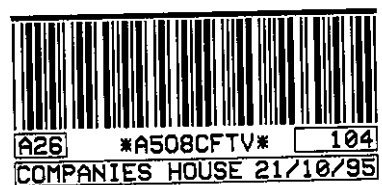


HARRISON SALINSON MEDIA OUTDOOR LIMITED
(Registered Number 1971130)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 1994



HARRISON SALINSON MEDIA OUTDOOR LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1994

The directors present their report on the affairs of the Company, together with the financial statements and auditors' report, for the year ended 31 December 1994.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The Company ceased to trade with effect from 31 August 1989.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year, together with their interests and options in the ordinary shares of the ultimate parent undertaking, Aegis Group plc, are as follows:

	<u>5p Ordinary shares of Aegis Group plc</u>			
	<u>31 December 1994</u>		<u>31 December 1993</u>	
	<u>Shares</u>	<u>Options</u>	<u>Shares</u>	<u>Options</u>
R E Langridge	-	-	-	-
R P Powley	-	-	-	-
M Griffiths	7,000	20,430	7,000	18,000
J R Salinson (resigned 1 July 1994)	-	-	39,106	-

The share options of Aegis Group plc were issued in 1993 at 30 pence per share. This option price was subsequently adjusted to 29.3 pence per share following the Aegis Group plc refinancing in 1993. The options are exercisable between 1996 and 2003. Further options were granted in 1994 at 28.5 pence per share and are exercisable between 1997 and 2004.

R P Powley is also a director of Carat UK Limited at the financial year end and as such his interests in Aegis Group plc are not required to be recorded in this Company's register of directors interests.

The market price of the shares at 31 December 1994 was 29.5 pence and the range during 1994 was 23.5 pence to 32.5 pence.

CLOSE COMPANY STATUS

The directors have been advised that the Company is not a close company within the provisions of the Income and Corporation Taxes Act 1988.

HARRISON SALINSON MEDIA OUTDOOR LIMITED

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF 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;
- 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Price Waterhouse have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board



M Griffiths
Secretary

29th SEPTEMBER 1995

Price Waterhouse



AUDITORS' REPORT TO THE MEMBERS OF HARRISON SALINSON MEDIA OUTDOOR LIMITED

We have audited the financial statements on pages 4 and 5 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 2 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 1994 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors

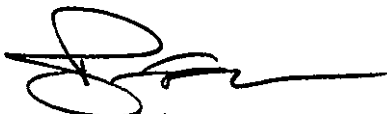
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HARRISON SALINSON MEDIA OUTDOOR LIMITED

BALANCE SHEET - 31 DECEMBER 1994

	<u>1994</u> £	<u>1993</u> £
CURRENT ASSETS		
Debtors (Note 3)	<u>100</u>	<u>100</u>
NET CURRENT ASSETS	<u>100</u>	<u>100</u>
CAPITAL AND RESERVES		
Called-up share capital (Note 4)	<u>100</u>	<u>100</u>

APPROVED BY THE BOARD ON ~~29 SEPT~~ 1995



M GRIFFITHS
DIRECTOR

The accompanying notes on page 5 are an integral part of this balance sheet.

HARRISON SALINSON MEDIA OUTDOOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 1994

1 ACCOUNTING POLICIES

Basis of accounting

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

2 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1994

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

3 DEBTORS

The following amounts are included in debtors:

	<u>1994</u>	<u>1993</u>
	£	£
Amounts due from fellow subsidiary undertakings	£100	£100
	<u> </u>	<u> </u>

4 CALLED-UP SHARE CAPITAL

The called-up equity share capital comprises 100 authorised, allotted, called-up and fully paid ordinary shares of £1 each.

5 STATEMENT OF CASH FLOWS

The financial statements of Aegis Group plc for the year ended 31 December 1994 contain a consolidated Statement of Cash Flows. Therefore the Company has taken advantage of the exemption granted under FRS1 whereby it is not required to publish its own Statement of Cash Flows.

6 ULTIMATE PARENT UNDERTAKING

The Company is a wholly owned subsidiary undertaking of Aegis Group plc, a company registered in England.

The smallest group in which the Company is consolidated is that headed by Carat UK Limited, registered in England. The largest such group is that headed by Aegis Group plc, also registered in England. The consolidated financial statements of these groups are available to the public and may be obtained from New London House, 172 Drury Lane, London, WC2B 5QR and 2 Eaton Gate, London SW1 respectively.