1985 throughout the year.

These financial statements were approved by the board of directors on 22nd April 1998 and signed on its behalf by:



D F Ham
Director

NOTES

(forming part of the financial statements)

1. BASIS OF ACCOUNTING:

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

	<u>31st Dec 1998</u>	<u>31st Dec 1997</u>
	£	£
2. DEBTORS		
Amounts due from holding company	<u>£50,000</u>	<u>£57,700</u>
3. CREDITORS		
Amounts due to fellow subsidiary undertaking	<u>£-</u>	<u>£7,700</u>
4. SHARE CAPITAL		
Authorised, allotted, and fully paid		
50,000 ordinary shares of £1 each	<u>£50,000</u>	<u>£50,000</u>

5. PROFIT AND LOSS ACCOUNT

The company did not trade during the year nor the previous year and has received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss.

6. CONTINGENT LIABILITIES

The company, together with other group companies, has given fixed and floating charges over certain of its assets to secure the borrowings of itself and other group companies. At 31st December 1998 these borrowings amounted to £36.4 million. In addition the company is grouped for VAT purposes with other group companies and is contingently liable for the VAT liabilities of those companies.

7. ULTIMATE HOLDING COMPANY

The ultimate holding company is Cordiant Communications Group plc which is registered in England and Wales.

The company's financial statements are consolidated into those of Cordiant Communications Group plc. Copies of the group financial statements can be obtained from the Secretary at 121 - 141 Westbourne Terrace, London, W2 6JR.