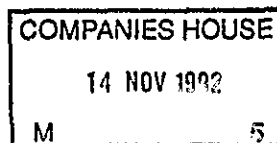


THE REED EXHIBITION COMPANIES LIMITED
(REGISTERED NUMBER 678540)

DIRECTORS' REPORT AND ACCOUNTS

31 March 1992



THE REED EXHIBITION COMPANIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1992

The directors present their report and the audited accounts of the company for the year ended 31 March 1992.

PRINCIPAL ACTIVITY

The company's principal activity during the year was exhibition organising.

REVIEW OF THE BUSINESS

On 2 April 1991 the trade, assets and liabilities of its subsidiaries, Industrial Seminars Limited, Microwave Exhibitions and Publications Limited and Naidex Conventions Limited (The Industrial Seminars Group) were transferred to the company.

On 30 September 1991 the company disposed of its interest in Mens & Boy's Wear Exhibitions Limited.

On 23 March 1992 the company acquired a 100% interest in the issued share capital of Evan Steadman Communications Group Limited and of Northern Antique Dealer's Fair Limited. On 1 April 1992 the trade, assets and liabilities of these companies were transferred to The Reed Exhibition Companies Limited.

RESULTS AND DIVIDENDS

The company's profit for the year is shown on page 5. No dividend is recommended.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year ended 31 March 1992, were as follows:

MJ Rusbridge	(Chairman)
T Caridi *	
PN Forster	
KP Greetham	
RC Marriott	
D Palmer	
S Richardson	(appointed 6 March 1992)
IJD Robinson	
PGB Robinson	
THT Shepherd	(resigned 23 March 1992)
P Ullo *	

* T Caridi and P Ullo are non-UK based directors.

THE REED EXHIBITION COMPANIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1992

DIRECTORS AND THEIR INTERESTS (CONTINUED)

The interests of the directors in the share capital of Reed International Plc at the end of the year are shown below. They are all beneficial.

<u>Ordinary Shares</u>	<u>31 March 1992</u>	<u>31 March 1991</u>
K P Greetham	4,904	4,904
P G B Robinson	557	2,000
P N Forster	nil	1,741

Options in shares held under SAYE scheme

	<u>31 March 1992</u>	<u>Options Granted</u>	<u>Options Exercised</u>	<u>31 March 1991</u>
P N Forster	3312	nil	nil	3312
K P Greetham	3763	nil	nil	3763
R C Marriott	3978	nil	nil	3978
I J D Robinson	5114	2627	(1132)	3619
P G B Robinson	3523	nil	nil	3523

At between 106.25p and 399.6p per share

Options in shares held under the Executive Share Option Scheme

	<u>31 March 1992</u>	<u>Options Granted</u>	<u>Options Exercised</u>	<u>31 March 1991</u>
M J Rusbridge	73400	28400 *	(25000)	70000
P N Forster	10000	nil	nil	10000
K P Greetham	25500	15500 †	nil	10000
D Palmer	10000	10000 *	nil	nil

† At 417.5n per share

* At 474.5p per share

At no time during the year has any director had any material interest in a contract other than a service contract with the company.

THE REED EXHIBITION COMPANIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1992

EMPLOYEE INVOLVEMENT

The Company follows a policy of employee involvement and participation.

Major announcements are communicated to employees through an internal briefing system.

The Company's SAYE Share Option Scheme allows employees to participate in the growth of the Company.

An annual report is distributed to all employees, describing the major events and financial results of the Company.

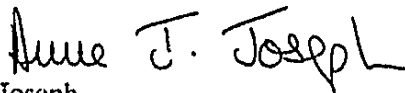
DISABLED PERSONS

It is the policy of the Company to consider the skills and aptitudes of disabled persons fully and fairly at all times in recruitment, career development, training and promotion.

AUDITORS

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

By Order of the Board



A Joseph
Secretary

5th August 1992

Price Waterhouse



**AUDITORS' REPORT TO THE MEMBERS OF
THE REED EXHIBITION COMPANIES LIMITED**

We have audited the accounts on pages 5 to 17 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1992 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Price Waterhouse

PRICE WATERHOUSE

Chartered Accountants and
Registered Auditor

5th August 1992

THE REED EXHIBITION COMPANIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1992**

	<u>Notes</u>	<u>1992</u>	<u>1991</u>
TURNOVER	2	30,273,069	35,574,741
External charges		(23,290,446)	(25,419,655)
Staff costs	3	(5,274,803)	(5,390,349)
Depreciation and other amounts written off owned tangible fixed assets		<u>(763,130)</u>	<u>(499,700)</u>
TRADING PROFIT		944,690	4,265,037
Interest receivable	5	<u>2,634,029</u>	<u>3,549,279</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,578,719	7,814,316
Tax on profit on ordinary activities	6	<u>(506,782)</u>	<u>(2,693,637)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3,071,937	5,120,679
Extraordinary items	7	<u>287,356</u>	<u>(996,173)</u>
PROFIT FOR THE YEAR		3,359,293	4,124,506
Retained profit at 1 April 1991		13,585,121	11,101,615
Exchange gain/(loss) on long term intercompany indebtedness		<u>1,203,815</u>	<u>(1,641,000)</u>
RETAINED PROFIT AT 31 MARCH 1992		<u>£18,148,229</u>	<u>£13,585,121</u>

The notes on pages 7 to 17 form part of these accounts.

THE REED EXHIBITION COMPANIES LIMITED

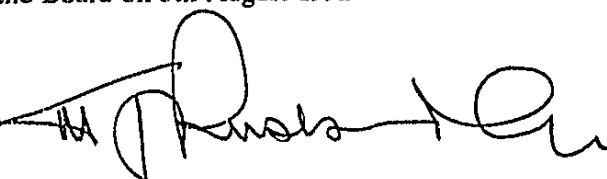
BALANCE SHEET AS AT 31 MARCH 1992

	<u>Notes</u>	<u>1992</u>	<u>1991</u>
FIXED ASSETS			
Intangible assets	8	12,533,439	8,249,201
Tangible assets	9	2,283,216	2,464,598
Investments	10	<u>7,133,051</u>	<u>10,413,806</u>
		21,949,706	21,127,605
CURRENT ASSETS			
Debtors	11	41,133,390	39,085,734
Cash at bank and in hand		<u>359,124</u>	<u>50,627</u>
		41,492,514	39,136,361
CREDITORS (amounts falling due within one year)	12	<u>(13,738,730)</u>	<u>(13,271,648)</u>
NET CURRENT ASSETS		<u>27,753,784</u>	<u>25,864,713</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		49,703,490	46,992,318
CREDITORS (amounts falling due after more than one year)	12	(29,597,461)	(31,198,597)
PROVISIONS FOR LIABILITIES AND CHARGES	13	<u>(884,200)</u>	<u>(1,135,000)</u>
		<u>£19,221,829</u>	<u>£14,658,721</u>
CAPITAL AND RESERVES			
Called up share Capital	14	531,260	531,260
Share premium account		542,340	542,340
Profit and loss account		<u>18,148,229</u>	<u>13,585,121</u>
		<u>£19,221,829</u>	<u>£14,658,721</u>

Approved by the Board on 5th August 1992

DIRECTOR

MJ Rusbridge



The notes on page 7 to 17 form part of these accounts.

THE REED EXHIBITION COMPANIES LIMITED

**NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1992**

1 ACCOUNTING POLICIES

(1) Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(2) Intangible assets

Exhibition titles and rights are stated at fair value on acquisition. Having no finite economic life, amortisation is not provided. Subject to annual review, any permanent impairment of value is written-off against profit.

(3) Tangible fixed assets and depreciation

Plant, fixtures and fittings are stated in the balance sheet at cost. Depreciation has been provided on a basis that will write off the book amount of these assets over their expected useful life. The depreciation rates for plant and equipment are from 10% to 25% per annum.

(4) Investments

Investments are stated at cost less amounts written off or provided for any permanent diminution in value.

(5) Deferred income

The amount included in creditors for deferred income represents revenue received less direct expenditure incurred on future exhibitions.

(6) Turnover

Turnover represents the invoice value of space sold and other revenue received in respect of exhibitions held during the year, excluding VAT.

(7) Deferred taxation

Deferred taxation comprises the estimated net future liability in respect of capital allowances in excess of depreciation charged in the accounts and other timing differences, less expenditure provisions, where it is expected that the potential tax liability will be payable in the foreseeable future.

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

1 ACCOUNTING POLICIES (CONTINUED)

(8) Translation of overseas currencies into Sterling

Profit and loss items are translated at appropriate average exchange rates. Assets and liabilities are translated at exchange rates at the balance sheet dates. The currency gains and losses on trading items are taken to the profit and loss account. Other currency gains relating to long term loans which finance group companies are taken direct to reserves.

(9) Pensions

The Reed International Group and Executive Pension Schemes are administered on a Reed International P.L.C. group basis and total contributions are assessed by a qualified actuary based on the cost of providing pensions across all participating Reed International P.L.C. group companies. Costs are not determined separately for each participating company hence contributions are charged to the profit and loss account in the period on the basis of amounts payable.

(10) Leases

Rentals under operating leases are charged, as incurred, to the profit and loss account, over the lease term. The company does not hold any assets under finance leases.

2 SEGMENT INFORMATION

Turnover and profit before taxation arise solely from exhibition organising.

The geographical analysis of the company's turnover is as follows:

	<u>1992</u>	<u>1991</u>
United Kingdom	29,541,512	34,963,868
Europe	<u>731,557</u>	<u>610,873</u>
	<u>£30,273,069</u>	<u>£35,574,741</u>

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>1992</u>	<u>1991</u>
Profit on ordinary activities before taxation is stated after charging:		
Repairs and maintenance	£81,594	£147,355
Depreciation of plant and machinery	£36,026	£51,606
Auditors' remuneration	£41,350	£40,000
Other operating lease rentals	£821,255	£6,1329
	<hr/>	<hr/>
Wages and salaries	4,868,467	4,903,846
Social security costs	403,800	476,992
Other pension costs	<u>2,536</u>	<u>9,511</u>
	<hr/>	<hr/>
	£5,274,803	£5,390,349
	<hr/>	<hr/>

Average number of employees during the year:

Administration/organising	97	110
Sales/marketing	<u>150</u>	<u>143</u>
	<hr/>	<hr/>
	247	253
	<hr/>	<hr/>

4 PENSIONS

The company participates in the Reed International Group Pension Scheme. This scheme is of the defined benefit type providing benefits to certain employees within the Reed International P.L.C. group and their assets are held separately from the Group's assets.

The total pension costs for the company were £2,536 (1991 - £9,511). On the recommendation of the Group's actuaries no ordinary company contributions have been made to the scheme since 1 April 1989.

The latest actuarial valuations of the Reed International Group Pension Scheme was carried out as at 1 April 1991. Details of this valuation are contained in the financial statements of Reed International P.L.C.

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

5 INTEREST RECEIVABLE

	<u>1992</u>	<u>1991</u>
Interest receivable from group companies	2,634,029	3,529,732
Other interest receivable	<u>-</u>	<u>19,547</u>
	<u>£2,634,029</u>	<u>£3,549,279</u>

6 TAXATION

	<u>1992</u>	<u>1991</u>
Taxation on the profit for the year:		
UK corporation tax at 33% (1991 - 34%)	1,656,465	2,123,837
Deferred taxation	(254,000)	569,800
Prior year corporation tax	110,984	-
Tax On Franked Investment Income	13,333	-
Consortium Relief	<u>(1,020,000)</u>	<u>-</u>
	<u>£506,782</u>	<u>£2,693,637</u>

The charge for tax for the year has been reduced by £1.020m in respect of prior year Consortium Relief surrendered to the company for nil consideration.

7 EXTRAORDINARY ITEMS

	<u>1992</u>	<u>1991</u>
Provision for losses on programme of liquidation of dormant subsidiaries, net of dividends received	(1,477,891)	-
Profit/(Loss) on disposal of investment	<u>1,765,247</u>	<u>(996,173)</u>
	<u>£287,356</u>	<u>(£996,173)</u>

These items have no effect on the corporation tax charge for the year.

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

8 INTANGIBLE ASSETS

	Exhibition titles and rights
Cost as at 31 March 1991	8,249,201
Exhibition rights acquired on purchase of Evan Steadman Communications Group Limited.	150,000
Transfer on divisionalisation of Industrial Seminars Group	4,134,238
	<u>£12,533,439</u>

9 TANGIBLE ASSETS

	Short leasehold land and buildings	Vehicles and equipment	Total
<u>Cost</u>			
At 31 March 1991	105,463	4,153,268	4,258,731
Transfer on divisionalisation	8,370	260,249	268,619
Additions	-	602,535	602,535
Disposals	-	(326,261)	(326,261)
Group transfers	-	(45,676)	(45,676)
At 31 March 1992	113,833	4,644,115	4,757,948
<u>Accumulated depreciation</u>			
At 31 March 1991	12,663	1,781,470	1,794,133
Transfer on divisionalisation	4,862	128,216	133,078
Charged to profit and loss account	7,148	755,982	763,130
Disposals	-	(215,609)	(215,609)
At 31 March 1992	24,673	2,450,059	2,474,732
<u>Net book amount</u>			
At 31 March 1992	£89,160	£2,194,056	£2,283,216
At 31 March 1991	£92,800	£2,371,798	£2,464,598

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

9 TANGIBLE ASSETS (CONTINUED)

	<u>1992</u>	<u>1991</u>
Future capital expenditure not provided in the accounts:-		
Authorised by the directors but contracts not yet placed	-	-
Contracts placed	-	£87,005

10 INVESTMENTS

	<u>1992</u>	<u>1991</u>
Shares in group undertakings at cost		
less amount written off	7,133,051	10,410,968
Other investments at cost	<u>-</u>	<u>2,838</u>
	<u>£7,133,051</u>	<u>£10,413,806</u>

Details of companies (excluding dormant companies) in which the Company holds more than 10% of any class of equity share capital or more than 10% of the total allotted share capital are given below:

BED Exhibitions Limited	100%
Neptune Limited	100%
Button Group Limited	75%
International Exhibition Organisation Limited	100%
Industrial Seminars Limited	100%
Microwave Exhibitions and Publishers Limited	100%
Naidex Conventions Limited	100%
BCC (Exhibitions) Limited	50%
Evan Steadman Communications Group Limited	100%
Northern Antique Dealer's Fair Limited	100%

All of the above companies are incorporated and operating in England. The principal activities of the above companies are exhibition organising and design.

On September 30, 1991 the company sold its interest in Mens & Boyswear Exhibitions Limited.

On March 23, 1992 the company acquired a 100% interest in the issued share capital of Evan Steadman Communications Group Limited and of Northern Antique Dealer's Fair Limited.

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

10 INVESTMENTS (CONTINUED)

During the year the following dormant companies were placed in Members Voluntary Liquidation:-

Crown Exhibitions & Conferences Limited
Cahners Exhibitions Limited
Cahners Exhibitions (India) Limited
CBL Publishing Developments Limited
Ewart Watson Exhibitions Limited
Marketing Exhibitions Limited
London Business Show Limited

The directors consider the market value of the company's investments to be not significantly different from their carrying value.

Group accounts have not been presented as the company is itself a wholly owned subsidiary of Reed International P.L.C. which is incorporated in England.

11 DEBTORS

Amounts falling due within one year:

	<u>1992</u>	<u>1991</u>
Trade debtors	79,544	160,162
Amounts owed by ultimate holding company and fellow subsidiary undertakings	6,296,657	5,759,034
Amounts owed by subsidiary undertakings	1,353,897	1,419,735
Other debtors and prepayments	<u>2,898,387</u>	<u>4,664,404</u>
	<u>10,628,485</u>	<u>12,003,335</u>

Amounts falling due after more than one year:

Amounts owed by ultimate holding company and fellow subsidiary undertakings	27,062,137	23,874,669
Amounts owed by subsidiary undertakings	<u>3,442,768</u>	<u>3,207,730</u>
	<u>£30,504,905</u>	<u>£27,082,399</u>
	<u>£41,133,390</u>	<u>£39,085,734</u>

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

12 CREDITORS

Amounts falling due within one year:

	<u>1992</u>	<u>1991</u>
Bank overdraft	172,479	-
Trade creditors	701,706	60,320
Amounts owed to ultimate holding company and fellow subsidiary undertakings	2,291,303	2,326,344
Amounts owed to Subsidiary Undertakings	392,239	1,948,838
Other creditors	2,467,872	2,511,272
Other taxes and social security	602,118	217,155
Corporation tax	1,780,219	1,905,544
Accruals and net deferred income	<u>5,330,794</u>	<u>4,302,175</u>
	<u>£13,738,730</u>	<u>£13,271,648</u>

Amounts falling due after more than one year:

	<u>1992</u>	<u>1991</u>
Amounts owed to ultimate holding company and fellow subsidiary undertakings	29,597,461	31,083,597
Amounts owed to Subsidiary Undertakings	<u>-</u>	<u>115,000</u>
	<u>£29,597,461</u>	<u>£31,198,597</u>

Operating lease commitments

Commitments exist for operating lease rentals as follows:

	<u>Leases for land and buildings</u>	
	<u>1992</u>	<u>1991</u>
Expiry of operating leases falling due:		
Within one year	-	7,080
Between one and five years	47,000	59,652
After five years	<u>591,475</u>	<u>586,150</u>
	<u>£638,475</u>	<u>£652,882</u>

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1992

13 PROVISIONS FOR LIABILITIES AND CHARGES

DEFERRED TAXATION	<u>1992</u>
As at March 31 1991	1,135,000
Transfer on divisionalisation of Industrial Seminars Group	3,200
Credit for the year	<u>(254,000)</u>
As at March 31 1992	<u>£884,200</u>

Deferred taxation provided in the accounts
comprises timing differences relating to:

	<u>1992</u>	<u>1991</u>
Exchange losses	-	(65,000)
Interest receivable	881,000	1,200,000
Accelerated Capital Allowances	<u>3,200</u>	<u>-</u>
	<u>£884,200</u>	<u>£1,135,000</u>

If provision had been made for all timing differences further liability as follows would have
appeared in the accounts:

	<u>1992</u>	<u>1991</u>
Accelerated Capital Allowances	<u>£100,000</u>	<u>£147,000</u>

THE REED EXHIBITION COMPANIES LIMITED

NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1992

14 CALLED UP SHARE CAPITAL

	<u>1992</u>	<u>1991</u>
Allotted and fully paid:		
Ordinary shares of 100p each	5,260	5,260
Deferred shares of 100p each	<u>526,000</u>	<u>526,000</u>
	£531,260	£531,260
Authorised:		
Ordinary shares of 100p each	39,260	39,260
Deferred shares of 100p each	<u>526,000</u>	<u>526,000</u>
	£565,260	£565,260

15 DIRECTORS' EMOLUMENTS

	<u>1992</u>	<u>1991</u>
Payment to directors of the company:		
Emoluments	628,315	516,628
Compensation for loss of office	<u>32,562</u>	<u>25,500</u>
	£660,877	£542,128

The number of directors (other than those who worked wholly or mainly outside the UK) in each range of emoluments (excluding pension contributions and compensation for loss of office) were as follows:

	<u>1992</u>	<u>1991</u>
The Chairman and highest paid director	£117,056	£149,750
Other UK directors:	<u>1992</u> <u>Number</u>	<u>1991</u> <u>Number</u>
£0 - £5,000	-	1
£20,001 - £25,000	1	-
£25,001 - £30,000	-	1
£35,001 - £40,000	1	1
£45,001 - £50,000	1	1
£50,001 - £55,000	1	2
£65,001 - £70,000	2	1
£75,001 - £80,000	-	1
£85,001 - £90,000	1	-
£110,001 - £115,000	1	-

THE REED EXHIBITION COMPANIES LIMITED

**NOTES ON THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1992**

16 ULTIMATE HOLDING COMPANY

The company's ultimate holding company is Reed International P.L.C., a company registered in England. This is the smallest and largest parent undertaking for which group accounts are prepared. Copies of the group accounts may be obtained from Reed International P.L.C., Reed House, 6 Chesterfield Gardens, London, W1A 1EJ.