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DATED 27 FEBRUARY 1996

EXHIBIT A
John of Bull
SIR SIMEON BULL, Bt.

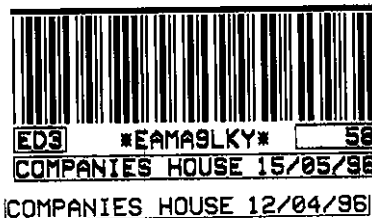
(1) THE ECONOMIST NEWSPAPER LIMITED

(2) THE ECONOMIST GROUP LIMITED

PASSED FOR FILING

SUBSCRIPTION AGREEMENT

© The Economist Newspaper Limited
25 St James's Street
London SW1A 1HG



SUBSCRIPTION AGREEMENT

dated 27 February 1996

1. THE ECONOMIST NEWSPAPER LIMITED a company registered in England with its registered office at 25 St James's Street, London, SW1A 1HG ("the Subscriber") and
2. THE ECONOMIST GROUP LIMITED a company registered in England with its registered office at 25 St James's Street, London, SW1A 1HG ("the Company")

WHEREAS the Subscriber has agreed to subscribe for shares of the Company in accordance with the terms of this Agreement.

NOW IT IS AGREED:

1. DEFINITIONS

In this Agreement:

"ENGI"	means The Economist Newspaper Group Incorporated, a company registered in Delaware in the United States of America
"the Loan Note"	means a loan note dated 31 March 1995 whereby ENGI agreed to borrow US\$75 million from the Subscriber on the terms as described therein
"the Shares"	means 46,000 shares of £1.00 each in the capital of the Company

2. SUBSCRIPTION

In consideration as described below and in reliance on the warranties set out below, the Subscriber hereby agrees to subscribe for the Shares and the Company hereby agrees to issue the Shares to the Subscriber on the terms and conditions of this Agreement and subject to the Company's Memorandum and Articles of Association.

3. CONSIDERATION

In consideration for the issue of the Shares, the Subscriber hereby transfers and assigns absolutely to the Company all its rights, title and interest in the Loan Note and agrees to sign such documents and do such things as the Company may reasonably request to perfect such assignment.

4. NOTICE TO ENGI

In order to perfect the assignment of the Loan Note, the Subscriber and the Company shall immediately on signing this Agreement sign and deliver the form of notice to ENGI as set out in the Schedule attached to this Agreement.

5. COMPLETION

This Agreement shall be treated as having been completed on and with effect from the date hereof.

6. WARRANTIES BY THE COMPANY

The Company hereby represents and warrants to the Subscriber that:

- 6.1 it is a company duly incorporated, validly existing and registered in England under the Companies Act 1985 as amended;
- 6.2 it has full corporate power and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby;
- 6.3 the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorised by all necessary corporate action by the Company;
- 6.4 this Agreement has been validly executed and delivered by the Company and constitutes the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms; and
- 6.5 the Shares, when issued and delivered to the Subscriber pursuant to this Agreement, will be validly issued, fully paid and represented in the form of a valid certificate.

7. **WARRANTIES BY THE SUBSCRIBER**

The Subscriber hereby represents and warrants to the Company that:

- 7.1 it is a company duly incorporated, validly existing and registered in England under the Companies Act 1985 as amended;
- 7.2 it has full corporate power and authority to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby;
- 7.3 the execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorised by all necessary corporate action by the Subscriber; and
- 7.4 this Agreement has been validly executed and delivered by the Subscriber and constitutes the legal, valid and binding obligation of the Subscriber enforceable against the Subscriber in accordance with its terms.

8. **GOVERNING LAW**

This Agreement shall be governed by the laws of England and the parties hereby submit to the jurisdiction of the English courts.

IN WITNESS this Agreement has been duly signed and delivered by an authorised representative of each of the parties on the date written above.

By AE NAWA
Name ANTHONY NAWA
Title COMPANY SECRETARY
for The Economist Newspaper Limited

By [Signature]
Name MARJORIE SCARDINO
Title DIRECTOR
for The Economist Group Limited

THE SCHEDULE

To: The Economist Newspaper Group Incorporated

We hereby give you notice that with effect from 27 February 1996 The Economist Newspaper Limited has transferred and assigned absolutely to The Economist Group Limited all its rights, title and interest in a loan made to you pursuant to and on the terms of a Loan Note dated 31 March 1995 made between The Economist Newspaper Limited and you and with effect from this date you should treat The Economist Group Limited as the party to whom the loan and interest thereon should be repaid and otherwise as if it were a party to the Loan Note dated 31 March 1995 as aforesaid.

By

By

Name

Name

Title
for The Economist Newspaper Limited

Title
for The Economist Group Limited

EXHIBIT B
Sir Simeon Bull
SIR SIMEON BULL, Bt.

To: The Economist Newspaper Group Incorporated

We hereby give you notice that with effect from 27 February 1996 The Economist Newspaper Limited has transferred and assigned absolutely to The Economist Group Limited all its rights, title and interest in a loan made to you pursuant to and on the terms of a Loan Note dated 31 March 1995 made between The Economist Newspaper Limited and you and with effect from this date you should treat The Economist Group Limited as the party to whom the loan and interest thereon should be repaid and otherwise as if it were a party to the Loan Note dated 31 March 1995 as aforesaid.

By *AE Warner*

Name *Anthony Warner*

Title *Company Secretary*
for The Economist Newspaper Limited

By *M. Scardino*

Name *MARJORIE SCARDINO*

Title *DIRECTOR*
for The Economist Group Limited

STATUTORY DECLARATION

IN THE MATTER OF SECTION 42 OF THE FINANCE ACT 1930 (AS AMENDED)

AND

IN THE MATTER OF THE ECONOMIST NEWSPAPER LIMITED AND ITS SUBSIDIARY COMPANIES

I, Ines Lucia Watson, of 25 St James's Street, London, SW1A 1HG, do solemnly and sincerely declare as follows:

1. I am the Assistant Company Secretary of The Economist Newspaper Limited (the "Parent"), a company incorporated in England on 14 January 1928 under no. 236383 and whose registered office is at 25 St James's Street, London, SW1A 1HG.
2. The Economist Group Limited (the "Subsidiary") is a company incorporated in England on 4 September 1991 under no. 2642807 and whose registered office is at 25 St James Street as aforesaid. The authorised share capital of the Subsidiary is £75,000 divided into 75,000 ordinary shares of £1 each. Sixty seven thousand four hundred and seventy-nine of those shares have been issued, all of which are beneficially owned and are registered in the name of the Parent.
3. The Parent and the Subsidiary are, accordingly, associated bodies corporate within the meaning of section 42 of the Finance Act 1930 (as amended).
4. Neither the Parent nor the Subsidiary is in liquidation.
5. Pursuant to a subscription agreement (the "Agreement") dated 15 March 1996 (a copy of which is produced and shown to me marked "Exhibit A"), and for the purpose of a group reorganisation, the Parent transferred 200 preference shares of US \$1.00 par value in the capital of The Economist Newspaper Group Inc (its US subsidiary) to the Subsidiary and paid the sum of US \$24,923,600 in consideration of the issue of shares in the Subsidiary to the Parent as set out in the Agreement. Such consideration was settled by the issue of the shares on 15 March 1996.

COMPANIES HOUSE 12/04/96

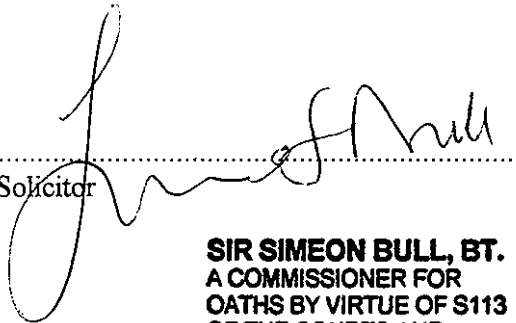
6. The Agreement and the Notice were not executed in pursuant of or in connection with any such arrangement as is described in section 27(3) of the Finance Act 1967.
7. This Declaration is made by me in support of an application pursuant to section 42 of the Finance Act 1930 (as amended) for remission of stamp duty under the heading "Conveyance or Transfer on Sale" in the First Schedule to the Stamp Act 1891 in respect of the Agreement and the Notice and any other documents or instruments executed pursuant thereto.

and I make this solemn declaration believing the same to be true and by virtue of the Statutory Declarations Act 1835.

Declared by the said *Ines*) *Ines Watson*
Lucia Watson)
at *199 Piccadilly*)
this *Ten* day of *April* 1996

Before me

Solicitor



SIR SIMEON BULL, BT.
A COMMISSIONER FOR
OATHS BY VIRTUE OF S113
OF THE COURTS AND
LEGAL SERVICES