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COMPANIES FORM No. 155(6)a

**Declaration in relation to
assistance for the acquisition
of shares****155(6)a**

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably
in black type, or
bold block letteringTo the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

[] [] [] []

1943509

NotePlease read the notes
on page 3 before
completing this form.

Name of company

* Hillsgdown International Limited

* insert full name
of companyx/We ~~§~~ Please see attached Appendix A§ insert name(s) and
address(es) of all
the directors† delete as
appropriate

[the sole director] [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever
is inappropriate(a) ~~that of a recognised bank licensed institution within the meaning of the Banking Act 1979~~§(b) ~~that of a person authorised under section 8 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom~~§

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in the

[company] [company's holding company Hillsgdown Holdings Limited

limited]†

The assistance is for the purpose of [that acquisition] ~~reducing or discharging a liability incurred for the purpose of that acquisition~~†The number and class of the shares acquired or to be acquired is: Please see attached
Appendix BPresenter's name address and
reference (if any):Weil, Gotshal & Manges
One South Place
LONDON
EC2M 2WGFor official Use
General Section

Post room

A03 *ANXM2J45* 467
COMPANIES HOUSE 26/06/88

The assistance is to be given to: (note 2) Premier Financing Limited

Queensberry House

3-9 Old Burlington Street

London W1X 1LA

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legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of:

Please see attached Appendix C

The person who [has acquired] [~~will acquire~~]† the shares is:

† delete as
appropriate

Please see attached Appendix D

The principal terms on which the assistance will be given are:

Please see attached Appendix E

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is See attached Appendix F 19

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legibly, preferably
in black type, or
bold block lettering

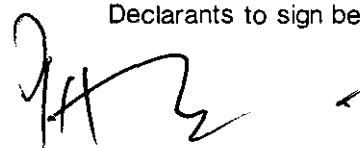
* delete either (a) or
(b) as appropriate

- * ~~/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)
- (a) ~~/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date)* (note 3)
- (b) ~~It is intended to commence the winding-up of the company within 12 months of that date and /we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.* (note 3)~~

And ~~/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Millsdown House
32 Hampstead High Street
London NW3 1QD
the 5th day of August
one thousand nine hundred and nine by nine

Declarants to sign below



before me

Neil Benson (Neil Benson)
A Commissioner for Oaths or Notary Public or Justice of
the Peace or a Solicitor having the powers conferred on
a Commissioner for Oaths.

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF4 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Hillsdown International Limited

Appendix A

DIRECTOR:

ADDRESS:

KEITH BUCHANAN

39A Lanchester Road
Highgate
London N6 4SX

PAUL LEACH

20 Malvern Road
Maidenhead
Berkshire SL6 7RH

ROSALIND CAMPBELL

6 Hawthorn Close
Watford
Hertfordshire WD1 3SB

Hillsdown International Limited

Appendix B

248,979,591 preference shares of 20 pence each and 365,651,950 ordinary shares of 20 pence each in the capital of Hillsdown Holdings Limited.

Hillsdown International Limited

Appendix C

HMTF Furniture Limited ("**HMTF Furniture**") shall enter into a £120,000,000 facilities agreement (the "**Facilities Agreement**") with, *inter alia*, The Chase Manhattan Bank, Deutsche Bank AG and Salomon Brothers Holding Company INC. in order to assist it with funding of the consideration for the purchase of the shares in the three subsidiary companies of Hillsdown International Limited. Hillsdown International Limited will then lend the proceeds it receives from such sale to its parent, Hillsdown Holdings Limited pursuant to an intra-group loan agreement. Hillsdown Holdings Limited will on-lend such proceeds to its parent, Premier Financing Limited, also pursuant to an intra-group loan agreement, to assist it with the funding of the consideration for the purchase of the preference shares in Hillsdown Holdings Limited.

Hillsdown International Limited

Appendix D

Premier Financing Limited, HMTF Premier Limited and Premier Co-Investor Limited, pursuant to a scheme of arrangement under section 425 of the Companies Act 1985.

Hillsdown International Limited

Appendix E

The basic terms of the Intra-Group Loan Agreement are as follows:

1. Upon the request of Hillsdown Holdings Limited (the "**Borrower**"), the Lender shall make an advance in an amount not exceeding £168,100,000 (the "**Advance**").
2. The Advance shall bear interest which shall accrue from day to day on the basis of a three hundred and sixty day year upon the balance of the Advance and shall be paid annually in arrears.
3. The Borrower shall repay the Advance together with all interest accrued thereon on the Maturity Date (as defined therein).

Hillsdown International Limited

Appendix F

a date within 8 weeks of the date hereof.



KPMG Audit Plc

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

Tel +44 (0) 171 311 1000
Fax +44 (0) 171 311 3311
Telex 8811541 KPMGLO G
DX 38050 Blackfriars

The Directors
Hillsdown International Limited
Hillsdown House
32 Hampstead High Street
LONDON NW3 1QD

5 August 1999

Dear Sirs

**Auditors' report to the directors of Hillsdown International Limited pursuant to
Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors dated 5 August 1999 in connection with the proposal that the company should give financial assistance for the purchase of all of the company's holding company's ordinary shares. We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

KPMG Audit Plc

KPMG Audit plc

Registered Auditors