

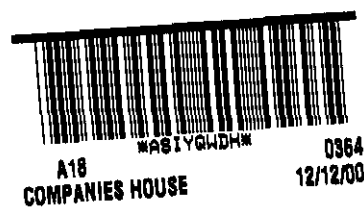
# **TDI MAIL HOLDINGS LIMITED**

## **REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED  
31 DECEMBER 1999**

### **REGISTERED NUMBER**

**03481652**



**TDI MAIL HOLDINGS LIMITED**  
**DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 1999**

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 1999.

**Principal Activity**

The principal activity of the Company is that of a poster advertising contractor, operating primarily in relation to transportation systems. The Company acts as a holding company and does not trade on its own behalf.

**Directors and their Interests**

The Directors who held office during the period were:

T. Goddard	
W. M. Apfelbaum	(resigned 22 May 2000),
J. J. Male	(resigned 21 July 2000),
J. Swainson	
T.S. Haut	(appointed 1 May 2000).

25% of the share capital of the Company is held by a trust of which T. Goddard is a beneficiary. No other director held any interest in the issued share capital of the Company or the holding company during the period.

**Auditors**

A resolution to reappoint PricewaterhouseCoopers as auditors will be proposed at the Annual General Meeting.

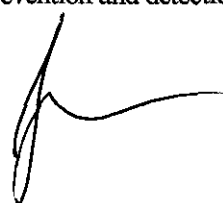
**Directors' responsibilities in respect of the preparation of financial statements**

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 as at the end of the financial year 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.

London  
27 November 2000  
Registered Office  
10 Jamestown Road  
London NW1 7BY



By Order of the Board  
J.F. Swainson  
Secretary

## REPORT OF THE AUDITORS TO THE MEMBERS OF TDI MAIL HOLDINGS LIMITED

We have audited the financial statements on pages 3 to 5.

### Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Annual Report. As described on page 2, this includes responsibility for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent Auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. 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 is not disclosed.

We read the other information contained in the Annual Report and consider its implications for our report if we become aware of any misstatements or material inconsistencies with the financial statements.

### 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 affairs of the Company as at 31 December 1999 and have been properly prepared in accordance with the Companies Act 1985.



**PricewaterhouseCoopers**  
**Chartered Accountants & Registered Auditors**

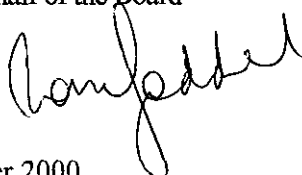
**London**  
**27 November 2000**

**TDI MAIL HOLDINGS LIMITED**  
**BALANCE SHEET AS AT 31 DECEMBER 1999**

	Note	<u>1999</u> £000	<u>1998</u> £000
<b>FIXED ASSETS</b>			
Investments	(2)	2,737	2,737
		<hr/>	<hr/>
<b>NET ASSETS</b>		2,737	2,737
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Share Capital	(3)	100	100
Share premium	(3)	2,637	2,637
		<hr/>	<hr/>
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>		2,737	2,737
		<hr/>	<hr/>

Signed on behalf of the Board

T Goddard



Director

27 November 2000

**TDI MAIL HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 1999**

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

**Basis of Preparation**

The company did not trade on its own account during the period. It therefore made neither profit nor loss and, accordingly, no profit and loss account is presented in these financial statements.

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. As a wholly-owned subsidiary of a company registered in England and Wales which prepares consolidated financial statements, the company is exempt, under section 228 of the Companies Act 1985, from preparing consolidated financial statements.

The Company is exempt from the requirement of Financial Reporting Standard No. 1 to prepare a cash flow statement as it was a wholly owned subsidiary undertaking of TDI Holdings Limited at the year end and its cash flows are included within the consolidated cash flow statement of that Company.

2. FIXED ASSET INVESTMENTS

Details of the company's subsidiary undertakings are as follows:

<u>Name</u>	<u>Country of Incorporation</u>	<u>Type of shares</u>	<u>Nominal value held</u>	<u>Principal activity</u>
Ripple Vale Holdings Ltd.	British Virgin Islands	£1 Ordinary	100%	Holding company
Sky Blue Investments Ltd.	Jersey	£1 Ordinary	100%	Holding company
TDI Metro (NI) Ltd.	Northern Ireland	£1 Ordinary	49.9%	Poster Advertising

The remaining shares in TDI Metro (NI) Limited are held indirectly through Ripple Vale Holdings Limited (37.6%) and Sky Blue Investments Limited (12.5%).

**TDI MAIL HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 1999 (CONTINUED)**

3. CAPITAL AND RESERVES

	<u>1999</u> <u>£'000</u>	<u>1998</u> <u>£'000</u>
<u>Called up share capital</u>		
Authorised – 100,000 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid – 100,000 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
<u>Share Premium</u>		
At 1 January and 31 December 1999	2,637	2,637
	<hr/>	<hr/>

4. HOLDING COMPANY

The smallest group into which the company is consolidated is headed by TDI Holdings Limited, which is registered in England and Wales. The largest group into which the company is consolidated is headed by Viacom Inc., of the United States of America, a company listed on the New York Stock Exchange. The directors consider Viacom Inc. the ultimate controlling company. Copies of the consolidated financial statements are available from 10 Jamestown Road, London, NW1 7BY.