

Hemscott plc

Annual Report 2004

Registered Number: 27883
(England & Wales)



Hemscott is a leading international supplier of high quality business and financial information and online corporate investor relations solutions

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Now a leading international provider of high quality business and financial data

Chairman's Statement

I am delighted to present Hemscott's results for 2004. The year produced not only a strong financial performance, but also the transformational acquisition of two successful companies in the US. Hemscott has now become an international business.

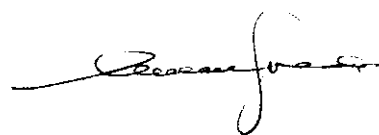
By the end of 2003, we had grown Hemscott to the point where we could rightly call ourselves the UK's leading provider of high quality business and financial data, with revenues of £6.4m. Strong organic growth during the year and the acquisition of two US data suppliers, CoreData and bigdough, has created an expanded group with pro-forma annualised revenues for 2004 of £18.0m* (2004 reported revenue: £8.8m) and a positive pro-forma annualised EBITDA before exceptional items of £1.7m* (2004 reported operating loss £1.8m).

CoreData brings Hemscott over 30 years of North American business and financial information and data as well as over 100 high quality clients. Bigdough offers a highly regarded contacts database, unique software applications and a customer base that includes 45 of the top 50 US institutional brokerage firms. There are very significant growth opportunities in incorporating North American data into our UK product range and launching our UK products into the US and Canada, the largest financial market in the world.

Our Global Business Information and Global Investor Relations divisions continue to forge ahead, confirming the market-leading strength of our core business. Our Media division has taken advantage of the upturn in the advertising market and the success of our flagship subscription services, Hemscott Premium and Premium Plus, proving that we can grow as easily by product innovation as we can by acquisition.

Last year, our shareholder structure changed and indirectly, through Centerpoint Data, LLC, Veronis Suhler Stevenson ("VSS"), a New York and London private equity fund became our majority shareholder. VSS has extensive experience in both the media and the business information sectors. They are fully supportive of our management and our strategy of growing the business organically and through acquisition.

The combination of Hemscott, CoreData and bigdough has made your company a leading international business information and applications provider. We have started 2005 with confidence.



Michael Grade
Chairman
8 March 2005

** pro-forma annualised revenues and EBITDA before exceptional items are explained on page 18 of the Financial Review*

Our products and our services

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Chief Executive Officer's Review

2004 has been an exciting year for Hemscott, a year in which your business was transformed through a combination of continued strong organic growth and two well-planned acquisitions. The acquisitions of CoreData and bigdough, two leading North American data businesses, have almost tripled our ongoing revenues and substantially increased both our business reach and our client base.

Despite this upheaval, Hemscott's traditional business has continued to generate good organic growth, and has maintained its track record of cost control and strict cash management.

Hemscott is now a leading international business information and applications provider, with pro-forma annualised revenues for the year to 31 December 2004 of £18.0m* (2004 reported revenues: £8.8m) generating a positive pro-forma annualised EBITDA before exceptional items of £1.7m* (2004 reported operating loss: £1.8m).

Results

During the year, revenues from the group's existing businesses rose 9% to £7.0m (2003: £6.4m). Including acquisitions, revenues were up 37% to £8.8m (2003: £6.4m).

The increase in revenues, combined with strong cost management of the underlying business, resulted in a reduction in the loss before interest, tax, depreciation, amortisation ("LBITDA") and before exceptional items of £0.1m (2003: LBITDA £0.5m) for continuing operations.

Acquired businesses contributed an EBITDA of £0.1m for the period for which they were owned by the group.

The group made an operating loss of £1.8m (2003: £1.4m) and after interest received and paid, a loss before taxation of £1.6 million (2003: £1.1m).

Operating loss pre-exceptional items for the existing business reduced 39% to £0.8m (2003: £1.4m).

Acquisitions

The second half of 2004 brought a significant amount of corporate activity. On 25 August 2004, the group acquired CoreData, Inc., a long-standing North American data provider for £8.6m excluding acquisition costs of £0.5m.

CoreData provides Hemscott with extremely valuable North American business and financial information collected over 30 years, a high quality US customer base of over 100 clients and crucially an immediate presence in North America, the largest and most important financial market in the world.

On 24 November 2004, the group acquired bigdough.com.inc., the leading supplier of high quality data and sales tools for the institutional equity markets and investor relations professionals, for £20.9m, excluding acquisition costs of £0.5m.

** pro-forma annualised revenues and EBITDA before exceptional items are explained on page 18 of the Financial Review*

The Abbot Group plc is the largest offshore platform drilling contractor in the UK sector of the North Sea, one of the largest international land drilling operators outside North and South America, and a world leader in drilling rig design, construction and operation.

The new website was designed to present company news and information clearly and in a user-friendly fashion to key stakeholder groups, such as investors, the media, customers, potential customers and employees. As well as providing a comprehensive range of corporate news and detail, the site also includes a full investor relations centre.

"Abbot wanted to create a fresh and dynamic corporate website with a strong emphasis on investor relations. We worked to a very tight schedule to approve the new design, update the information and go live on the day we announced our results. I was extremely impressed with Hemscott's response. Their project management was excellent throughout, the team was knowledgeable, professional and proactive, and have followed up with great customer service all year. Any issues have always been resolved really quickly, and we were always kept in the picture from the beginning."

Liz Paddon
Head of Corporate Communications
Abbot Group plc

"Bigdough helps us treat Canon shareholders better. With the detailed information it gives us on Canon's major shareholders, including which of our peers they hold, our meetings are much more productive for both of us. Bigdough is a much more pleasant experience in every single way. The data is a lot more current, and the responsiveness of everybody at bigdough is amazing. It's unbelievable how helpful our account manager has been. If I'm working on bigdough at home or on my laptop and have a question, she solves everything by walking me through it. When you made some changes to the bigdough system, she made it seamless by being available every second. Bigdough's the best."

Jean Young
Director, Investor Relations
Canon USA Inc.

"We love bigdough. It is unique from other databases and industry sources in that it is completely up-to-date and remarkably user friendly. This allows us complete confidence in the accuracy of the information when we are using bigdough to target investors on behalf of our clients and complete ease of use when maintaining our contact lists and disseminating information."

"I've used other systems, and nothing can compare to bigdough in terms of real time information and accuracy. That saves me a lot of time. Without bigdough, I'd be spending too much time on the phone trying to find the right money manager or analyst to approach. With bigdough, I can trust I have the right person, and I can reach them immediately."

Nina Pawlak
Director
Brunswick Group LLC

Bigdough owns a unique international database of institutional fund managers, analysts and journalists, as well as cutting edge software applications. Existing customers include 45 of the top 50 US institutional brokerage houses, corporate investor relations departments and over 100 public relations firms. In addition, bigdough's recurring revenue business model has produced consistent historical revenue growth, positive cashflow and high EBITDA margins.

Strategy

Hemscott's strategy has always been to build an international database of valuable intellectual property of company and people information and to leverage the data assets through the provision of proprietary software applications to serve a wide number of vertical markets. Companies that provide customers with a flexible, customisable product offering that integrates content, software and services will be most successful.

Our core asset is and remains our database, which has trebled in size and now spans 15,000 companies, 170,000 directors, 60,000 capital markets professionals and earnings estimates from 65 securities firms in London. It has taken Hemscott and its acquired companies many years to compile this high quality database and we believe that it would be almost impossible to be replicated by a competitor. The high quality and depth of our data differentiates us from other information vendors.

It is our principal strategy to continue expanding this database and to look for increasing ways to interpret and exploit it.

The group has two distinct revenue generating areas, defined by customer, which we plan to build alongside each other. These are:

- Global Business Information

Global Data Sales - the sale of data and information services to the financial, professional and sophisticated retail communities

Global Investor Relations - the sale of data and information services to investor relations professionals

- UK Media - the sale of website advertising and a subscription investor newsletter

Our data is increasingly in demand from an ever-wider professional audience, that comprises not just investment banks, securities houses, asset managers and private investors, but also legal and accounting firms, hedge funds, public relations firms, academics and regulatory and governmental bodies. We believe that we will continue to experience a strong rate of customer recruitment, whilst existing customers will subscribe to a growing number of our products and services.

The Hay Group is a global management consultancy focused on helping organisations improve performance through their people. Our expertise draws on over 60 years of world class research and proven methodologies in leadership, reward and organisational effectiveness.

"Hemscott Company Guru forms an invaluable part of the suite of products we rely on to meet our organisation's need for business information. Hemscott have consistently impressed with the quality of their customer service & personal approach to customer care. They have actively welcomed our feedback and have responded with some significant product developments over the last year."

Chris Davey
Senior Business Information Officer
Hay Group

Hemscott is continually enhancing and extending its service to its customers. Further growth will be achieved by:

- Cross-selling current products and services
- Expanding our customer base
- The rollout of the bigdough Enterprise platform across the US and Europe
- Continued product innovation
- Acquisitions and expansion of additional data sets and services

We are operating in a rapidly consolidating marketplace. We are committed to being a part of this consolidation since we believe the opportunities available to us are considerable. Our early experiences of both CoreData and bigdough support that view. We continue to look for further suitable acquisitions.

Global Business Information

2004 was a year of continued progress in Global Business Information, which had pro-forma annualised revenues of £16.6m* (2004 reported revenue: £7.4m). Global Business Information enjoys high levels of annually recurring income, particularly from the US side of the division.

UK Fundamental Data

A growing recognition of the quality and depth of our data and our innovative range of products has been reflected in a number of important contract wins during 2004. We are delighted to have signed an enterprise-wide agreement with Grant Thornton, a leading financial and business adviser to mid-corporate businesses and their owners, for the provision of our leading online research tool, Hemscott Company Guru. The Guru service, with its access to our renowned database and sophisticated searching functionality, has become an essential business tool and there are now 109 customers of the service.

Our subscription website, Hemscott Premium, continues to thrive and looks set for a boost with the turn round in market conditions we have seen in the last few months of 2004. Our Premium Plus product, a more detailed private investors' research tool, with access to the Hemscott database and real time streaming share prices and news, has been very successful in attracting an impressive number of subscribers in its first year.

North American Fundamental Data

In the US, we have up to 30 years of business and financial information - and an immediate presence in the lucrative North American business information market. Strategically we also have the opportunity to incorporate that high quality North American data into our UK products, and the platform to replicate Hemscott's UK business model and sell our collection of fundamental data into the US.

* pro-forma annualised revenues and EBITDA before exceptional items are explained on page 18 of the Financial Review

Whitbread PLC is the UK's leading hospitality company, managing number one brands in hotels, restaurants and racquets, health and fitness clubs, including Premier Travel Inn, Marriott (UK), Brewers Fayre, Beefeater, Costa, T.G.I. Friday's and David Lloyd Leisure, and a strategic investment in Pizza Hut (UK).

Hemscott was chosen to design a hard-working investor relations website that would set out with clarity Whitbread's business strategy and which would make available to institutional and retail investors alike the key performance metrics and market data underpinning that strategy.

Dan Waugh, Head of Investor Relations at Whitbread, said: *"Right from the start we held very clear views about what we wanted our investor relations website to deliver: we weren't interested in gimmicks; we wanted clarity. The team at Hemscott shared our no-nonsense approach, and were able to demonstrate how their creativity in web design and construction could add value to our communications. We have a much more effective IR website and - importantly - we enjoy working with Hemscott."*

Dan Waugh
Head of Investor Relations
Whitbread PLC

US & European Capital Markets

Bigdough is a unique and highly regarded product that provides the most efficient method for institutional marketing, sales, prospecting and relationship management. We believe it is the market leader and chief innovator in its space and has an existing international customer base that includes the top institutional brokerage firms in the world as well as hundreds of other financial services firms and research providers. We now have the opportunity to accelerate bigdough's growth in Europe through Hemscott's brand and customer base.

UK Corporate Communications & Investor Relations

2004 was another year of significant growth in our Global Investor Relations division.

Hemscott remains the market leading provider in the UK, with a blue chip client list that includes more than 35% of the companies in the FTSE 100. New Investor Relations clients for 2004 include Whitbread, Wolseley and HBOS.

During the year we continued to widen the scope of our investor relations offerings, now providing a fully outsourced corporate website service that includes the design, copywriting, building, hosting and maintenance of our clients' online presence. We continue to lead the market with our considerable expertise in best practice and accessibility for disabled people, particularly blind and partially sighted people. Most significantly the acquisition of bigdough adds a uniquely powerful shareholder targeting and contact management platform to our already impressive product range.

During the last year, we won corporate website business from such companies as Robert Wiseman and Abbot Group, whilst existing clients such as British American Tobacco and BT Group won major awards at an industry level for Investor Relations Best Practice.

US Corporate Investor Relations

With the merger, we are able to expand our investor relations business internationally. We inherit a first class client base and significant US corporate investor relations revenues. We now have the opportunity to roll out bigdough to new and existing clients in the UK.

Media

Our Media division, which includes advertising on our free business and investment research website Hemscott One, continued to recover as our attractive user base of high net worth individuals was increasingly targeted by advertisers. Media sales have increased further, up to £1.4m (2003: £1.3m), representing 16% of the group's total turnover.

Revenue from campaign advertising rose sharply, as our traditional financial advertisers were increasingly supplemented by newer areas, such as luxury cars and information technology. Hemscott carried advertisements for car brands such as Jaguar and Porsche as well as business-to-business advertising from companies including T-Mobile, Microsoft, Intel, O2 and Easyjet.

Board and management

Here too we have seen significant changes. In the first instance I am delighted to welcome Daryl Paton, our new Chief Financial Officer, who joined in January 2005.

Stephen Roche has stepped down from the board and will leave his post as the group's Chief Technology Officer in April 2005. I would like to thank Stephen for all his efforts over the past five years.

Meanwhile Scott Troeller and Marco Sodi have joined the board as non-executive directors and representatives of VSS. A search for a new senior independent non-executive director is underway.

Outlook

We begin the year optimistic that we will build upon the transformational developments of 2004. The year has started well with strong revenue growth in all our operating units. Our cross-selling strategy has already borne fruit both in the UK and the US, maximising our data assets, sales efforts and customer relationships. We have signed several blue chip customers to new deals and we are actively in negotiation on many new sales opportunities, which leverage the capabilities of Hemscott's diverse information assets.

We are continuing to innovate and will seek to build more unique high quality products and services for our customer bases.

Overall we look forward with confidence to the coming year.

Rosalyn Wilton.

Rosalyn Wilton
Chief Executive Officer
8 March 2005

"I have always been extremely happy with Hemscott and the Premium service - even more so since it was enhanced in the middle of last year. The live prices in particular were a great boost. I travel so much that historically I've always found it very difficult to keep up with things, but Premium helps me keep in touch with my portfolio wherever I am."

Mr. M Jones
Private Investor

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Sophisticated business and investment data and research for companies and investors

Products and Services

Global Business Information

UK Fundamental Data

Hemscott Company Guru

Hemscott Company Guru is an online company research resource for business, providing continuously updated financial data and director biographical information with sophisticated powerful search functionality. Clients can choose from a variety of modules, including quoted company, private company and news cuttings. The search engine allows clients to interrogate the data, view detailed company reports and download data for further evaluation or as contact lists.

In 2004, the major enhancements to Company Guru included the introduction of a corporate diary of earnings announcements and dividend dates. The launch of email and SMS financial news alerts has allowed clients to receive real time updates wherever they are.

Clients now have access for the first time to even more of Hemscott's financial database, including director and major shareholder changes, a download centre giving access to a PDF of the latest Annual Report, a summary page of a company's key financial figures, new investment ratios, comparable Index and Sector values and the names of the analysts providing research on a specific company.

Company Guru clients include Grant Thornton, Whitehead Mann, UBS and Coutts.

Bespoke Data Services

Hemscott's proprietary database comprises up to 22 years of uniquely detailed and complete information about the financial activities and directors of UK and Irish listed companies. Hemscott provides bespoke sets of this data, which can be used for integration into databases, websites and intranets or developed into products for resale.

These fully flexible solutions allow a wide range of business clients to select from detailed company fundamentals, share price information, director's details, share dealings and holdings, broker research, mailing lists and news and analysis. The data is delivered in a variety of ways including raw data files and hosted Internet pages in the client's look and feel. Full technical support is provided, including data integration and hosting.

Unique, unrivalled business information and investment tools from both sides of the Atlantic

Hemscott Premium Services

Hemscott Premium is a subscription website service launched in July 2002 and is a comprehensive online investment research resource for private and corporate investors on all 2,200 listed companies registered in the UK. It provides the most up-to-date information as well as a range of invaluable investment research tools, such as news alerts, a stock selector and thirteen Top Lists, identified by Hemscott, including Percentage Gainers, Percentage Fallers and Volume Leaders.

A number of features were added in 2004, including index and sector specific Heat Maps that show how the market is moving, and live share prices, which are now available to all private investors. Other key enhancements include dividend history, news filtering, a financial overview and an enhanced company summary, all designed to enable users to find what they are looking for more quickly and conveniently.

Premium Plus, Hemscott's most advanced research tool, has been further enhanced by the addition of many exclusive features, including a Company Facts Report, a Live Stock Tracker, a Corporate Calendar for the key dates and announcements due from the markets, and a facility to download an Annual Report direct to your desktop in PDF format.

North American Fundamental Data

Hemscott is now able to offer a comprehensive range of listed company data from both sides of the Atlantic through the acquisition of two US data companies, CoreData and bigdough

CoreData

CoreData is a leading financial data publisher serving the business information needs of major financial institutions, public corporations, business websites, and financial data redistributors in North America. It provides clients with superb data quality, timely information, and flexible licensing partnerships.

CoreData databases offer extensive historical financial data and stock price information on U.S., Canadian, and international publicly traded companies, 215 industry groups, and major equity markets. Most time series data in the database begins in the early 1970's, and includes:

- Annual and quarterly financial information
- Price and volume data
- Detailed earnings data
- Growth and valuation metrics
- Executive compensation data
- Industry aggregates
- Historical index levels and returns

CoreData was formed in 2003 from Media General Financial Services ("MGFS") and builds on its 30-year tradition of providing investors with high-quality, independent research. The company is headquartered near Washington, DC, with offices in Richmond, Virginia.

US & European Capital Markets

Bigdough

Bigdough is one of the world's most innovative providers of capital markets contact and ownership data. Its online subscription based service contains a powerful, constantly updated database of US and European fund managers and their holdings, buy and sell side analysts and financial journalists. This unique, high quality database is integrated with a powerful contact management and communications software platform. An enormous level of resources is invested in database management and bigdough's data quality and accuracy is unparalleled.

Bigdough is used in North America and Europe by several hundred research providers, including 45 of the top 50 US institutional brokerage firms.

Bigdough was created from Investment Data Corporation ("IDC"), which provided specialised buy side equity money manager directories called the Gold Books. In 1998, the company began the transition to an Internet-based, constantly updated capital markets database and bigdough was officially launched in December 1998. According to Inc. Magazine's Annual 2003 Inc. 500 survey, bigdough was the 56th fastest growing company in the USA. Bigdough was also chosen by Forbes Magazine as one of the top four financial content websites in the world in its "Best of the Web" competition. Bigdough's headquarters are in Bethesda, Maryland.

The UK's Number One provider of Online Corporate Communications and Investor Relations solutions

Global Investor Relations

UK Corporate Communications & Investor Relations

Hemscott provides tailored online corporate communications and investor relations solutions to UK public companies. It leads the market, with over 330 clients and over 35% of FTSE 100 companies choosing Hemscott to provide these vital services.

In 2004 Hemscott IR team led the market in the research and development of accessibility, where websites are designed and built for disabled users, particularly the blind and partially sighted. Hemscott successfully rebuilt many of its IR tools to a higher standard of accessibility, including the Interactive Share Price Charting tool, which offers an accessible text alternative to the chart, explaining the trends of the graph phonetically. Hemscott IR continued to introduce new and unique products to its portfolio. A new Content Management System, e-Communicate was introduced, which is fully customisable for any site and easily allows clients to create, publish and manage content on their website or intranet, without the need for any special technical skills. The Hemscott Company tear sheet is a customisable one-page PDF of a company's fundamental data, updated on a daily basis.

Hemscott clients who won industry awards this year include the BT Group, who won major prizes at the IR Magazine Awards 2004, and British American Tobacco, who won the Best Practice Website Private Investor Award at the Investor Relations Society Awards. An independent survey from IR Web Report voted Hemscott IR as the leading supplier to their best 30 Investor Relations websites in the UK.

US Corporate Investor Relations

The acquisitions of bigdough and CoreData in late 2004 further enhances the investor relations product range. North American financial and stock price information is now available to all Finance Directors and Investor Relations Officers as well as a powerful database of portfolio managers, analysts, media contacts and institutional or mutual fund ownership of individual companies.

Hemscott One: reaching a growing audience of high net worth individuals

UK Media

Advertising

The leading financial website, Hemscott One (www.hemscott.com) provides information for the private and professional investor. It continues to attract a growing audience of high net worth individuals and Hemscott offers a range of managed online advertising and direct marketing programmes to target them. Regular Hemscott One advertisers include financial services companies such as American Express and Nationwide as well as luxury brands like Jaguar and Porsche.

Online Publishing

Hemscott provides two highly regarded email newsletters for private investors: Hemscott Analyst delivers share recommendations and analysis, including exclusive research using the Hemscott database, directly to the desktops of subscribers at least three times a week, as well as sending a daily news round-up; The Week is a weekly round-up and market commentary email, with in depth analysis of companies in the news along with the editor's own unique reporting.

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Financial Review

Results

In a year of significant change and growth for Hemscott both organically and through acquisition, the group has continued to perform well, growing revenues and controlling costs.

Strong management of the underlying business, plus the acquisitions during the year, significantly enhanced and strengthened the group's position as an international financial data and applications provider, with pro-forma annualised revenues for the year to 31 December 2004 of £18.0m* (2004 reported revenues: £8.8m) and a positive pro-forma annualised EBITDA before exceptional items of £1.7m* (2004 reported operating loss £1.8m).

During the year the group grew revenues from existing businesses by 9% to £7.0m (2003: £6.4m) following solid performances in all divisions. Including acquisitions, revenues were up 37% to £8.8m (2003: £6.4m).

The group continues to exercise tight control over costs while maintaining investment in the core business. Expenses for existing operations (excluding exceptional items, depreciation and amortisation) were up 3% to £7.1m (2003: £6.9m).

The continued growth in revenues and strong cost management of the underlying business resulted in the group getting closer to a positive EBITDA, with an LBITDA before exceptional items significantly reduced on prior years of £0.1m (2003: £0.5m). CoreData, Inc. and bigdough.com.inc. made a small positive contribution to LBITDA for the period for which they were part of the group.

Goodwill at cost for both CoreData (£8.7m) and bigdough (£22.1m) is being amortised in accordance with FRS 10 "Accounting for goodwill and intangible assets" over 10 years, being the determined economic useful life. Goodwill amortisation, fixed asset depreciation and exceptional items resulted in an operating loss of £1.8m for the year (2003: £1.4m) and a loss before taxation of £1.6 m (2003: £1.1m).

Acquisitions

Hemscott has sought to grow and diversify its business with the aim of establishing itself as a leading provider of corporate information, and to leverage its data assets through the provision of proprietary software applications to serve a number of vertical markets.

** pro-forma annualised revenues and EBITDA before exceptional items are explained in the table on page 18*

The group's acquisition strategy should be considered against consolidation within the market for the provision of financial information. There have been a number of acquisitions completed by companies operating in this sector. The board believes this consolidation is driven by the wish to control key information that can be packaged into products and sold to a range of existing and potential users, to assist them in driving profits from their own businesses. Hemscott is well placed to take an active role in this consolidation and the acquisitions completed during the year were an important step towards building an enhanced product offering, which will be attractive to a wider range of customers.

On 25 August 2004 the group acquired Centerpoint Data, Inc. (subsequently renamed Hemscott Americas, Inc.) and its trading subsidiary CoreData, Inc., a long standing North American data provider for £8.6m excluding acquisition costs of £0.5m (satisfied by the issue of 16,472,225 Hemscott Ordinary Shares and £0.6m in cash).

At the same time Centerpoint Data, LLC, the previous owner of Centerpoint Data, Inc., commenced what resulted in a successful partial offer for 10,000,000 ordinary shares at 55p each in Hemscott plc bringing its holding in Hemscott plc to 54.5%. Centerpoint Data, LLC additionally gave Hemscott a £20m convertible loan note facility to allow the group to facilitate further acquisitions.

On 24 November 2004 the group acquired bigdough.com.inc., a supplier of high quality data and sales tools for companies that market publicly-traded securities and other services to institutional investors for £20.9m excluding acquisition costs of £0.5m, funded out of existing cash resources, £16.8m drawn down out of the £20m convertible loan note, cash raised from the issue of 9,146,923 Hemscott Ordinary Shares and stock options in Hemscott plc.

Taxation

As a result of losses in the year, the group has no liability to UK taxation. In the UK there are approximately £14.8m (2003: £14.4m) of tax losses available to be utilised in future years. The benefit of these losses has not been provided for in these accounts.

The acquisition of Hemscott Americas, Inc. (formerly Centerpoint Data, Inc.) and its subsidiary CoreData, Inc. followed by Hemscott Americas, Inc.'s acquisition of bigdough.com.inc. has created a US tax group, allowing the group to recognise a £289,000 deferred tax asset in CoreData, Inc.

Capital expenditure

Capital expenditure in the year of £0.7m (2003: £0.4m) comprised the purchase of computer hardware and internally built software relating to specific products.

Cash flow and financing

Net cash outflows from operating activities for the year totalled £0.7m (2003: £0.9m).

Net cash outflows before management of liquid resources and financing consisted primarily of tangible fixed asset purchases of £0.7m (2003: £0.4m) and the cash outflow relating to the acquisitions of CoreData, Inc. and bigdough.com.inc. of £21.1m.

The group's cash is held in short term deposits and current accounts with major banks and building societies. The treasury strategy is controlled through a treasury committee, comprising the Chief Executive Officer and Chief Financial Officer, and operates in accordance with documented policies and procedures approved by the board. During the year interest was received on funds placed on short term deposits of £234,000 (2003: £278,000).

Cash inflows from financing relate to the issue of new ordinary shares for £3.7m and the draw down of the unsecured convertible loan note for £16.8m.

Pro-forma annualised turnover and (LBITDA)/EBITDA

The following table sets out the group's pro-forma annualised performance had Centerpoint Data, Inc. and bigdough.com.inc. been part of the group for the whole of 2004.

| | | Period from 1 January 2004 to date of acquisition | | |
|---|--------------------------------------|---|---------------------------------|----------------------------------|
| | As reported for the year £'000 | CoreData note 13(a) £'000 | bigdough note 13(b) £'000 | Pro-forma annualised £'000 |
| Turnover-Business Information | | | | |
| Continuing operations | 5,584 | 1,729 | 7,529 | 14,842 |
| Acquisitions | 1,793 | | | 1,793 |
| | 7,377 | 1,729 | 7,529 | 16,635 |
| Turnover-Media | | | | |
| Continuing operations | 1,406 | | | 1,406 |
| Turnover-Total | 8,783 | 1,729 | 7,529 | 18,041 |
| | | | | |
| (LBITDA)/EBITDA before exceptional items | (71) | (19) | 1,805 | 1,715 |

Going concern

The directors consider, on the basis of current financial projections, that the group has adequate resources to continue operations for the foreseeable future and for this reason they continue to adopt the going concern basis in preparing the financial statements.



Daryl Paton
Chief Financial Officer
8 March 2005

Michael Grade C.B.E. ***

Non-Executive Chairman

Chief Executive Channel Four Television Company Limited 1988-1997. Chief Executive First Leisure Corporation PLC 1998-1999. Chairman of Camelot Group PLC from 2002 to 2004. Chairman of Pinewood Studios, and the Chairman of the BBC since April 2004. A director of Charlton Athletic Football Club. Age 62.

Rosalyn Wilton

Chief Executive Officer

Director of GNI 1983-1984, Managing Director Drexel Burnham Lambert 1984-1990 and Non-Executive Director of LIFFE 1985-1990. Managing Director of Reuters Transaction Services Limited 1992-1998 and a member of Reuters' Executive Committee 1997-1999. Short-listed for Business Woman of the Year in 1996. Non-executive director of Scottish Widows' Fund and Life Assurance Society 1997-2000. Age 53.

Daryl Paton

Chief Financial Officer

Joined Admiral plc 1990, becoming Company Secretary, 1994 and CFO of Admiral Computing, the largest global division of Admiral plc, in 1999. CFO of CMG UK Ltd and Country Chairman for the Asia Pacific region. CFO Eyretel plc, the UK-listed global software provider 2001-2003 and CFO and Commercial Director of Telco Global Group, a £230 million revenue telecoms group, 2003-2005. Joined Hemscott January 2005. Age 40.

Charles Jillings ***

Non-Executive Director

Director of Hill Samuel Bank Limited in corporate finance 1994-1995. Director of FinMedia Limited which has a substantial shareholding in Hemscott plc. Sits on the board of a number of UK companies. Age 49.

Marco Sodi ***

Non-Executive Director

At Exxon Enterprises, the venture capital arm of ExxonMobil, and a partner at Salem Solutions, before joining Veronis Suhler Stevenson in 1988. Heads VSS's London-based affiliate, Veronis Suhler Stevenson International, and has led investments in Mediatel (Austria), De Telefoongids (Neth.), Pepcom (Germany), Centaur Communications (UK) and Fonecta (Finland). Currently a director of ITE Group, Pepcom and Yellow Brick Road B.V. Age 46.

Scott J. Troeller ***

Non-Executive Director

Began his career as an investment banker with JP Morgan & Co., before joining Veronis Suhler Stevenson in 1996. General Partner at VSS since 2000 and actively involved in all aspects of VSS's fund-related activities. Has led investments in several VSS private equity platforms, including The Official Information Company and its separate subsidiaries Total Information Services (TISI), CoreSearch, Atwood Publishing, ExpoExchange, and GEM Communications, as well as Ascend Media, Golden State Towers and CoreData. Currently a member of the managing board of Centerpoint Data, LLC, Ascend Media, LLC and Golden State Towers, LLC. Age 36.

❖ Member of the Audit Committee

■ Member of the Remuneration Committee

◆ Member of the Nomination Committee

[This page contained graphics on the printed Annual Report and has been deliberately left blank on the version submitted to Companies House]

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

Principal Activities

The principal activities of the group are:

Global Business Information - the provision of financial and business information;

Global Corporate Investor Relations - the provision of financial information and related services for corporate investor relations websites and intranets.

Media - Advertising and Online Publishing.

Review of Business

The Chairman's Statement on page 1, the Chief Executive Officer's Review on pages 4 to 9 and the Financial Review on pages 16 and 18 report on the activities, performance and likely future developments of the group. The results for the year are set out in the Consolidated Profit and Loss Account on page 31.

As a result of the corporate activity relating to the acquisitions in 2004 of Centerpoint Data, Inc. (renamed Hemscott Americas, Inc. on 1 January 2005) and bigdough.com.inc., the total number of the company's shares in issue increased from 32,136,419 ordinary shares of 5p each, as at 31 December 2003, to 57,755,567 ordinary shares of 5p each, as at 31 December 2004. Details of changes in share capital during the year are set out in note 19 on page 48.

Results and Dividends

The audited accounts for the year ended 31 December 2004 are set out on pages 31 to 52. The group's retained loss for the year was £1,319,000 (2003 : £1,136,000). No interim dividend was paid (2003 : £nil) and the directors do not recommend the payment of a final dividend (2003 : £nil).

Directors

The directors who held office during the year and to the date of this report were as follows:

| Name | Position | Date of Appointment | Date of Resignation |
|------------------|--------------------------|---------------------|---------------------|
| Michael Grade | Non-Executive Chairman | 15 August 2000 | |
| Rosalyn Wilton | Chief Executive Officer | 15 August 2000 | |
| Natalie Newton | Chief Financial Officer | 22 July 2002 | 16 January 2004 |
| Simon Ashdown | Chief Financial Officer | 19 April 2004 | 11 January 2005 |
| Daryl Paton | Chief Financial Officer | 12 January 2005 | |
| Stephen Roche | Chief Technology Officer | 19 July 2001 | 14 December 2004 |
| Winston Fletcher | Non-Executive Director | 15 August 2000 | 1 October 2004 |
| Charles Jillings | Non-Executive Director | 28 July 1999 | |
| Scott Troeller | Non-Executive Director | 1 October 2004 | |
| Marco Sodi | Non-Executive Director | 1 October 2004 | |

Details of directors' interests are provided in the Directors' Remuneration Report on pages 25 to 28.

Election of Directors

The directors who are standing for election at the Annual General Meeting are Daryl Paton, Scott Troeller and Marco Sodi, it being the first Annual General Meeting after their appointments, together with Michael Grade who, in accordance with the company's Articles of Association, retires by rotation.

Supplier Payment Policy

The group's policy is to pay suppliers within their normal terms of settlement. The average payment period for suppliers at 31 December 2004 was 50 days (2003: 58 days).

Fixed Assets

Movements in fixed assets are set out in notes 10, 11 and 12 to the financial statements.

Charitable and Political Donations

No charitable donations were made during the year (2003: £100). No political donations were made during the year (2003: £nil).

Research & Development

The group constantly engages in the enhancement of existing and the development of new products and services.

Substantial Shareholdings

As at 8 March 2005, the following substantial shareholdings have been notified to the company:

| Name | Ordinary Shares Held | % Held |
|---|-------------------------|--------|
| Centerpoint Data, LLC | 31,457,298 | 54.47 |
| FinMedia Limited and its associated parties | 15,911,407 | 27.55 |

Scott Troeller and Marco Sodi are both managing members of the general partner (VS&A Equities III, LLC) of VS&A Communications Partners III, LP, which is the majority shareholder of Centerpoint Data, LLC, the latter being the majority shareholder in the company. Charles Jillings is a director of FinMedia Limited, which is a significant shareholder in the company.

Employees

The group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the group. This is achieved through formal and informal meetings.

The group operates an equal opportunities policy and is opposed to any form of less favourable treatment afforded on the grounds of, for example, disability, gender, race, sexual orientation or religion.

Auditors

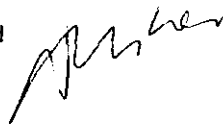
A resolution to re-appoint Deloitte & Touche LLP as the Company's auditor and authorise the directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the board

Nick Sarker

Company Secretary

8 March 2005



Hemscott is committed to high standards of corporate governance and, although not required to comply under the AIM rules, supports the Principles of Good Governance and the Code of Best Practice ("the Combined Code"). In this section of the report, therefore, Hemscott voluntarily sets out the extent to which the Combined Code has been applied.

The Board

The board currently comprises two executive directors and four non-executive directors including the chairman.

Michael Grade, the chairman, is independent and free from any business or other relationship that could materially interfere with the exercise of his independent judgement (save for the shares he holds, as declared on page 25 of the Directors' Remuneration Report). Scott Troeller and Marco Sodi are both managing members of the general partner (VS&A Equities III, LLC) of VS&A Communications Partners III, LP, which is the majority shareholder of Centerpoint Data, LLC, the latter being the majority shareholder in the company. Charles Jillings is a director of FinMedia Limited, which has a substantial shareholding in the company.

The company complies with section 1 of the Combined Code except it does not currently have a senior non-executive director in addition to the chairman. The board holds eight meetings a year and arranges to meet at other times as appropriate. There is a formal schedule of matters specifically reserved to the board for decision and approval, and the board is supplied in a timely manner with the necessary information to discharge its duties, including being supplied with regular sales and management accounts information. The directors are aware that if necessary, in the furtherance of their duties, they may seek independent professional advice at the cost of the company, and all directors have access to the advice and services of the company secretary. All directors of the company are subject to retirement, nomination and re-appointment at least every three years. Scott Troeller, Marco Sodi and Daryl Paton will be standing for election at the Annual General Meeting and Michael Grade will be retiring by rotation and will be standing for re-election at the Annual General Meeting.

Internal Control

The board is responsible for maintaining a sound system of internal control. The board's measures are designed to manage, not eliminate risk and such a system provides reasonable but not absolute assurance against material misstatement or loss. The board has considered the need for an internal audit function and considers that the requirement can be met through ongoing reviews undertaken by the board, the executive directors and the existing finance, legal and compliance functions within the company.

Some key features of the internal control system are:

- (i) Management accounts information, budgets, forecasts and business risk issues are regularly reviewed by the executive directors who meet every week.
- (ii) The company has operational, accounting and employment policies in place.
- (iii) There is a clearly defined organisational structure and there are well-established financial reporting and control systems.
- (iv) The company prepares comprehensive annual budgets and detailed monthly accounts with review of variances against both budget and prior years, which are reviewed by the board.
- (v) In January 2005 the board undertook a thorough review to identify, evaluate and manage significant risks facing the company. The measures in place to deal with business risks are reviewed regularly.

Board Committees

The board of directors has established the following committees:

(i) Audit Committee

This committee's members are Charles Jillings (Chairman), Michael Grade, Scott Troeller and Marco Sodi.

All are non-executive directors. The audit committee is responsible for the co-ordination of the annual audit, monitoring the integrity of the financial statements of the company, and monitoring and reviewing the external auditors' independence, objectivity and effectiveness. The audit committee is also responsible for reviewing the requirement for an internal control function. The committee meets twice a year and reports to the full board.

(ii) Remuneration Committee

This committee's members are Michael Grade (Chairman), Charles Jillings, Scott Troeller and Marco Sodi.

All are non-executive directors. It meets as required and at least annually to consider all aspects of the remuneration of the executive directors of the company and its subsidiaries. The remuneration of the non-executive directors is considered by the board following recommendations by the executive directors. No director participates in setting his or her own remuneration. The Directors' Remuneration Report is set out on pages 25 to 28.

(iii) Nomination Committee

This committee's members are Michael Grade (Chairman), Scott Troeller, Marco Sodi and Charles Jillings.

All are non-executive directors. The nomination committee is responsible for making recommendations to the board on new board appointments.

The chairmen of the audit, remuneration and nomination committees are available to answer questions at the Annual General Meeting.

Communications and Relationship with Shareholders

The board is accountable to shareholders for the performance and activities of the company. The company encourages two way communication with both its institutional and private investors.

Executive directors met with 25 analysts and institutional investors in 2004. All shareholders have at least twenty one clear days' notice of the Annual General Meeting at which the directors are introduced and are available for questions.

In addition, the company communicates with shareholders in a timely manner by way of interim and preliminary results, the Annual Reports and the company's website.

The terms of reference and composition of the Remuneration Committee are set out on page 24.

The company's remuneration policy is designed to attract, retain and motivate high calibre individuals. In framing the package for any individual, consideration is given to the Combined Code.

The report is divided into separate sections for audited and unaudited information.

Audited Information

The emoluments of the directors for the year, charged to the Consolidated Profit and Loss Account on page 31, are shown below:

| | 2004 Salary/Fee/Benefits £'000 | 2004 Bonuses £'000 | 2004 Share options issued at a discount £'000 | 2004 Total £'000 | 2003 Total £'000 |
|---|--------------------------------------|--------------------------|--|------------------------|------------------------|
| Michael Grade | 35 | - | - | 35 | 35 |
| Rosalyn Wilton | 133 | 180 | 303 | 616 | 220 |
| Natalie Newton (resigned 16 Jan 2004) | 6 | - | - | 6 | 86 |
| Simon Ashdown (appointed 19 Apr, resigned 11 Jan 2005) | 63 | 10 | - | 73 | - |
| Stephen Roche (resigned 14 Dec 2004) | 144 | 63 | - | 207 | 165 |
| Winston Fletcher (resigned 1 Oct 2004) | 15 | - | - | 15 | 18 |
| Charles Jillings | 18 | - | - | 18 | 18 |
| Scott Troeller (appointed 1 Oct 2004) | 5 | - | - | 5 | - |
| Marco Sodi (appointed 1 Oct 2004) | 5 | - | - | 5 | - |
| Total | 424 | 253 | 303 | 980 | 542 |

Rosalyn Wilton, Natalie Newton, Simon Ashdown and Stephen Roche received private health insurance cover during the year.

Directors' Interests

The interests of the directors and their immediate families in the ordinary shares of 5p each of the company, including options granted but not yet exercised under the Hemscott Share Option Plan and by separate agreement were as shown in the following tables. There were no changes in the interests of the directors or their immediate families in the issued share capital of the Company between 1 January 2005 and 8 March 2005.

| Shareholdings: | At 31 December 2004 | At 31 December 2003 |
|--|---------------------------|---------------------------|
| Michael Grade | 35,000 | 35,000 |
| Rosalyn Wilton | 112,222 | 112,222 |
| Stephen Roche (resigned as a director on 14 December 2004) | 38,888 | 38,888 |
| Winston Fletcher (resigned as director on 1 October 2004) | 200,000 | 200,000 |
| Charles Jillings | - | 30,274 |

Options (excluding Salary/Bonus Waiver Options)

| At 1 Jan 2004 | Surrendered | Granted 25 August 2004 | At 31 Dec. 2004 | Exercise price per Ordinary Share (pence) | Date at which first exercisable | Expiry date (or status) |
|----------------|-------------|---------------------------------|--------------------|---|---------------------------------------|---|
| Rosalyn Wilton | | | | | | |
| 216,667 | (216,667) | | | 26.5 | 1 | Surrendered |
| 216,666 | (216,666) | | | 26.5 | 1 | Surrendered |
| 216,667 | (216,667) | | | 26.5 | 3 | Surrendered |
| 66,667 | (66,667) | | | 27.5 | 1 | Surrendered |
| 66,666 | (66,666) | | | 27.5 | 1 | Surrendered |
| 66,667 | (66,667) | | | 27.5 | 3 | Surrendered |
| 41,667 | (41,667) | | | 35.5 | 1 | Surrendered |
| 41,666 | (41,666) | | | 35.5 | 1 | Surrendered |
| 41,667 | (41,667) | | | 35.5 | 3 | Surrendered |
| | | 216,667 | 216,667 | 26.5 | 2 | 28 September 2013 |
| | | 216,666 | 216,666 | 26.5 | 3 | 28 September 2013 |
| | | 216,667 | 216,667 | 26.5 | 4 | 28 September 2013 |
| | | 66,667 | 66,667 | 27.5 | 2 | 28 September 2013 |
| | | 66,666 | 66,666 | 27.5 | 3 | 28 September 2013 |
| | | 66,667 | 66,667 | 27.5 | 4 | 28 September 2013 |
| | | 41,667 | 41,667 | 35.5 | 2 | 28 September 2013 |
| | | 41,666 | 41,666 | 35.5 | 3 | 28 September 2013 |
| | | 41,667 | 41,667 | 35.5 | 4 | 28 September 2013 |
| | | 625,000 | 625,000 | 50.0 | 5 | 24 August 2014 |
| | | 625,000 | 625,000 | 57.5 | 6 | 24 August 2014 |
| | | 625,000 | 625,000 | 66.1 | 7 | 24 August 2014 |
| | | 625,000 | 625,000 | 76.0 | 7 | 24 August 2014 |
| | | 750,000 | 750,000 | 50.0 | 8 | 24 August 2014 |
| Stephen Roche | | | | | | |
| 83,334 | (83,334) | | | 26.5 | 1 | Surrendered |
| 83,332 | (83,332) | | | 26.5 | 1 | Surrendered |
| 83,334 | (83,334) | | | 26.5 | 3 | Surrendered |
| 33,334 | (33,334) | | | 27.5 | 1 | Surrendered |
| 33,332 | (33,332) | | | 27.5 | 1 | Surrendered |
| 33,334 | (33,334) | | | 27.5 | 3 | Surrendered |
| | | 83,334 | 83,334 | 26.5 | 2 | 6 mths after 9 |
| | | 83,332 | 83,332 | 26.5 | 3 | 6 mths after 3 |
| | | 83,334 | 83,334 | 26.5 | 4 | 6 mths after 4 |
| | | 33,334 | 33,334 | 27.5 | 2 | 6 mths after 9 |
| | | 33,332 | 33,332 | 27.5 | 3 | 6 mths after 3 |
| | | 33,334 | 33,334 | 27.5 | 4 | 6 mths after 4 |
| | | 125,000 | 125,000 | 50.0 | 5 | Will lapse when employment terminates |
| | | 125,000 | 125,000 | 57.5 | 6 | |
| | | 125,000 | 125,000 | 66.1 | 7 | |
| | | 125,000 | 125,000 | 76.0 | 7 | |
| | | 100,000 | 100,000 | 50.0 | 8 | |
| Natalie Newton | | | | | | |
| 33,334 | (33,334) | | | 26.5 | 1 | Surrendered |
| 33,334 | (33,334) | | | 26.5 | 1 | Surrendered |
| 33,332 | (33,332) | | | 26.5 | 3 | Surrendered |
| 16,667 | (16,667) | | | 27.5 | 1 | Surrendered |
| 16,667 | (16,667) | | | 27.5 | 1 | Surrendered |
| 16,666 | (16,666) | | | 27.5 | 3 | Surrendered |

Options (excluding Salary/Bonus Waiver Options) - continued

| At date of appointment | Surrendered | Granted 25 August 2004 | At 31 Dec. 2004 | Exercise price per Ordinary Share (pence) | Date at which first exercisable | Expiry date (or status) |
|------------------------|-------------|------------------------|-----------------|---|---------------------------------|-------------------------|
| Simon Ashdown | | | | | | |
| 80,000 | (80,000) | | | 46.0 | 1 | Surrendered |
| 90,000 | (90,000) | | | 46.0 | 1 | Surrendered |
| 80,000 | (80,000) | | | 46.0 | 3 | Surrendered |
| | | 80,000 | 80,000 | 46.0 | 2 | 6 mths after 2 |
| | | 90,000 | 90,000 | 46.0 | 3 | 6 mths after 3 |
| | | 80,000 | 80,000 | 46.0 | 4 | 6 mths after 4 |
| | | 40,000 | 40,000 | 50.0 | 5 | Lapsed |
| | | 40,000 | 40,000 | 57.5 | 6 | Lapsed |
| | | 40,000 | 40,000 | 66.1 | 7 | Lapsed |
| | | 40,000 | 40,000 | 76.0 | 7 | Lapsed |
| | | 50,000 | 50,000 | 50.0 | 8 | Lapsed |

Notes:

¹ Exercisable upon the company meeting certain performance criteria.

² Exercisable upon publication of the Company's preliminary results for year ended 31 December 2004.

³ Exercisable from 29 September 2005 (23 April 2006 for Simon Ashdown).

⁴ Exercisable upon publication of the Company's preliminary results for year ended 31 December 2005.

⁵ The Options granted at 50.0p are first exercisable as to 80 percent on 25 August 2005 and as to 20 percent on 25 August 2006.

⁶ The Options granted at 57.5p are first exercisable as to 60 percent on 25 August 2006 and as to 40 percent on 25 August 2007.

⁷ The Options granted are first exercisable on a Takeover Event (as defined by the Hemscoff Share Option Plan).

⁸ TSR Options granted are first exercisable on a Takeover Event (as defined by the Hemscoff Share Option Plan) and then only if and to the extent that the average annual Total Shareholder Return of the company since grant of the option is between 15 percent and 30 percent.

⁹ the termination of Stephen Roche's employment

Salary/Bonus Waiver Options

| | Number of ordinary shares | Exercise Price per Ordinary Share (pence) | Date at which first exercisable | Normal expiry date |
|-----------------------|---------------------------|---|---------------------------------|--------------------|
| Rosalyn Wilton | 125,000 | 5.0 | 25 August 2004 | 24 August 2014 |
| | 222,225 | 5.0 | 25 August 2004 | 24 August 2014 |
| | 125,000 | 5.0 | 25 November 2004 | 24 August 2014 |
| | 125,000 | 5.0 | 25 February 2005 | 24 August 2014 |
| | 125,000 | 5.0 | 25 May 2005 | 24 August 2014 |

No options were exercised in 2004. Natalie Newton gave up all her options when she resigned from the company on 16 January 2004.

The Remuneration Committee approved a new share option plan ("the Plan"), which became effective following the unconditional completion of the acquisition of Centerpoint Data, Inc. on 25 August 2004. The executive directors were given the choice of keeping their old options with the original vesting criteria or if they agreed to surrender their old options, to be granted options under the new arrangements. As shown in the above tables, the executive directors surrendered their old options and chose to be granted new options under the new arrangements.

Under the terms of the Plan, all options are exercisable on the occurrence of a takeover event (as defined by the Plan), which includes Centerpoint Data, LLC selling ordinary shares in the company so that its shareholding falls to below 20% of the issued share capital of the company, or any person other than Centerpoint Data, LLC acquiring control of the company.

Director and employee optionholders who leave the company other than for cause (which under the Plan is defined as termination of employment for gross misconduct) will be able to exercise any options which have vested for a period of up to six months from the date on which the optionholder leaves, but optionholders will normally forfeit those options which have not vested by that date, except for unvested Exchanged Options, which can be exercised by the optionholder for a period of six months after those options become exercisable.

The market price of the ordinary shares at 31 December 2004 was 39.5p and the range during the year was 36.5p to 57.5p.

Unaudited Information

Service Agreements

The current executive directors have service agreements that can be terminated by either party giving not less than six months' written notice. On 23 August 2004 the executive directors waived their entitlements to the doubling of their notice periods following a change of control of the company which, in the case of Rosalyn Wilton and Stephen Roche, extended their notice periods from six months to 12 months (pursuant to letters of amendment to their service contracts dated 19 March 2002) and in the case of Simon Ashdown, extended his notice period from three months to six months (pursuant to a letter of amendment to his service contract dated 22 March 2004). The company went through a change of control on 24 August 2004 when the company issued 16,243,940 ordinary shares to Centerpoint Data, LLC as part consideration for the acquisition of Centerpoint Data, Inc., thereby diluting FinMedia Limited's shareholding to below 50% of the issued share capital of the company.

As agreed with the Remuneration Committee, Rosalyn Wilton's service contract was varied, to provide that she waived her right to salary for the period 1 September 2004 to 31 August 2005 (save that she will still receive life assurance benefits as if she had been paid her salary during that period), in return for the grant of Salary/Bonus Waiver Options at an exercise price of 5p per ordinary share, which consists of options over 347,225 ordinary shares vesting on 25 August 2004 and options over 125,000 ordinary shares vesting on each three month anniversary after that date until 25 May 2005.

Rosalyn Wilton has agreed with the company not to sell (subject to certain exceptions) any ordinary shares obtained from the exercise of the Salary/ Bonus Waiver Options within 12 months of the relevant part of the options vesting. All options become exercisable in full on a takeover event (as defined in the Plan).

On 1 October 2004 Rosalyn Wilton and Stephen Roche received £80,000 and £40,000 respectively under the terms of bonus awards set on 23 September 2003. Rosalyn Wilton received a cash bonus of £100,000 in respect of the CoreData acquisition which was paid on 5 January 2005.

In connection with the CoreData acquisition Simon Ashdown agreed that a £10,000 bonus which would have become payable to him on the achievement of specified performance targets agreed on 22 March 2004 would become payable on the announcement of the company's results for the year ending 31 December 2004. This bonus was in fact paid to him on 31 January 2005.

The company has a letter of appointment with Michael Grade as non-executive chairman for an annual fee of £35,000 terminable by either party without notice.

The company has a letter of appointment with The Analysis and Research Company Limited ("ARC"), a company of which Charles Jillings is a director, the principal terms of which are that ARC agrees to provide the services of Charles Jillings as a non-executive director of Hemscott plc for an annual fee of £18,000 for an indefinite period terminable without notice by either party or if Charles Jillings ceases to be a director.

The company also has a letter of appointment with VS&A Communications Partners III, LP ("Fund III") providing that as from 1 October 2004 Scott Troeller and Marco Sodi (or their replacements designated by Fund III) serve as non-executive directors of the Hemscott board for an annual fee of £18,000 per annum per Fund III director and the company will reimburse Fund III for the costs incurred in relation to their travelling, accommodation and sustenance for attending board meetings up to a maximum of £24,000 per annum. Scott Troeller and Marco Sodi are both managing members of the general partner of Fund III.

Signed by order of the board


Michael Grade
Chairman

8 March 2005

Statement of Directors' Responsibilities

Financial Statements including Adoption of Going Concern Basis

United Kingdom 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 group as at the end of the financial period and of the profit or loss of the group for that period.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently; and
- make judgements and estimates that are reasonable and prudent and state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Other Matters

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEMSCOTT PLC

We have audited the financial statements of Hemscott plc for the year ended 31 December 2004 which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the balance sheets, the consolidated cash flow statement, and the related notes 1 to 29. These financial statements have been prepared under the accounting policies set out therein. We have also audited the information in the part of the directors' remuneration report that is described as having been audited.

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 auditors' 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

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. They are also responsible for the preparation of the other information contained in the annual report including the directors' remuneration report. Our responsibility is to audit the financial statements and the part of the directors' remuneration report described as having been audited in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the directors' remuneration report described as having been audited 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 and other members of the group is not disclosed.

We read the directors' report and the other information contained in the annual report for the above year as described in the contents section including the unaudited part of the directors' remuneration report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 and the part of the directors' remuneration report described as having been audited. 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 circumstances of the company and the group, 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 and the part of the directors' remuneration report described as having been audited 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 and the part of the directors' remuneration report described as having been audited.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the company and the group as at 31 December 2004 and of the loss of the group for the year then ended; and
- the financial statements and part of the directors' remuneration report described as having been audited have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

London

8 March 2005

| | Note | Before exceptional items 2004 £'000 | Exceptional items (note 3) 2004 £'000 | Total £'000 | Total (as restated, see note 1) 2003 £'000 |
|--|------|---|---|----------------|--|
| Turnover - continuing operations | 2 | | | | |
| Existing operations | | 6,990 | - | 6,990 | 6,419 |
| Acquisitions | | 1,793 | - | 1,793 | - |
| | | 8,783 | - | 8,783 | 6,419 |
| Operating expenses before depreciation and amortisation | 3 | | | | |
| Existing operations | | (7,139) | (369) | (7,508) | (6,937) |
| Acquisitions | | (1,715) | - | (1,715) | - |
| | | (8,854) | (369) | (9,223) | (6,937) |
| (Loss)/profit before interest, tax, depreciation and amortisation - (LBITDA) / EBITDA | 2 | | | | |
| Existing operations | | (149) | (369) | (518) | (518) |
| Acquisitions | | 78 | - | 78 | - |
| | | (71) | (369) | (440) | (518) |
| Depreciation | 3,5 | (512) | - | (512) | (594) |
| Amortisation | 3,5 | (811) | - | (811) | (267) |
| Operating loss - continuing operations | | | | | |
| Existing operations | | (845) | (369) | (1,214) | (1,379) |
| Acquisitions | | (549) | - | (549) | - |
| | | (1,394) | (369) | (1,763) | (1,379) |
| Interest receivable and similar income | 4a | 234 | - | 234 | 243 |
| Interest payable and similar charges | 4b | (75) | - | (75) | - |
| Loss on ordinary activities before taxation | 5 | (1,235) | (369) | (1,604) | (1,136) |
| Tax credit on loss on ordinary activities | 8 | 285 | - | 285 | - |
| Retained loss for the financial year | 21 | (950) | (369) | (1,319) | (1,136) |
| Loss per share | Note | | | 2004 pence | 2003 pence |
| Loss per ordinary share - basic & diluted | 9 | | | (3.4) | (3.5) |
| Loss per ordinary share - adjusted | 9 | | | (0.4) | (2.7) |

Consolidated statement of total recognised gains and losses

For the year ended 31 December 2004

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| Loss for the financial year | (1,319) | (1,136) |
| Currency translation difference on foreign currency net investments | (862) | - |
| Total gains and losses recognised relating to the year and since the last annual report and financial statements | (2,181) | (1,136) |

| | Notes | 2004 £'000 | 2003 £'000 |
|--|-----------|-----------------|----------------|
| Fixed assets | | | |
| Goodwill | 10 | 31,648 | 1,683 |
| Tangible assets | 11 | 2,009 | 1,033 |
| | | 33,657 | 2,716 |
| Current Assets | | | |
| Stocks | 14 | 8 | - |
| Debtors - amounts falling due within one year | 15 | 3,990 | 1,059 |
| Debtors - amounts falling due after one year | 15 | 791 | 502 |
| Cash at bank and in hand | 16 | 4,306 | 6,061 |
| | | 9,095 | 7,622 |
| Creditors: Amounts falling due within one year | 17 | (9,691) | (4,138) |
| Net current (liabilities) / assets | | (596) | 3,484 |
| Total assets less current liabilities | | 33,061 | 6,200 |
| Creditors: Amounts falling due after more than one year | 18 | (16,907) | - |
| Net assets | | 16,154 | 6,200 |
| Capital and reserves | | | |
| Called up share capital | 19 | 2,888 | 1,607 |
| Share premium account | 21 | 12,837 | 9,606 |
| Capital redemption reserve | 21 | 186 | 186 |
| Other reserves | 21 | 4,509 | (2,596) |
| Shares to be issued | 21 | 518 | - |
| Profit and loss account | 21 | (4,784) | (2,603) |
| Shareholders' funds - equity | 21 | 16,154 | 6,200 |

The financial statements were approved by the board of directors on 8 March 2005 and signed on its behalf by:

Daryl Paton
Director



8 March 2005

| | Notes | 2004 £'000 | 2003 £'000 |
|--|-------|-----------------|----------------|
| Fixed Assets | | | |
| Investments | 12 | 40,481 | 20,195 |
| | | 40,481 | 20,195 |
| Current assets | | | |
| Cash at bank and in hand | 16 | 6 | 6 |
| | | 6 | 6 |
| Creditors: Amounts falling due within one year | 17 | (509) | (476) |
| Net current liabilities | | (503) | (470) |
| Total assets less current liabilities | | 39,978 | 19,725 |
| Creditors: Amounts falling due after more than one year | 18 | (17,180) | (7,190) |
| Net assets | | 22,798 | 12,535 |
| Capital and Reserves | | | |
| Called up share capital | 19 | 2,888 | 1,607 |
| Share premium account | 21 | 12,837 | 9,606 |
| Capital redemption reserve | 21 | 186 | 186 |
| Other reserves | 21 | 8,639 | 1,534 |
| Shares to be issued | 21 | 518 | - |
| Profit and loss account | 21 | (2,270) | (398) |
| Shareholders' funds - equity | 21 | 22,798 | 12,535 |

The financial statements were approved by the board of directors on 8 March 2005 and signed on its behalf by:


Daryl Paton
Director

8 March 2005

| | Notes | 2004 £'000 | 2003 £'000 |
|--|-------|---------------|---------------|
| Net cash outflow from operating activities | 23 | (688) | (926) |
| Returns on investments and servicing of finance | 24 | 234 | 278 |
| Taxation | 24 | (16) | - |
| Payments to acquire tangible fixed assets | 24 | (677) | (375) |
| Acquisitions and disposals | 24 | (21,084) | (158) |
| Net cash outflow before management of liquid resources and financing | | (22,231) | (1,181) |
| Management of liquid resources | 24 | 4,005 | (722) |
| Financing | 24 | 20,520 | - |
| Increase / (decrease) in cash in the year | 25 | 2,294 | (1,903) |

1. Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

A summary of the principal group accounting policies adopted by the directors that have been applied consistently throughout the year and the preceding year is set out below.

Change in profit and loss presentation format

Following the acquisitions during the year and the goodwill arising as a consequence, the directors have chosen to adopt a revised profit and loss format for the year 2004. The format chosen allows the group to show (loss)/earnings before interest, tax, depreciation and amortisation ("EBITDA"/("LBITDA")). The directors believe that (LBITDA)/EBITDA is a better measure to assess the group's underlying performance.

The restatement has no impact on net assets or loss for the preceding financial year.

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Basis of consolidation

With effect from 15 August 2000, the company, then named Bridgend Group plc, became the legal parent company of Hemscott Holdings Limited and its subsidiary undertakings in a share for share transaction. Due to the relative values of the companies, reverse acquisition accounting was adopted as the basis of consolidation. Bridgend Group plc was brought into the consolidation from 15 August 2000, the date of that reverse acquisition, at fair values at that date and the reserves of the group are based on the pre-combination reserves of the Hemscott Holdings Limited group.

Turnover

Turnover, the portion of invoicing that relates to the financial reporting period, represents amounts receivable from customers for goods and services provided in the normal course of business, net of VAT and other sales-related taxes. Sales under contracts covering future periods, which are invoiced quarterly or annually in advance, are deferred and credited to the profit and loss account over the period to which they relate.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life of ten years. Provision is made for any impairment. Goodwill arising on the reverse acquisition of Bridgend Group plc was written off to the profit and loss account in the year ended 31 December 2000.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

- Short leasehold properties - over the term of the lease
- Computer equipment and software - three years
- Fixtures and fittings - three years

Investments

Fixed asset investments are shown at cost less provision for any impairment.

1. Principal accounting policies (continued)

Taxation

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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 than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Foreign currency

Transactions in foreign currency are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange at that date. These translation differences are dealt with in the profit and loss account.

For consolidation purposes the profit and loss accounts of the foreign subsidiaries are translated into sterling at the average rate of exchange for the year and the balance sheets are translated into sterling at the closing rate of exchange and where applicable the difference arising from the translation of the opening net investment in subsidiaries at the closing rate is taken directly to reserves.

Share Options

In accordance with the requirements of UITF17 "Employee Share Schemes" a charge is made in the profit and loss account for the difference between the fair value of the shares under options at the date of granting, and the exercise price. Where the award is conditional on certain performance criteria being met this is reflected in the number of options on which the charge is calculated.

An accrual for National Insurance is made in respect of all the options granted since 6 April 1999 on the difference between the fair value of the shares at the year end and the exercise price to the extent that it is believed that the options are likely to be exercised.

Leases

Assets obtained under finance leases and higher purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received or receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Website development costs

Design and content development costs are capitalised in computer equipment and software to the extent that they lead to the creation of an enduring asset, which delivers economic benefits at least as great as the amount capitalised. If there is insufficient evidence upon which to base reasonable estimates of the economic benefits that will be generated in the period until the design and content are next updated, the costs of developing the design and content are charged to the profit and loss account as incurred.

2. Segmental reporting

Classes of business:

| | 2004 £'000 | 2003 £'000 |
|--|---------------|---------------|
| Turnover - continuing operations | | |
| Business information - existing operations | 5,584 | 5,080 |
| Business information - acquisitions | 1,793 | - |
| | 7,377 | 5,080 |
| Media - existing operations | 1,406 | 1,339 |
| | 8,783 | 6,419 |

In the opinion of the directors it is not practicable to determine the operating loss, LBITDA and net assets by business class principally because a significant amount of costs are shared across all areas of the business.

| | Continuing United Kingdom | | Acquisitions North America | | Group | |
|---|------------------------------|---------------|-------------------------------|---------------|---------------|---------------|
| | 2004 £'000 | 2003 £'000 | 2004 £'000 | 2003 £'000 | 2004 £'000 | 2003 £'000 |
| Geographical segments: | | | | | | |
| Turnover by origin - continuing operations | 6,990 | 6,419 | 1,793 | - | 8,783 | 6,419 |
| (LBTIDA) / EBITDA | (518) | (518) | 78 | - | (440) | (518) |
| Loss before taxation | (861) | (1,136) | (743) | - | (1,604) | (1,136) |
| Net assets | 15,432 | 6,200 | 722 | - | 16,154 | 6,200 |

The turnover by origin is not materially different to that by destination.

3. Operating expenses

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| Other operating income | (11) | - |
| Other external charges | 3,618 | 2,604 |
| Staff costs including exceptional items below (note 6) | 5,616 | 4,333 |
| Depreciation and amortisation | 1,323 | 861 |
| | 10,546 | 7,798 |
| Exceptional items included in staff costs above: | | |
| Shares options | (i) 233 | - |
| Acquisition bonuses | (ii) 136 | - |
| | 369 | - |

(i) On 25 August 2004, 722,225 Salary/Bonus Waiver Options were issued to Rosalyn Wilton at a grant price of 5 pence per Ordinary Share. These were awarded by way of a bonus for the acquisition of CoreData during the year and in return for her not receiving a salary for the 12 months from September 2004 to August 2005. More detail can be found in the Directors' Remuneration Report on pages 25 to 28. The amount shown as exceptional reflects the additional expense over the salary she would ordinarily have been paid had the acquisition not happened and she had not accepted the Salary/ Bonus Waiver Options.

(ii) Acquisition bonuses paid to senior management following the acquisition of CoreData.

4a. Interest receivable and similar income

| | 2004 £'000 | 2003 £'000 |
|---------------------------|---------------|---------------|
| Bank interest receivable | 217 | 223 |
| Other interest receivable | 17 | 20 |
| | 234 | 243 |

4b. Interest payable and similar charges

| | 2004 £'000 | 2003 £'000 |
|---------------------------------|---------------|---------------|
| Loan interest payable (note 18) | 75 | - |

5. Loss on ordinary activities before taxation

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| Loss on ordinary activities before taxation is stated after charging: | | |
| Depreciation on owned assets | 512 | 594 |
| Amortisation of goodwill | 811 | 267 |
| Research and development | 195 | 121 |
| Hire of plant and machinery | 23 | 12 |
| Other operating lease rentals | 579 | 467 |
| Fees paid to auditors | | |
| - audit fees - Deloitte & Touche LLP | 65 | 32 |
| - audit fees - Leslie Sufrin & Co.,PC | 33 | - |
| - non audit fees - Deloitte & Touche LLP | 6 | 3 |

Audit fees payable to auditors include £6,000 (2003: £6,000) in relation to the audit of the company.

Deloitte & Touche LLP and Leslie Sufrin & Co.,PC received fees of £115,000 and £90,000 respectively (in addition to the above) for work relating to the acquisitions in the year. These amounts have either been capitalised as acquisition costs (£105,000) or set off against share premium (£100,000).

6. Staff costs

| | 2004 number | 2003 number |
|--|----------------|----------------|
| The average monthly number of employees (including executive directors) was: | | |
| Sales and marketing | 68 | 32 |
| Content and editorial | 101 | 32 |
| Information technology | 56 | 38 |
| Administration | 23 | 15 |
| | 248 | 117 |

| | 2004 £'000 | 2003 £'000 |
|-----------------------------------|---------------|---------------|
| Staff costs (including directors) | | |
| Wages and salaries * | 5,095 | 3,889 |
| Social security costs | 504 | 444 |
| Other pension costs | 17 | - |
| | 5,616 | 4,333 |

* includes exceptional items detailed in note 3.

7. Directors

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| Directors' emoluments included within staff costs | | |
| Emoluments | 980 | 542 |

Information in respect of directors' remuneration and share interests is contained within the Directors' Remuneration Report on pages 25 to 28.

8. Tax credit on loss on ordinary activities

(a) Analysis of tax credit on ordinary activities

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| Overseas corporation tax credit in relation to the current year | 285 | - |

As a result of losses in the year, the group has no liability to UK taxation (2003: £nil). At 31 December 2004, the group has UK losses available for carry forward of approximately £14,800,000 (2003: £14,400,000 restated) and the benefit of future capital allowances in excess of depreciation of £2,800,000 (2003: £2,600,000 restated). A deferred tax asset amounting to £5,380,000 (2003: £5,100,000 restated) has not been recognised in these accounts as there is insufficient evidence that the assets will be recovered.

A deferred tax asset of £289,000 is recognised in respect of US losses where the directors believe that it is more likely than not that the asset will be recoverable in the foreseeable future.

(b) Factors affecting tax credit for the current year

The tax asset for the period is lower than that resulting from applying the standard of corporation tax in the UK of 30% (2003: 30%). The differences are explained below:

| | 2004 £000 | 2003 £000 |
|---|--------------|--------------|
| Loss on ordinary activities before taxation | (1,604) | (1,136) |
| Tax at the standard rate of UK corporation tax of 30% (2003: 30%) | (481) | (341) |
| Effects of: | | |
| Short term timing differences not recognised | (113) | - |
| Depreciation in excess of capital allowances | 233 | 132 |
| Tax losses not recognised | 220 | - |
| Permanent differences | 215 | 87 |
| Utilisation of tax losses | (74) | 122 |
| Overseas corportion tax credit in relation to the current year | 285 | - |
| Current tax credit for the year | 285 | - |

9. Loss per share

FRS 14 requires presentation of diluted earnings per share ("EPS") when a company could be called upon to issue shares that would decrease net profit or increase net loss per share. For a loss making company with outstanding share options, net loss per share would only be increased by the exercise of out-of-the-money options. Since it seems inappropriate to assume that option holders would act irrationally, no adjustment has been made to dilute EPS for out-of-the-money options.

The basic loss per share is calculated on the following losses and number of shares:

| Basic and diluted: | 2004 | 2003 |
|--|-------------|-------------|
| Loss for the financial year (£'000) | (1,319) | (1,136) |
| Weighted average number of shares ('000) | 38,805 | 32,136 |
| Loss per share basic and diluted (pence) | (3.4) | (3.5) |
| Adjusted: | 2004 | 2003 |
| Loss for the financial year (£'000) | (1,319) | (1,136) |
| Less goodwill amortisation (£'000) | 811 | 267 |
| Less exceptional items (£'000) (note 3) | 369 | - |
| Adjusted loss for the year (£'000) | (139) | (869) |
| Weighted average number of shares ('000) | 38,805 | 32,136 |
| Loss per share adjusted (pence) | (0.4) | (2.7) |

10. Goodwill

| | 2004 |
|---------------------|--------------|
| | £'000 |
| Cost | |
| At 1 January 2004 | 2,676 |
| Additions | 31,477 |
| Exchange adjustment | (701) |
| At 31 December 2004 | 33,452 |
| Amortisation | |
| At 1 January 2004 | 993 |
| Charge for the year | 811 |
| At 31 December 2004 | 1,804 |
| Net book value | |
| At 31 December 2004 | 31,648 |
| At 31 December 2003 | 1,683 |

11. Tangible fixed assets

| | Short leasehold property | Computer Equipment and Software | Fixtures and Fittings | Total |
|---|--------------------------------|--|-----------------------------|--------------|
| | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | |
| At 1 January 2004 | 745 | 2,307 | 167 | 3,219 |
| Additions | - | 677 | - | 677 |
| Acquisition of subsidiary undertakings | 5 | 810 | 50 | 865 |
| Disposals | - | (4) | - | (4) |
| Exchange adjustments | - | (54) | (2) | (56) |
| At 31 December 2004 | 750 | 3,736 | 215 | 4,701 |
| Depreciation | | | | |
| At 1 January 2004 | 261 | 1,759 | 166 | 2,186 |
| Charge for the year | 75 | 434 | 3 | 512 |
| Disposals | - | (4) | - | (4) |
| Exchange adjustments | - | (2) | - | (2) |
| At 31 December 2004 | 336 | 2,187 | 169 | 2,692 |
| Net book value at 31 December 2004 | 414 | 1,549 | 46 | 2,009 |
| Net book value at 31 December 2003 | 484 | 548 | 1 | 1,033 |

Additions to computer equipment and software includes identifiable direct wage costs incurred developing software supporting certain products of £325,000 (2003: £282,000).

12. Investments

| | Shares in group undertakings £'000 | Loans to group undertakings £'000 | Total £'000 |
|---|---|--|-----------------|
| Company fixed asset investments: | | | |
| Cost | | | |
| At 1 January 2004 | 16,479 | 22,858 | 39,337 |
| Transfers | 107 | 95 | 202 |
| Additions | 9,113 | 21,296 | 30,409 |
| Disposals * | (8,729) | (3,307) | (12,036) |
| At 31 December 2004 | 16,970 | 40,942 | 57,912 |
| Provision for impairment | | | |
| At 1 January 2004 | (2,449) | (16,693) | (19,142) |
| Transfers | - | (202) | (202) |
| Disposals * | 1,817 | 96 | 1,913 |
| At 31 Dec 2004 | (632) | (16,799) | (17,431) |
| Net book value at 31 December 2004 | 16,338 | 24,143 | 40,481 |
| Net book value at 31 December 2003 | 14,030 | 6,165 | 20,195 |

* As at 31 December 2004, Woodington plc and Brimley & Co Limited had been liquidated.

The company's principal subsidiaries at 31 December 2004 were:

| | Country of registration | Principal activity | Holding % |
|--|--------------------------|--|-----------|
| Hemscott Group Limited | England and Wales | Sale of business information, provision of corporate investor relations websites and media services. | 100 |
| Hemscott Investment Analysis Limited | England and Wales | Regulated under the Financial Services and Markets Act 2000 to provide investment advice and related services. | 100 |
| Hemscott Americas, Inc. (formerly Centerpoint Data, Inc.) | United States of America | Holding company. | 100 |
| CoreData, Inc. | United States of America | Sale of business information. | 100 |
| bigdough.com.inc. | United States of America | Sale of Customer Relationship Systems to capital markets and corporate investor relations. | 100 |

13. Acquisition of subsidiary undertakings

(a) Acquisition of Centerpoint Data, Inc. and its trading subsidiary CoreData, Inc.

On 25 August 2004 the company acquired 100% of the issued share capital of Centerpoint Data, Inc. and its trading subsidiary CoreData, Inc. for consideration comprising the issue of 16,243,940 ordinary 5p shares at 48.5p (on 24 August 2004), 228,285 shares of 49.5p (on 21 September 2004) each in the company (see note 19) and £600,000 in cash. The value of the total consideration was £8,591,000.

Merger relief has been taken in accordance with S131 of the Companies Act 1985, and the premium on shares issued has been credited to a merger reserve.

The following table sets out the book values of the identified assets and liabilities acquired and their fair value to the group:

| | Book value £'000 | Accounting policy alignment £'000 | Fair value to group £'000 |
|---|---------------------|--|---------------------------------|
| Fixed assets | | | |
| Intangible | 6,292 | (6,292) | - |
| Tangible | 546 | (30) | 516 |
| | 6,838 | (6,322) | 516 |
| Current assets | | | |
| Debtors | 380 | - | 380 |
| Cash | 152 | - | 152 |
| | 532 | - | 532 |
| Total assets | 7,370 | (6,322) | 1,048 |
| Creditors - amounts due within one year | | | |
| Trade creditors | (268) | - | (268) |
| Accruals | (323) | - | (323) |
| | (591) | - | (591) |
| Creditors - amounts falling due after more than one year | | | |
| Taxation | (45) | - | (45) |
| Total liabilities | (636) | - | (636) |
| Net assets | 6,734 | (6,322) | 412 |
| Goodwill | | | 8,701 |
| | | | 9,113 |
| Satisfied by: | | | £'000 |
| Shares issued | | | 7,991 |
| Cash | | | 600 |
| Acquisition costs | | | 522 |
| | | | 9,113 |

The accounting policy alignment is in respect of intangible assets and capitalised software migration costs that have been written off in accordance with UK GAAP and Hemscott accounting policies.

| | |
|---|--------------|
| Net cash outflows in respect of the acquisition comprised: | £'000 |
| Cash consideration | 600 |
| Acquisition costs | 522 |
| Share issue costs | 63 |
| Cash at bank and in hand acquired | (152) |
| | 1,033 |

13. Acquisition of subsidiary undertakings (continued)

CoreData, Inc. incurred a loss after taxation of £667,000 in the year ended 31 December 2004, of which £576,000 was lost in the period from 1 January 2004 to 24 August 2004. The summarised profit and loss account for the period from 1 January 2004 to 24 August 2004 shown on the basis of accounting policies of CoreData, Inc. prior to the acquisition, are as follows:

| Profit and loss account | £'000 |
|---|---------|
| Turnover | 1,729 |
| Operating expenses before depreciation and amortisation | (1,748) |
| Loss before interest, tax, depreciation, amortisation and exceptional items | (19) |
| Depreciation and amortisation | (527) |
| Exceptional items* | (25) |
| Operating loss | (571) |
| Interest payable and similar charges | (5) |
| Loss on ordinary activities before and after taxation and loss for the financial period | (576) |

* Note: Exceptional items relate to audit fees paid pre-acquisition for an interim audit for a previous acquisition.

(b) Acquisition of bigdough.com.inc.

On 24 November 2004 the company acquired 100% of the issued share capital of bigdough.com.inc. for cash consideration comprising £20,694,000 and share options with a fair value of £248,000 (for further detail on share options please refer to note 20). The following table sets out the book values of the identified assets and liabilities acquired and their fair value to the group:

| | Book value and fair value to group £'000 |
|---|---|
| Fixed assets | |
| Tangible | 349 |
| | 349 |
| Current assets | |
| Debtors | 1,640 |
| Cash | 1,096 |
| | 2,736 |
| Total assets | 3,085 |
| Creditors - amounts due within one year | |
| Trade creditors | (452) |
| Accruals | (4,013) |
| Total liabilities | (4,465) |
| Net liabilities | (1,380) |
| Goodwill | 22,776 |
| | 21,396 |
| Satisfied by: | £'000 |
| Cash | 20,694 |
| Share options | 248 |
| Acquisition costs | 454 |
| | 21,396 |
| Net cash outflows in respect of the acquisition comprised: | £'000 |
| Cash consideration | 20,694 |
| Cash at bank and in hand acquired | (1,096) |
| Acquisition costs | 454 |
| | 20,052 |

13. Acquisition of subsidiary undertakings (continued)

bigdough.com.inc. incurred a loss after taxation of £160,000 in the year ended 31 December 2004 of which £288,000 related to the period from 1 January 2004 to 23 November 2004. The summarised profit and loss account for the period from 1 January 2004 to 23 November 2004 shown on the basis of accounting policies of bigdough.com.inc. prior to the acquisition, are as follows:

| Profit and loss account | £'000 |
|---|---------|
| Turnover | 7,529 |
| Operating expenses before depreciation and amortisation | (5,724) |
| Profit before interest, tax, depreciation, amortisation and exceptional items | 1,805 |
| Depreciation and amortisation | (373) |
| Exceptional items* | (1,711) |
| Operating loss | (279) |
| Interest receivable and similar income | 4 |
| Loss on ordinary activities before taxation | (275) |
| Tax on loss on ordinary activities | (13) |
| Loss on ordinary activities after taxation and loss for the financial period | (288) |

*Note: Exceptional items pre-acquisition relate to bonus and share option payments to the proprietor and employees of £1,569,000 and adviser fees of £142,000 in connection with the acquisition.

14. Stocks

| | Group | | Company | |
|------------------|-------|-------|---------|-------|
| | 2004 | 2003 | 2004 | 2003 |
| | £'000 | £'000 | £'000 | £'000 |
| Work in progress | 8 | - | - | - |

15. Debtors

| | Group | | Company | |
|---|-------|-------|---------|-------|
| | 2004 | 2003 | 2004 | 2003 |
| | £'000 | £'000 | £'000 | £'000 |
| Amounts falling due within one year: | | | | |
| Trade debtors | 2,387 | 814 | - | - |
| Overseas taxation | 485 | - | - | - |
| Other debtors | 63 | 39 | - | - |
| Prepayments and accrued income | 1,055 | 206 | - | - |
| | 3,990 | 1,059 | - | - |

| | Group | | Company | |
|--|-------|-------|---------|-------|
| | 2004 | 2003 | 2004 | 2003 |
| | £'000 | £'000 | £'000 | £'000 |
| Amounts falling due after more than one year: | | | | |
| Deferred taxation | 289 | - | - | - |
| Other debtors | 502 | 502 | - | - |
| | 791 | 502 | - | - |

16. Financial Instruments

| | Group | | Company | |
|--------------------------------|---------------|---------------|---------------|---------------|
| | 2004 £'000 | 2003 £'000 | 2004 £'000 | 2003 £'000 |
| Currency: | | | | |
| Sterling | 2,292 | 6,061 | 6 | 6 |
| US Dollar | 2,014 | - | - | - |
| Floating rate financial assets | 4,306 | 6,061 | 6 | 6 |

The group and company has no financial assets other than cash balances of £4,306,000 for the group and £6,000 for the company (2003: £6,061,000 for the group and £6,000 for the company) that are part of the financial arrangements of the group. The Sterling and US dollar deposits are placed on money market at call, 7-day and monthly floating rates. There are no fixed financial assets.

The group and company has a sterling convertible unsecured loan note of £16,907,000 (2003: £nil). Further details are given in note 18. The fair value of the loan note is estimated to be £14,200,000.

The group and company does not enter into derivative transactions and does not trade in financial instruments. As permitted, short-term debtors and creditors arising as a result of normal operations have been excluded from these disclosures. The fair value of the group's financial assets is equal to their book values.

17. Creditors: Amounts falling due within one year

| | Group | | Company | |
|------------------------------------|---------------|---------------|---------------|---------------|
| | 2004 £'000 | 2003 £'000 | 2004 £'000 | 2003 £'000 |
| Trade creditors | 1,111 | 559 | - | - |
| Other taxation and social security | 274 | 334 | - | - |
| Other creditors | 320 | - | - | - |
| Accruals and deferred income | 7,986 | 3,245 | 509 | 476 |
| | 9,691 | 4,138 | 509 | 476 |

18. Creditors: Amounts falling due after more than one year

| | Group | | Company | |
|------------------------------------|---------------|---------------|---------------|---------------|
| | 2004 £'000 | 2003 £'000 | 2004 £'000 | 2003 £'000 |
| Convertible unsecured loan note | 16,907 | - | 16,907 | - |
| Amounts owed to group undertakings | - | - | 273 | 7,190 |
| | 16,907 | - | 17,180 | 7,190 |

On 24 November 2004, Hemscott drew down £16,832,000 loan note facility from VSS Communications Partners III, LP (on behalf of Centerpoint Data, LLC) for the purpose of the acquisition of bigdough.com,inc. The £16,832,000 convertible unsecured loan note is convertible at the option of the holder into fully paid ordinary shares of the company at £0.4325 per ordinary share.

Interest is calculated at a 4% fixed interest rate. As at 31 December 2004 interest of £75,000 has been accrued since the loan note was drawn down on 24 November 2004.

The loan note has a maturity date of 24 February 2008. At this date the residual balance must either be converted into Hemscott plc ordinary shares or repaid at the discretion of the holder.

| | Group | | Company | |
|---|---------------|---------------|---------------|---------------|
| | 2004 £'000 | 2003 £'000 | 2004 £'000 | 2003 £'000 |
| Borrowings are repayable as follows: | | | | |
| Between two and five years | 16,907 | - | 16,907 | - |

19. Called up share capital

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| <i>Authorised</i> | | |
| 139,637,410 ordinary shares of 5p each (2003: 49,637,410) | 6,982 | 2,482 |
| <i>Allotted, called up and fully-paid</i> | | |
| 57,755,567 ordinary shares of 5p each (2003: 32,136,419) | 2,888 | 1,607 |

On 24 August 2004 and 21 September 2004 the company allotted 16,243,940 and 228,285 Ordinary shares respectively with a nominal value of 5p for consideration of £7,991,312 in connection with the acquisition of Centerpoint Data, Inc. (see note 13).

On 22 November 2004 the company allotted 9,146,923 Ordinary shares with a nominal value of 5p for cash consideration of £3,688,000 to fund the acquisition of bigdough.com.inc.

20. Share Options

Options have been granted under the Share Option Plan and by separate agreement to subscribe for shares in the company. At 31 December 2004 the following options were outstanding:

| | Number or Ordinary Shares | Option Price (pence) |
|---|---------------------------------|-------------------------|
| Share Options (Salary/Bonus Waiver Options) | 722,225 | 5.0 |
| Share Options | 786,844 | 12.5 |
| Share Options | 935,000 | 26.5 |
| Share Options | 300,000 | 27.5 |
| Share Options | 125,000 | 35.5 |
| Share Options | 250,000 | 46.0 |
| Share Options | 2,255,500 | 50.0 |
| Share Options | 2,255,500 | 57.5 |
| Share Options | 2,255,500 | 66.1 |
| Share Options | 2,255,500 | 76.0 |
| Share Options (TSR) | 1,350,000 | 50.0 |
| | 13,489,069 | |

No options were exercised during the year ended 31 December 2004.

21. Movement in shareholders' funds

| | Share capital | Share premium | Capital redemption reserve | Other reserves | Shares to be issued | Profit and loss account | Total |
|--|---------------|---------------|----------------------------|----------------|---------------------|-------------------------|---------|
| Group | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| At 1 January 2004 | 1,607 | 9,606 | 186 | (2,596) | - | (2,603) | 6,200 |
| Share issues | 1,281 | 3,498 | - | 7,168 | - | - | 11,947 |
| Expenses of equity share issues | - | (267) | - | (63) | - | - | (330) |
| Currency translation differences on foreign currency net investments | - | - | - | - | - | (862) | (862) |
| Share options issued at a discount | - | - | - | - | 518 | - | 518 |
| Retained loss for year | - | - | - | - | - | (1,319) | (1,319) |
| At 31 December 2004 | 2,888 | 12,837 | 186 | 4,509 | 518 | (4,784) | 16,154 |

Other reserves are made up of a merger reserve of £2,975,000 (2003: negative £4,130,000) and a special reserve of £1,534,000 (2003: £1,534,000) relating to the share capital reduction that took place on 15 August 2000.

| | Share capital | Share premium | Capital redemption reserve | Other reserves | Shares to be issued | Profit and loss account | Total |
|--|---------------|---------------|----------------------------|----------------|---------------------|-------------------------|---------|
| Company | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| At 1 January 2004 | 1,607 | 9,606 | 186 | 1,534 | - | (398) | 12,535 |
| Share issues | 1,281 | 3,498 | - | 7,168 | - | - | 11,947 |
| Expenses of equity share issues | - | (267) | - | (63) | - | - | (330) |
| Currency translation differences on foreign currency net investments | - | - | - | - | - | (1,365) | (1,365) |
| Share options issued at a discount | - | - | - | - | 518 | - | 518 |
| Retained loss for year | - | - | - | - | - | (507) | (507) |
| At 31 December 2004 | 2,888 | 12,837 | 186 | 8,639 | 518 | (2,270) | 22,798 |

Other reserves are made up of a merger reserve of £7,105,000 (2003: £nil) and a special reserve of £1,534,000 (2003: £1,534,000) relating to the share capital reduction that took place on 15 August 2000.

As permitted by Section 230 of the Companies Act 1985, the company has not presented its own profit and loss account.

22. Reconciliation of movements in group shareholders' funds

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| Loss for the financial year | (1,319) | (1,136) |
| Other recognised gains and losses relating to the year (net). | (862) | - |
| | (2,181) | (1,136) |
| New shares issued | 11,617 | - |
| Share options issued at a discount | 518 | - |
| Net addition/(reduction) to shareholders' funds | 9,954 | (1,136) |
| Opening shareholders' funds | 6,200 | 7,336 |
| Closing shareholders' funds | 16,154 | 6,200 |

23. Reconciliation of operating loss to operating cash flows

| | 2004 £'000 | 2003 £'000 |
|---|---------------|---------------|
| Operating loss | (1,763) | (1,379) |
| Depreciation | 512 | 594 |
| Amortisation | 811 | 267 |
| Loss on disposal of fixed assets | - | 3 |
| Increase in stocks | (8) | - |
| Increase in debtors | (1,018) | (218) |
| Increase / (decrease) in creditors | 508 | (193) |
| Share options issued at a discount | 270 | - |
| Net cash outflow from operating activities | (688) | (926) |

24. Analysis of cash flows

| | 2004 £'000 | 2003 £'000 |
|--|-----------------|---------------|
| Returns on investments and servicing of finance | | |
| Interest received | 234 | 278 |
| Net cash inflow | 234 | 278 |
| Taxation | | |
| Foreign tax paid | (16) | - |
| Net cash outflow | (16) | - |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (677) | (375) |
| Net cash outflow | (677) | (375) |
| Acquisitions and disposals | | |
| Purchase of subsidiary undertakings | (22,332) | (258) |
| Cash acquired with subsidiary undertaking | 1,248 | - |
| Disposal of investments held for resale | - | 100 |
| Net cash outflow | (21,084) | (158) |
| Management of liquid resources | | |
| Cash withdrawn/(deposited) - from short term cash deposits | 4,005 | (722) |
| Net cash inflow/(outflow) | 4,005 | (722) |
| Financing | | |
| Issue of ordinary share capital | 3,688 | - |
| New convertible unsecured loan note | 16,832 | - |
| Net cash inflow | 20,520 | - |

Subsidiary undertakings acquired in the year utilised £214,000 of the groups operating cash flows, paid £2,000 in respect of net returns on investment and servicing of finance, paid £16,000 in respect of taxation and utilised £212,000 for capital expenditure.

25. Analysis and reconciliation of movement in net funds / (debt)

| | 1 January 2004 £'000 | Cash Flow £'000 | Other non- cash changes £'000 | Exchange movements £'000 | 31 December 2004 £'000 |
|----------------------------|----------------------------|--------------------|-------------------------------------|--------------------------------|------------------------------|
| Cash in hand, at bank | 156 | 2,294 | - | (44) | 2,406 |
| Cash on short term deposit | 5,905 | (4,005) | - | - | 1,900 |
| | 6,061 | (1,711) | - | (44) | 4,306 |
| Debt due after one year | - | (16,832) | (75) | - | (16,907) |
| Net funds/(debt) | 6,061 | (18,543) | (75) | (44) | (12,601) |

| | 2004 £'000 | 2003 £'000 |
|--|---------------|---------------|
| Increase/(decrease) in cash in the year | 2,294 | (1,903) |
| Cash (outflow)/inflow from (decrease)/increase in liquid resources | (4,005) | 722 |
| New convertible unsecured loan note | (16,907) | - |
| Decrease in net funds resulting from cash flows | (18,618) | (1,181) |
| Translation difference | (44) | - |
| Decrease in net funds in the year | (18,662) | (1,181) |
| Net funds brought forward | 6,061 | 7,242 |
| Net (debt)/funds carried forward | (12,601) | 6,061 |

26. Financial commitments

| | 2004 £'000 | 2003 £'000 |
|-------------------------------------|---------------|---------------|
| Capital commitments are as follows: | | |
| Contracted for but not provided for | | |
| - other | 110 | - |
| | 110 | - |

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

| | 2004 | | 2003 | |
|------------------------------|--------------------------------|----------------|--------------------------------|----------------|
| Group | Land and buildings £'000 | Other £'000 | Land and buildings £'000 | Other £'000 |
| Expiry date | | | | |
| - within one year | - | 60 | - | 1 |
| - between two and five years | - | 550 | - | 10 |
| - after five years | 502 | - | 502 | - |
| | 502 | 610 | 502 | 11 |

27. Contingent liabilities

Hemscott plc has guaranteed against the non-payment of rent amounting to £19,428 per annum for a property leased by a subsidiary. This guarantee was made by Bridgend Group plc prior to the reverse acquisition that occurred in August 2000.

Hemscott has warranted a claim for £750,000 received by a former subsidiary company. The directors have taken advice and have concluded that such a claim is most unlikely to succeed and therefore provision has not been made for this sum.

28. Related party transactions

VS&A Communications Partners III, LP ("Fund III") is the majority shareholder of Centerpoint Data, LLC, the latter being Hemscott plc's majority shareholder (see note 29). A convertible unsecured loan note was issued during the year to Centerpoint Data, LLC.

Scott Troeller and Marco Sodi, directors of Hemscott plc, are both managing members of the general partner (VS&A Equities III, LLC) of Fund III. Details of fees paid to them during the year can be found in the Directors' Remuneration Report on pages 25 to 28.

During the year the company was given advice on the acquisition of bigdough.com.inc. by VSS (see note 29 below) at a cost of £261,000 (2003: £nil).

Charles Jillings, a director of Hemscott plc, is also a director of FinMedia Limited, a major shareholder of Hemscott plc. Details of fees paid to him during the year can be found in the Directors Remuneration Report on pages 25 to 29.

29. Controlling party

VS&A Equities III, LLC, the general partner of Fund III, is the ultimate parent company of Centerpoint Data, LLC, (the immediate parent company) holding 54.47% of the issued share capital of Hemscott plc. VS&A Equities III, LLC is the controlling party, and is the general partner of Fund III and the manager of Centerpoint Data, LLC. Fund III is the majority shareholder of Centerpoint Data, LLC. Veronis Suhler Stevenson ("VSS") is an affiliate of Fund III.

Centerpoint Data, LLC and VS&A Equities III, LLC are both registered in the United States of America with their registered offices located at 350 Park Avenue, 7th Floor, New York, NY 10022 United States of America.

Notice is hereby given that the Annual General Meeting of Hemscott plc will be held at the offices of KBC Peel Hunt Limited at 111 Old Broad Street, London EC2N 1PH on Tuesday, 19 April 2005 at 10.00a.m. to transact the following business:

Ordinary business

1. To receive the report of the directors, the accounts for the year ended 31 December 2004 and the report of the auditors thereon.
2. To re-appoint Scott Troeller as a director of the company.
3. To re-appoint Marco Sodi as a director of the company.
4. To re-appoint Daryl Paton as a director of the company.
5. To re-appoint Michael Grade (who is retiring by rotation) as a director of the company.
6. To re-appoint Deloitte & Touche LLP as auditors of the company and to authorise the directors to fix the remuneration of the auditors.

By order of the board
Nick Sarker
Secretary
8 March 2005

Registered office:
Finsbury Tower
103-105 Bunhill Row
London EC1Y 8TY

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (who need not be a member of the company) to attend and, on a poll, vote in his place. A form of proxy is enclosed for this purpose.
2. To be valid, the form of proxy duly signed, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of such power or authority or a copy certified in accordance with the Powers of Attorney Act 1971 or in some other way approved by the directors of the company), must be deposited at the office of the company's registrars, Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TH not less than 48 hours before the time fixed for the meeting. Completion of a form of proxy will not preclude a member from attending and voting at the meeting if he wishes so to do.
3. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those shareholders who are registered on the register of members of the company as at close of business on 17 April 2005 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the right of any person to attend and vote at the meeting.

Resolution 1: Accounts

The directors must lay the company's accounts, the directors' report and the auditors' report before the members at a general meeting. This is a legal requirement once the directors have approved the accounts and the directors and auditors have prepared their report.

Resolutions 2 - 4: Re-appointment of directors

Article 81 of the company's Articles of Association states that a director appointed since the previous Annual General Meeting shall hold office only until the end of the next Annual General Meeting unless he is re-appointed during that meeting. Scott Troeller, Marco Sodi and Daryl Paton were appointed by the board since the last Annual General Meeting. They therefore retire and, being eligible, offer themselves for re-appointment. Biographical details are set out on page 19 in the Annual Report.

Resolution 5: Re-appointment of director retiring by rotation

Articles 88 and 89 of the company's Articles of Association require that one third of the directors subject to retirement by rotation shall retire from office. The director to retire is that who has been longest in office since his last appointment or re-appointment. Accordingly, Michael Grade shall retire and, being eligible, offers himself for re-appointment. Biographical details are set out on page 19 in the Annual Report.

Resolution 6: Re-appointment of auditors

Deloitte & Touche LLP have expressed their willingness to continue in office. Resolution 6 proposes the re-appointment of Deloitte & Touche LLP as auditors and in accordance with normal practice, the directors should be authorised to agree the remuneration of the auditors.

| | 2004 | 2003 | 2002 | 2001 | 2000 |
|--|--------------|--------------|--------------|--------------|--------------|
| Profit and Loss Account | £'000 | £'000 | £'000 | £'000 | £'000 |
| Turnover | 8,783 | 6,419 | 5,157 | 5,066 | 4,203 |
| Loss before interest, tax, depreciation, amortisation and exceptional items | (71) | (518) | (1,892) | (3,640) | (9,128) |
| Operating loss | (1,394) | (1,379) | (2,767) | (4,464) | (11,971) |
| Loss on ordinary activities before taxation | (1,604) | (1,136) | (2,404) | (3,903) | (11,691) |
| Loss for the year | (1,319) | (1,136) | (2,404) | (3,903) | (11,691) |
| Assets employed | | | | | |
| Goodwill | 31,648 | 1,683 | 1,692 | 1,934 | 2,176 |
| Tangible Assets | 2,009 | 1,033 | 1,232 | 1,412 | 1,881 |
| Current assets | 9,095 | 7,622 | 8,720 | 10,829 | 14,972 |
| Creditors falling due within one year | (9,691) | (4,138) | (4,308) | (4,435) | (5,386) |
| Creditors falling due after more than one year | (16,907) | - | - | - | - |
| Net assets | 16,154 | 6,200 | 7,336 | 9,740 | 13,643 |
| Loss per share (pence)* | | | | | |
| Basic loss per share | (3.4) | (3.5) | (7.5) | (12.1) | (66.3) |
| Adjustment for goodwill and exceptional items | 3.0 | 0.8 | 0.8 | 0.7 | 13.8 |
| Adjusted loss per share | (0.4) | (2.7) | (6.7) | (11.4) | (52.5) |

*FRS 14 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease net profit or increase net loss per share. For a loss making company with outstanding share options, net loss per share would only be increased by the exercise of out of the money options. Since it seems inappropriate to assume that options holders would act irrationally, no adjustment has been made to dilute EPS for out of the money options.

Registered office
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Telephone: +44 (0)20 7496 0055
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Corporate website: www.hemscottplc.com
Email: corpcomms@hemscott.co.uk

Registered number
27883 (England & Wales)

Company secretary
Nick Sarker

Registered auditors
Deloitte & Touche LLP
London

Principal clearing bank
HSBC
70 Pall Mall
London SW1Y 4EY

Registrars
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TH

Share registration queries: 0870 162 3100

Solicitors
Norton Rose
Kempson House
Camomile Street
London
EC3A 7AN

AIM nominated adviser and broker
KBC Peel Hunt Ltd
111 Old Broad Street
London EC2R 1PN

The terms of reference and composition of the Remuneration Committee are set out on page 24.

The company's remuneration policy is designed to attract, retain and motivate high calibre individuals. In framing the package for any individual, consideration is given to the Combined Code.

The report is divided into separate sections for audited and unaudited information.

Audited Information

The emoluments of the directors for the year, charged to the Consolidated Profit and Loss Account on page 31, are shown below:

| | 2004 Salary/Fee/Benefits £'000 | 2004 Bonuses £'000 | 2004 Share options issued at a discount £'000 | 2004 Total £'000 | 2003 Total £'000 |
|---|--------------------------------------|--------------------------|--|------------------------|------------------------|
| Michael Grade | 35 | - | - | 35 | 35 |
| Rosalyn Wilton | 133 | 180 | 303 | 616 | 220 |
| Natalie Newton (resigned 16 Jan 2004) | 6 | - | - | 6 | 86 |
| Simon Ashdown (appointed 19 Apr, resigned 11 Jan 2005) | 63 | 10 | - | 73 | - |
| Stephen Roche (resigned 14 Dec 2004) | 144 | 63 | - | 207 | 165 |
| Winston Fletcher (resigned 1 Oct 2004) | 15 | - | - | 15 | 18 |
| Charles Jillings | 18 | - | - | 18 | 18 |
| Scott Troeller (appointed 1 Oct 2004) | 5 | - | - | 5 | - |
| Marco Sodi (appointed 1 Oct 2004) | 5 | - | - | 5 | - |
| Total | 424 | 253 | 303 | 980 | 542 |

Rosalyn Wilton, Natalie Newton, Simon Ashdown and Stephen Roche received private health insurance cover during the year.

Directors' Interests

The interests of the directors and their immediate families in the ordinary shares of 5p each of the company, including options granted but not yet exercised under the Hemscott Share Option Plan and by separate agreement were as shown in the following tables. There were no changes in the interests of the directors or their immediate families in the issued share capital of the Company between 1 January 2005 and 8 March 2005.

| Shareholdings: | At 31 December 2004 | At 31 December 2003 |
|--|---------------------------|---------------------------|
| Michael Grade | 35,000 | 35,000 |
| Rosalyn Wilton | 112,222 | 112,222 |
| Stephen Roche (resigned as a director on 14 December 2004) | 38,888 | 38,888 |
| Winston Fletcher (resigned as director on 1 October 2004) | 200,000 | 200,000 |
| Charles Jillings | - | 30,274 |

Options (excluding Salary/Bonus Waiver Options)

| At 1 Jan 2004 | Surrendered | Granted 25 August 2004 | At 31 Dec. 2004 | Exercise price per Ordinary Share (pence) | Date at which first exercisable | Expiry date (or status) |
|----------------|-------------|---------------------------------|--------------------|---|---------------------------------------|---|
| Rosalyn Wilton | | | | | | |
| 216,667 | (216,667) | | | 26.5 | 1 | Surrendered |
| 216,666 | (216,666) | | | 26.5 | 1 | Surrendered |
| 216,667 | (216,667) | | | 26.5 | 3 | Surrendered |
| 66,667 | (66,667) | | | 27.5 | 1 | Surrendered |
| 66,666 | (66,666) | | | 27.5 | 1 | Surrendered |
| 66,667 | (66,667) | | | 27.5 | 3 | Surrendered |
| 41,667 | (41,667) | | | 35.5 | 1 | Surrendered |
| 41,666 | (41,666) | | | 35.5 | 1 | Surrendered |
| 41,667 | (41,667) | | | 35.5 | 3 | Surrendered |
| | | 216,667 | 216,667 | 26.5 | 2 | 28 September 2013 |
| | | 216,666 | 216,666 | 26.5 | 3 | 28 September 2013 |
| | | 216,667 | 216,667 | 26.5 | 4 | 28 September 2013 |
| | | 66,667 | 66,667 | 27.5 | 2 | 28 September 2013 |
| | | 66,666 | 66,666 | 27.5 | 3 | 28 September 2013 |
| | | 66,667 | 66,667 | 27.5 | 4 | 28 September 2013 |
| | | 41,667 | 41,667 | 35.5 | 2 | 28 September 2013 |
| | | 41,666 | 41,666 | 35.5 | 3 | 28 September 2013 |
| | | 41,667 | 41,667 | 35.5 | 4 | 28 September 2013 |
| | | 625,000 | 625,000 | 50.0 | 5 | 24 August 2014 |
| | | 625,000 | 625,000 | 57.5 | 6 | 24 August 2014 |
| | | 625,000 | 625,000 | 66.1 | 7 | 24 August 2014 |
| | | 625,000 | 625,000 | 76.0 | 7 | 24 August 2014 |
| | | 750,000 | 750,000 | 50.0 | 8 | 24 August 2014 |
| Stephen Roche | | | | | | |
| 83,334 | (83,334) | | | 26.5 | 1 | Surrendered |
| 83,332 | (83,332) | | | 26.5 | 1 | Surrendered |
| 83,334 | (83,334) | | | 26.5 | 3 | Surrendered |
| 33,334 | (33,334) | | | 27.5 | 1 | Surrendered |
| 33,332 | (33,332) | | | 27.5 | 1 | Surrendered |
| 33,334 | (33,334) | | | 27.5 | 3 | Surrendered |
| | | 83,334 | 83,334 | 26.5 | 2 | 6 mths after 9 |
| | | 83,332 | 83,332 | 26.5 | 3 | 6 mths after 3 |
| | | 83,334 | 83,334 | 26.5 | 4 | 6 mths after 4 |
| | | 33,334 | 33,334 | 27.5 | 2 | 6 mths after 9 |
| | | 33,332 | 33,332 | 27.5 | 3 | 6 mths after 3 |
| | | 33,334 | 33,334 | 27.5 | 4 | 6 mths after 4 |
| | | 125,000 | 125,000 | 50.0 | 5 | Will lapse when employment terminates |
| | | 125,000 | 125,000 | 57.5 | 6 | |
| | | 125,000 | 125,000 | 66.1 | 7 | |
| | | 125,000 | 125,000 | 76.0 | 7 | |
| | | 100,000 | 100,000 | 50.0 | 8 | |
| Natalie Newton | | | | | | |
| 33,334 | (33,334) | | | 26.5 | 1 | Surrendered |
| 33,334 | (33,334) | | | 26.5 | 1 | Surrendered |
| 33,332 | (33,332) | | | 26.5 | 3 | Surrendered |
| 16,667 | (16,667) | | | 27.5 | 1 | Surrendered |
| 16,667 | (16,667) | | | 27.5 | 1 | Surrendered |
| 16,666 | (16,666) | | | 27.5 | 3 | Surrendered |

Options (excluding Salary/Bonus Waiver Options) - continued

| At date of appointment | Surrendered | Granted 25 August 2004 | At 31 Dec. 2004 | Exercise price per Ordinary Share (pence) | Date at which first exercisable | Expiry date (or status) |
|------------------------|-------------|------------------------|-----------------|---|---------------------------------|-------------------------|
| Simon Ashdown | | | | | | |
| 80,000 | (80,000) | | | 46.0 | 1 | Surrendered |
| 90,000 | (90,000) | | | 46.0 | 1 | Surrendered |
| 80,000 | (80,000) | | | 46.0 | 3 | Surrendered |
| | | 80,000 | 80,000 | 46.0 | 2 | 6 mths after 2 |
| | | 90,000 | 90,000 | 46.0 | 3 | 6 mths after 3 |
| | | 80,000 | 80,000 | 46.0 | 4 | 6 mths after 4 |
| | | 40,000 | 40,000 | 50.0 | 5 | Lapsed |
| | | 40,000 | 40,000 | 57.5 | 6 | Lapsed |
| | | 40,000 | 40,000 | 66.1 | 7 | Lapsed |
| | | 40,000 | 40,000 | 76.0 | 7 | Lapsed |
| | | 50,000 | 50,000 | 50.0 | 8 | Lapsed |

Notes:

¹ Exercisable upon the company meeting certain performance criteria.

² Exercisable upon publication of the Company's preliminary results for year ended 31 December 2004.

³ Exercisable from 29 September 2005 (23 April 2006 for Simon Ashdown).

⁴ Exercisable upon publication of the Company's preliminary results for year ended 31 December 2005.

⁵ The Options granted at 50.0p are first exercisable as to 80 percent on 25 August 2005 and as to 20 percent on 25 August 2006.

⁶ The Options granted at 57.5p are first exercisable as to 60 percent on 25 August 2006 and as to 40 percent on 25 August 2007.

⁷ The Options granted are first exercisable on a Takeover Event (as defined by the Hemscott Share Option Plan).

⁸ TSR Options granted are first exercisable on a Takeover Event (as defined by the Hemscott Share Option Plan) and then only if and to the extent that the average annual Total Shareholder Return of the company since grant of the option is between 15 percent and 30 percent.

⁹ the termination of Stephen Roche's employment

Salary/Bonus Waiver Options

| | Number of ordinary shares | Exercise Price per Ordinary Share (pence) | Date at which first exercisable | Normal expiry date |
|-----------------------|---------------------------|---|---------------------------------|--------------------|
| Rosalyn Wilton | | | | |
| | 125,000 | 5.0 | 25 August 2004 | 24 August 2014 |
| | 222,225 | 5.0 | 25 August 2004 | 24 August 2014 |
| | 125,000 | 5.0 | 25 November 2004 | 24 August 2014 |
| | 125,000 | 5.0 | 25 February 2005 | 24 August 2014 |
| | 125,000 | 5.0 | 25 May 2005 | 24 August 2014 |

No options were exercised in 2004. Natalie Newton gave up all her options when she resigned from the company on 16 January 2004.

The Remuneration Committee approved a new share option plan ("the Plan"), which became effective following the unconditional completion of the acquisition of Centerpoint Data, Inc. on 25 August 2004. The executive directors were given the choice of keeping their old options with the original vesting criteria or if they agreed to surrender their old options, to be granted options under the new arrangements. As shown in the above tables, the executive directors surrendered their old options and chose to be granted new options under the new arrangements.

Under the terms of the Plan, all options are exercisable on the occurrence of a takeover event (as defined by the Plan), which includes Centerpoint Data, LLC selling ordinary shares in the company so that its shareholding falls to below 20% of the issued share capital of the company, or any person other than Centerpoint Data, LLC acquiring control of the company.

Director and employee optionholders who leave the company other than for cause (which under the Plan is defined as termination of employment for gross misconduct) will be able to exercise any options which have vested for a period of up to six months from the date on which the optionholder leaves, but optionholders will normally forfeit those options which have not vested by that date, except for unvested Exchanged Options, which can be exercised by the optionholder for a period of six months after those options become exercisable.

The market price of the ordinary shares at 31 December 2004 was 39.5p and the range during the year was 36.5p to 57.5p.

Unaudited Information

Service Agreements

The current executive directors have service agreements that can be terminated by either party giving not less than six months' written notice. On 23 August 2004 the executive directors waived their entitlements to the doubling of their notice periods following a change of control of the company which, in the case of Rosalyn Wilton and Stephen Roche, extended their notice periods from six months to 12 months (pursuant to letters of amendment to their service contracts dated 19 March 2002) and in the case of Simon Ashdown, extended his notice period from three months to six months (pursuant to a letter of amendment to his service contract dated 22 March 2004). The company went through a change of control on 24 August 2004 when the company issued 16,243,940 ordinary shares to Centerpoint Data, LLC as part consideration for the acquisition of Centerpoint Data, Inc., thereby diluting FinMedia Limited's shareholding to below 50% of the issued share capital of the company.

As agreed with the Remuneration Committee, Rosalyn Wilton's service contract was varied, to provide that she waived her right to salary for the period 1 September 2004 to 31 August 2005 (save that she will still receive life assurance benefits as if she had been paid her salary during that period), in return for the grant of Salary/Bonus Waiver Options at an exercise price of 5p per ordinary share, which consists of options over 347,225 ordinary shares vesting on 25 August 2004 and options over 125,000 ordinary shares vesting on each three month anniversary after that date until 25 May 2005.

Rosalyn Wilton has agreed with the company not to sell (subject to certain exceptions) any ordinary shares obtained from the exercise of the Salary/ Bonus Waiver Options within 12 months of the relevant part of the options vesting. All options become exercisable in full on a takeover event (as defined in the Plan).

On 1 October 2004 Rosalyn Wilton and Stephen Roche received £80,000 and £40,000 respectively under the terms of bonus awards set on 23 September 2003. Rosalyn Wilton received a cash bonus of £100,000 in respect of the CoreData acquisition which was paid on 5 January 2005.

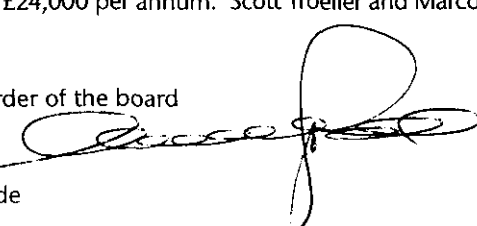
In connection with the CoreData acquisition Simon Ashdown agreed that a £10,000 bonus which would have become payable to him on the achievement of specified performance targets agreed on 22 March 2004 would become payable on the announcement of the company's results for the year ending 31 December 2004. This bonus was in fact paid to him on 31 January 2005.

The company has a letter of appointment with Michael Grade as non-executive chairman for an annual fee of £35,000 terminable by either party without notice.

The company has a letter of appointment with The Analysis and Research Company Limited ("ARC"), a company of which Charles Jillings is a director, the principal terms of which are that ARC agrees to provide the services of Charles Jillings as a non-executive director of Hemscott plc for an annual fee of £18,000 for an indefinite period terminable without notice by either party or if Charles Jillings ceases to be a director.

The company also has a letter of appointment with VS&A Communications Partners III, LP ("Fund III") providing that as from 1 October 2004 Scott Troeller and Marco Sodi (or their replacements designated by Fund III) serve as non-executive directors of the Hemscott board for an annual fee of £18,000 per annum per Fund III director and the company will reimburse Fund III for the costs incurred in relation to their travelling, accommodation and sustenance for attending board meetings up to a maximum of £24,000 per annum. Scott Troeller and Marco Sodi are both managing members of the general partner of Fund III.

Signed by order of the board


Michael Grade
Chairman

8 March 2005

Statement of Directors' Responsibilities

Financial Statements including Adoption of Going Concern Basis

United Kingdom 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 group as at the end of the financial period and of the profit or loss of the group for that period.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently; and
- make judgements and estimates that are reasonable and prudent and state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

Other Matters

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.