

**Scholz & Friends London Limited**

## **Directors' Report and Financial Statements**

Registered Number 3398022

Year ended 31 December 2002



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## Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

### Principal Activities

The company's activity continues to be advertising.

### Subsequent events

On 11 July 2003, Scholz & Friends Holdings GmbH acquired the majority shareholding in Scholz & Friends AG. Scholz & Friends AG owns 100% of the company's immediate parent undertaking. Scholz & Friends Holdings GmbH is owned and controlled by the private equity company, Electra Partners Europe and members of Scholz & Friends AG's former top management.

### Business Review

There has been a gradual decline in business in 2002 which the directors attribute partly to the events of 11 September 2001 and partly to an anticipated recession in the United States of America.

### Results and Dividends

The results for the year are given in the profit and loss account on page 5. The loss on ordinary activities after taxation amounted to £1,608,891 (2001: £3,348,218), which has been deducted from reserves. The directors are unable to propose the payment of a dividend (2001: £nil).

### Directors and Directors' Interests

The directors who held office during the year and subsequent changes were as follows:

A K Boland	(resigned 18 January 2002)
D Williams	(resigned 11 July 2003)
JD Buss	(resigned 10 May 2002)
S Wilson	(appointed 10 May 2002; resigned 11 July 2003)
C J K Tiedemann	(appointed 11 July 2003)
H E Page	(appointed 11 July 2003)

None of the directors held any shares in the company either at the beginning or the end of the period.

The interest of those directors in office at the year end in options over shares of Cordiant Communications Group plc at the beginning and end of the year were as follows:

	Balance at 01/01/02 or date of appointment if later	Exercised during period	Granted during period	Lapsed during period	Balance at 31/12/02	Exercise price	Exercisable at 31/12/02
A Boland	50,152	-	-	-	50,152	164	-
A Boland	-	-	100,000	-	100,000	49	-
D Williams	50,152	-	-	-	50,152	164	-
D Williams	-	-	20,000	-	20,000	78	-
S Wilson	-	-	30,000	-	30,000	78	-

The market value of a share at 31 December 2002 was 33p and the range during 2002 was 31p to 110.5p.

The Company's Register of Directors' Interests (which is open to inspection) contains full details of directors' shareholdings and options to subscribe.

## Director's Report (Continued)

The interests of those directors in office at the end of the year in the shares of Cordiant Communications Group plc at the beginning and end of the year were as follows:

	Balance at 31/12/02	Balance at 31/12/01 or date of appointment if later
D Williams	2,600	2,600
S Wilson	3,600	3,600

During the year, A Boland was a director of Cordiant Communications Group plc and, as such, his interests are disclosed in the Directors' Report and Accounts of that company.

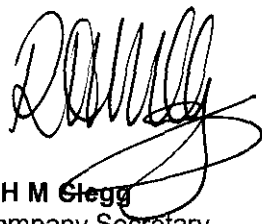
### Political and Charitable Contributions

The company made no political contributions during the year. Donations to UK charities amounted to £130 (2001: £500).

### Elective Resolutions

The company has passed resolutions under sections 252, 366A and 386 of the Companies Act 1985 dispensing with the requirements to lay accounts and reports before the company in general meeting, hold annual general meetings and reappoint auditors annually.

By order of the Board



R H M Glegg  
Company Secretary

80 Clerkenwell Road  
London  
EC1M 5RJ

25 March 2004

## Statement of Directors' Responsibilities

The directors are required by company law 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business for the foreseeable future.

The directors confirm that the financial statements comply with the above requirements.

The directors are responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 1985. They also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# **Report of the Independent Auditors, KPMG Audit Plc to the Members of Scholz & Friends London Limited**

We have audited the financial statements on pages 5 to 15.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the financial statements. As described on page 4, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view, and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

## **Basis of audit 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 group'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 2002 and of the loss of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

**KPMG Audit Plc**

**KPMG Audit Plc**  
Chartered Accountants  
Registered Auditor

PO Box 695  
8 Salisbury Square  
London EC4Y 8BB  
United Kingdom

29 March 2004

## Profit and Loss Account for the year ended 31 December 2002

	Note	2002 £	2001 £
<b>Turnover</b>	1,2,3	<b>3,154,377</b>	6,598,926
Cost of sales	1,2	(1,443,446)	(3,270,472)
<b>Revenue</b>	1	<b>1,710,931</b>	3,328,454
Administrative expenses before exceptional items	2	(2,140,672)	(4,434,222)
Exceptional items	4	(853,980)	(2,101,607)
Administrative expenses after exceptional items		(2,994,652)	(6,535,829)
<b>Operating loss</b>	5	<b>(1,283,721)</b>	(3,207,375)
Interest receivable and similar income	8	87	61,940
Interest payable and similar charges	9	(325,257)	(202,783)
<b>Loss on ordinary activities before taxation</b>		<b>(1,608,891)</b>	(3,348,218)
Tax on profit on ordinary activities	10	-	-
<b>Loss on ordinary activities after taxation and retained loss for the year</b>	17	<b>(1,608,891)</b>	(3,348,218)

There were no recognised gains or losses other than those shown above for the year and the prior year. The losses for the year and the prior year are all derived from continuing operations and are stated on an unmodified historical cost basis.

The accompanying notes are an integral part of this profit and loss account.

## Balance Sheet at 31 December 2002

	Note	31 December 2002 £	31 December 2001 £
<b>Fixed Assets</b>			
Tangible assets	11	549,934	674,593
Intangible assets	12	-	715,000
		<u>549,934</u>	<u>1,389,593</u>
<b>Current assets</b>			
Work in progress		94,661	29,313
Debtors	13	536,645	1,342,341
Cash at bank and in hand		377	914
		<u>631,683</u>	<u>1,372,568</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>(6,049,171)</u>	<u>(6,855,170)</u>
<b>Net current liabilities</b>		<u>(5,417,488)</u>	<u>(5,482,602)</u>
<b>Total assets less current liabilities</b>		<u>(4,867,554)</u>	<u>(4,093,009)</u>
<b>Creditors: amounts falling due after one year</b>	14	(9,715)	(16,874)
<b>Provisions for liabilities and charges</b>	15	(156,628)	-
		<u>(5,033,897)</u>	<u>(4,109,883)</u>
<b>Net liabilities</b>		<u>(5,033,897)</u>	<u>(4,109,883)</u>
<b>Capital and reserves</b>			
Called up share capital	16	4	2
Share premium	17	684,875	-
Profit and loss account	17	(5,718,776)	(4,109,885)
<b>Equity shareholders' deficit</b>	17	<u>(5,033,897)</u>	<u>(4,109,883)</u>

These financial statements were approved by the Board of Directors on 25 March 2004.

Signed on behalf of the Board of Directors



C J K Tiedemann  
Director



## Notes (Forming Part of the Financial Statements)

### 1. Accounting Policies

#### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and with the Companies Act 1985, except as noted below. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

The financial statements of Scholz & Friends AG for the year ended 31 December 2002 included a consolidated cash flow statement and are publicly available. The company is not, therefore, required by Financial Reporting Standard 1 (Revised) to prepare a cash flow statement.

The company is exempt, under the provisions of section 228 of the Companies Act 1985, from the requirement to prepare group accounts. Consequently these financial statements present information about the company as an individual entity and not about its group.

The company has net liabilities, and is dependent on a loan from Scholz & Friends Group GmbH to meet its operating cash requirements. The financial statements have, none the less been prepared on the going concern basis, which the directors believe to be appropriate, because Scholz & Friends Group GmbH has indicated that it is its intention to continue to provide sufficient finance to the company to enable it to continue trading and meet its liabilities as they fall due for at least one year from the date of approval of these financial statements. As with any company placing reliance upon other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements they have no reason to believe that it will not do so

#### Turnover, cost of sales and revenue

Turnover comprises the gross amounts billed to clients in respect of commission based income together with the total of other fees earned. Cost of sales comprises media payments and production costs. Turnover and revenue are stated exclusive of VAT, sales taxes and trade discounts.

Revenue is derived from commissions or fees. Traditionally, revenue was calculated as commission based on total media and production expenditure. In recent years, changes in compensation arrangements have meant that revenue has become a mixture of commissions and fees which are negotiated and agreed with clients on an individual basis. Revenue is recognised when the service is performed in accordance with the terms of the contractual arrangement.

For project based business, revenue is derived from a mixture of fees for services performed and retainer fees which are specific to the contract with the client. In such cases, revenue is recognised when the service has been performed, in accordance with the contractual arrangements and the stage of completion of the work.

#### Goodwill

Purchased goodwill arising in respect of acquisitions of businesses before 1 January 1998 (including any additional goodwill estimated to arise from contingent capital payments) was written off to reserves in the year of acquisition. Goodwill written off directly to reserves and not previously charged to the company profit and loss account is included in determining the profit or loss on disposal of a business. Purchased goodwill arising from acquisitions on and after 1 January 1998 has been capitalised as an intangible fixed asset.

Goodwill is amortised on a straight-line basis over its estimated useful economic life of 10 years. Goodwill is reviewed for impairment at the end of the first full financial year following the acquisition, and in other periods if events of changes in circumstances indicate that the carrying value may not be recoverable.

## 1. Accounting Policies (continued)

### Fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation. Additions, improvements and major renewals are capitalised. Maintenance repairs and minor renewals are expensed as incurred. The cost of tangible fixed assets less the estimated residual value is written off by equal annual instalments over the expected useful lives of the assets as follows:

Short leasehold properties	
with terms of less than 50 years:	- life of lease
Furniture and equipment	- 10 years
Motor vehicles	- 4 years

### Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

### Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over the shorter of its estimated useful life and of the lease term. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account as interest and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as operating leases and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

### Work in progress

Work in progress is valued at the lower of cost and net realisable value and comprises mainly outlays incurred on behalf of clients and work in progress under project arrangements. Provision is made for irrecoverable costs where appropriate.

### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or event that result in an obligation to pay more tax in future or a right to pay less tax in future have occurred at the balance sheet date. A net deferred tax asset is regarded as recoverable and therefore recognised only when on the basis of all available evidence, it can be regarded as more likely that not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

### Pension costs

Retirement benefits for employees of the company are provided for employees by means of contribution to money purchase schemes. The company's share of contributions to defined contribution schemes are charged within the profit and loss account of the year in which they become payable.

## Notes (continued)

### 2. Analysis of turnover and operating profit

The turnover and operating profit is attributable to the provision of advertising services and originates in the United Kingdom

### 3. Geographical analysis of turnover by destination

	2002	2001
	£	£
Turnover		
United Kingdom	1,780,716	3,026,008
Rest of Europe	1,310,531	2,513,740
United States of America	47,799	520,268
Rest of World	15,331	538,910
	<u>3,154,377</u>	<u>6,598,926</u>

### 4. Exceptional items

	2002	2001
	£	£
Goodwill impairment (see note 12)	599,697	1,656,318
Severance	97,665	445,289
Property provision (see note 15)	156,628	-
	<u>853,980</u>	<u>2,101,607</u>

As a result of the economic down turn in 2001 and 2002, the company, along with fellow subsidiary companies, implemented cost reduction initiatives, driven principally by headcount reduction.

### 5. Operating loss

	2002	2001
	£	£
The operating loss is stated after charging/(crediting):		
Auditors' remuneration:		
Audit	10,300	10,050
Depreciation and other amounts written off tangible fixed assets – owned	122,021	120,911
Depreciation and other amounts written off tangible fixed assets		
- held under finance leases	15,846	33,697
Amortisation of goodwill	115,303	284,296
(Profit)/loss on disposal of fixed assets	(673)	1,762
Exchange losses	4,294	18,738
Rentals payable under operating leases		
Hire of plant and machinery	21,922	25,109
Leasehold property net of sublease income	166,805	247,547

## Notes (continued)

### 6. Remuneration of directors

Denise Williams', Andrew Boland's and Stephen Wilson's emoluments were borne by Cordiant Group Limited, a fellow subsidiary company. Jerry Buss's emoluments are borne by Bates UK Limited, a fellow subsidiary company. Although management charges are made by the company's fellow subsidiary undertakings, in the opinion of group management, it is not possible to allocate part of these costs to the remuneration of directors of the company.

### 7. Staff numbers and costs

	2002	2001
	Number of employees	
Average number of persons employed by the company (including directors) during the year	20	47

The aggregate payroll costs of these persons were as follows:

	2002	2001
	£	£
Wages and salaries	970,446	1,885,928
Social security costs	121,807	229,420
Other pension costs (see note 20)	56,533	83,987
	<u>1,148,786</u>	<u>2,199,335</u>

The aggregate payroll costs shown above are exclusive of exceptional severance costs.

### 8. Interest receivable and similar income

	2002	2001
	£	£
Bank deposit interest	87	7,809
Net exchange gains	-	54,131
	<u>87</u>	<u>61,940</u>

### 9. Interest payable and similar charges

	2002	2001
	£	£
On bank loans and loan notes	4,357	5,488
Payable to group undertakings	297,827	190,589
Net exchange losses	20,693	-
Finance leases and hire purchase charges	2,380	6,706
	<u>325,257</u>	<u>202,783</u>

## Notes (continued)

### 10. Taxation

	2002 £	2001 £
UK corporation tax at 30% (2001: 30%)	-	-
Adjustments in respect of prior period	-	-
Taxation on ordinary activities	-	-

Reconciliation of the Company's current tax to the United Kingdom statutory rate:

	2002 £	2001 £
Tax on pre tax profit/(loss) at 30%	(482,667)	(1,004,465)
Effects of:		
Permanent differences between expenditures charged in arriving at income and expenditures allowed for tax purposes	219,632	594,648
Tax effect of timing differences	48,379	(3,125)
Tax losses carried forward	214,656	412,942
	-	-

Deferred tax assets of £679,163 (2001: £463,117) relating to carried forward losses and £46,000 relating to other timing differences have not been recognised. In the opinion of the Directors, there is not sufficient evidence presently available that income will be generated to support the recovery of this asset.

## Notes (continued)

### 11. Tangible Fixed Assets

	Land and buildings £	Furniture and equipment £	Motor Car £	Total £
<b>Cost</b>				
At 1 January 2002	13,409	927,570	68,400	1,009,379
Additions	-	42,361	-	42,361
Disposals	-	(8,523)	(68,400)	(76,923)
<b>At 31 December 2002</b>	<b>13,409</b>	<b>961,408</b>	<b>-</b>	<b>974,817</b>
<b>Depreciation</b>				
At 1 January 2002	1,788	292,798	40,200	334,786
Charge for period	894	131,181	5,792	137,867
Disposals	-	(1,778)	(45,992)	(47,770)
<b>At 31 December 2002</b>	<b>2,682</b>	<b>422,201</b>	<b>-</b>	<b>424,883</b>
<b>Net book value</b>				
<b>At 31 December 2002</b>	<b>10,727</b>	<b>539,207</b>	<b>-</b>	<b>549,934</b>
At 31 December 2001	11,621	634,772	28,200	674,593

Included in the total net book value is £13,582 (2001: £57,753) in respect of assets held under finance leases, and the depreciation charged on assets held under finance leases was £15,846 (2001: £33,697).

### 12. Goodwill

<b>Cost</b>	£
At 1 January 2002 and 31 December 2002	2,655,614
<b>Amortisation and Impairment</b>	
At 1 January 2002	1,940,614
Charge for the year	115,303
Impairment for the year	599,697
<b>At 31 December 2002</b>	<b>2,655,614</b>
<b>Net book value at 31 December 2002</b>	<b>-</b>
Net book value at 31 December 2001	715,000

An impairment review of goodwill held by company indicated that it had no remaining value. As a result, it has been impaired in full in these financial statements.

## Notes (continued)

### 13. Debtors

	2002 £	2001 £
<b>Due within one year:</b>		
Trade debtors	320,473	1,082,107
Amounts owed by parent and fellow subsidiary undertakings	97,920	156,696
Other debtors	-	16,932
Prepayments and accrued income	118,252	86,606
	<u>536,645</u>	<u>1,342,341</u>

### 14. Creditors

	2002 £	2001 £
<b>Due within one year:</b>		
Bank overdraft	4,904,311	39,418
Finance leases and hire purchase	7,159	20,879
Trade creditors	427,798	556,227
Amounts owed to group and fellow subsidiary undertakings	403,949	4,686,742
Taxation and social security	29,472	124,395
Other creditors	46,848	215,837
Accruals and deferred income	229,634	1,211,672
	<u>6,049,171</u>	<u>6,855,170</u>

#### Due after one year:

Finance leases and hire purchase	<u>£9,715</u>	<u>£16,874</u>
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#### Finance leases and hire purchase

	2002 £	2001 £
Due within 1 year	7,159	20,879
Due within 2-5 years	9,715	16,874
	<u>16,874</u>	<u>37,753</u>

### 15. Provisions for liabilities and charges

	2002 £	2001 £
Profit and loss account charge for year	156,628	-
At 31 December 2002	<u>156,628</u>	<u>-</u>

Provision has been made for the estimated unavoidable future cost of those parts of the company's leased property which became vacant in the year and for anticipated future rental shortfalls on currently vacant and sublet parts of the property.

## Notes (continued)

### 16. Called up share capital

	2002 £	2001 £
Authorised		
1,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, called-up and fully paid</b>		
<b>4 Ordinary shares of £1 each (2001: 2 ordinary shares of £1 each)</b>	<b>4</b>	<b>2</b>
	<u>4</u>	<u>2</u>

On 22 April 2002, the company issued two ordinary £1 shares to Scholz & Friends Group GmbH for cash consideration of £684,877.

### 17. Reconciliation of movements in shareholders' funds

	Share capital £	Share premium £	Profit and loss account £	Total £
At 1 January 2002	2	-	(4,109,885)	(4,109,883)
Shares issued during the year	2	684,875	-	684,877
Loss for the year	-		(1,608,891)	(1,608,891)
<b>At 31 December 2002</b>	<b>4</b>	<b>684,875</b>	<b>(5,718,776)</b>	<b>(5,033,897)</b>

### 18. Guarantees and contingent liabilities

During the year ended 31 December 2002, the company was grouped for VAT purposes with certain other fellow subsidiaries of Cordiant Communications Group plc. Consequently, at 31 December 2002, the company was contingently liable for the VAT liabilities of those companies. The VAT quarter end for the group does not fall on the 31 December, therefore the full amount of the potential liability cannot be quantified with reasonable accuracy.

The company together with other group companies, had given a cross guarantee to secure the borrowings of other group companies that commenced on 19 April 2002. At 31 December 2002 these borrowings amounted to £231 million. In addition, the company had given a fixed and a floating charge to guarantee these borrowings that also commenced on 19 April 2002.

Following the acquisition of the majority share of Scholz & Friends AG by Electra Partners Europe, the company has degrouped from this VAT group, and been released from the cross guarantee and fixed and floating charge.



## Notes (continued)

### 19. Commitments

(a) Annual commitments under non-cancellable operating leases are as follows:

	2002			2001		
	Land and Buildings £	Other £	Total £	Land and Buildings £	Other £	Total £
Operating leases which expire:						
Within one year	-	-	-	-	-	-
In the second to fifth years inclusive	-	-	-	-	-	-
Over five years	270,575	-	270,575	270,575	-	270,575
	<b>270,575</b>	<b>-</b>	<b>270,575</b>	<b>270,575</b>	<b>-</b>	<b>270,575</b>

### 20. Pension schemes

The company is a member of the Cordiant Group Money Purchase Plan, contributions being charged to the profit and loss account as they become payable. Payments were made in the year to both The Cordiant Group Money Purchase plan and employees' personal pension plans. During the year ended 31 December 2002 the charge to the profit and loss account for the Cordiant Group Money Purchase Plan was £27,182 (2001: £38,469). For the year ending 31 December 2002 a further profit and loss charge of £29,351 (2001: £45,518) related to employees' personal pension plans.

### 21. Related party disclosures

The company has taken advantage of the exemption under Financial Reporting Standard 8 – Related Party Disclosures (FRS 8) not to disclose related party transactions between wholly owned group undertakings. The following is a summary of transactions and balances with Bates UK Limited which are required to be reported under FRS8.

	2002 £	2001 £
Interest payable to Bates UK Limited	280,689	139,719
Intercompany creditor balance with Bates UK Limited	25,134	4,451,172

### 22. Ultimate Parent Company and Parent Undertaking of Smallest Group of Which the Company is a Member

During the year ended 31 December 2002, the ultimate parent company and head of the largest group into which the company's results are consolidated is Cordiant Communications Group plc, which is registered in England and Wales. These financial statements are consolidated into those of Cordiant Communications Group plc. Copies of the consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

From 11 July 2003, Scholz & Friends Holdings GmbH, which is registered in Germany became the ultimate parent undertaking. For the year ended 31 December 2003, the company's financial statements will be consolidated into those of Scholz & Friends Holdings GmbH. Copies of financial statements can be obtained from the Secretary, Hanseatic Trade Centre, AM Sandtorkai 76, D-20457, Hamburg, Germany.

The head of the smallest group into which the company's 2002 results are consolidated is Scholz & Friends AG, which is registered in Germany. The consolidated financial statements of Scholz & Friends AG can be obtained from the Secretary, Hanseatic Trade Centre, AM Sandtorkai 76, D-20457, Hamburg, Germany.