3 COM
AALI/AHSLEA - INTERNATIONAL FAIRS COMMITTEE
AARP
ABBOT
ABERNATHY MACGREGOR GROUP
ACEXPIEL
ADM
ADZ MEDIA
AEC/SPANISH COMPONENTS ASS.
AEGEAN EXPORTERS' UNIONS
AGILENT TECH
ALFRED E. TIEFENBACHER
ALLIANZ LIFE
ALLIED/BURGESS
ALPA SPA/AZIENDA LAVORAZIONE PRODOTTI AUSTILIARI SPA
AMERICAN HOME PRODUCTS
ANETIS PHARMACEUTICALS
ANTISOMA
AOL EUROPE
APICCAPS
ARRIVA
ARROW ELECTRONICS
ASDA STORES
ASIA GLOBAL CROSSING
ASSINTECAL - ASSOCIACAO BRASILEIRA DE IND. COMP. COURO E CALCADOS
ASSOCIATION PARFUMS COSMETIQUES. CODEL
ASTRA ZENECA
AT & T
ATLANTICA
AVANTI
AVAYA COMM.
AVENTIS
AVNET
AXA INSURANCE
B & H PHOTO
BANKSIDE CONSULTANTS
BARKING & DISTRICT COUNCIL
BARTLETT SCOTT EDGAR
BASF SOUTH EAST ASIA PTE
BAUM ARENSMEIER & TALENT (BA&T)
BAYER
BEA SYSTEMS
BEECHAM PEPLOW NOAKES
BEGHIN - MEIJI/BEGHIN - SAY
BELL POTTINGER FINANCIAL
BIRMINGHAM CHAMBER OF COMMERCE & INDUSTRY
BLANC & OTUS
BMS, INC.
BOEHRINGER
BOEING
BOLTON WILLIAMS
BOYNE PUBLICITY
BRAZILIAN INSTITUTE OF GEMS AND PRECIOUS METALS (IBGM)
BRILLIANT MEDIA
BRIMARD ON SYSTEM
BRISTOL MYERS SQUIBB
BRITISH AIRWAYS
BRITISH LEATHER CONFEDERATION
BRITISH TELECOM
BROADGATE CONSULTANTS
BROCADE COMMUNICATIONS
BRUNSWICK GROUP
BTC
BUDGET INSURANCE
BURSON-MARSTELLER
CABLE & WIRELESS HKT IMS
CADBURY SCHWEPPES
CADENCE DESIGN SYSTEMS
CALLAWAY GOLF
CANNON - L2 DIVISION
CANON BROADCAST
CANON MARKETING (HONG KONG)
CAP GEMINI ERNST & YOUNG
CAPE CLEAR SOFTWARE
CAPITAL RADIO
CAR CRAFT
CAR LAND
CARDEW & CO.
CARNATION
CARNIVAL CORP.
CARSHOP
CARVIN MANUFACTURING
CELESTIAL ASIA SECURITIES HOLDINGS
CENTRICA
CFME ACTIM
CHANDLER CHICCO
CHINA CHAMBER OF COMMERCE OF MEDICINES & HEALTH PRODUCTS
CHINA FOREIGN TRADE GUANGZHOU EXHIBITION CORP.
CHINA GREAT WALL INTERNATIONAL EXHIBITION
CHINA LEATHER INDUSTRY ASS - CLIA
CHIRON
CHLOPAK, LEONARD, SCHECTER
CHRISTIE & CO.
CHRYSLER
CICB - CENTRO DAS INDUSTRIAS DE CURTUMES DO BRASIL
CISCO
CITIGATE DEWE ROGERSON
CNH GLOBAL
CNW (TORONTO)
COHN & WOLFE
COMPANY FORMATIONS
COMPAQ
COMPUTER ASSOCIATES
CONCORDE LONDON
CONDENAST PUBLICATIONS
CORNERPARK GARAGE
CPR WORLDWIDE
CROOKES
D.D.D.
DAIMLERCHRYSLER
DANISCO - CULTOR
DANISH EXPORT GROUP ASS.
DELL COMPUTER
DELPHI AUTOMOTIVE SYSTEMS
DEPARTMENT OF EXPORT PROMOTION, THAILAND
DEPARTMENT OF HEALTH
DIAGNOSTIC RESEARCH
DIAL 4 A LOAN
DIGITALWORK
DIRECT CARS
DIRECT LINE
DIVINE
DOWLING KERR
DUCATI MOTOR HOLDING S.P.A.
DURMA MESSE STUTTGART INTERNATIONAL GMBH
E M & F
EBOOKERS.COM
EDELMAN WORLDWIDE EL PASO CORP.
ELI LILLY
EMAP PETERSEN
ENGINES DIRECT/RIMACROFT
EPSON HONG KONG
EUROCAR
EXPORT VLAANDEREN
FA HUMBERSTONE
FEINSTEIN KEAN HEALTHCARE
FINANCIAL DYNAMICS
FINNISH FOREIGN TRADE
FIREFLY COMMUNICATIONS
FISHBURN HEDGES
FLEISHMAN HILLARD
FOOTWEAR INDUSTRIES OF AMERICA
FORD MOTOR COMPANY
FOREST LABORATORIES
FRB WEBER SHANDWICK
FRENCH LEATHER FEDERATION - F.F.T.M.
FRESHFIELDS BRUCKHAUS DERINGER
FUJITSU
GLAXOSMITHKLINE
GARDINER CALDWELL COMMS
GAVIN ANDERSON & COMPANY
GCI GROUP - HOLD INVOICES
GENERAL MOTORS
GERMAN SWEDISH
GHS STRINGS
GIBSON MUSICAL INSTRUMENTS
GKN PLC
GM COMMUNICATIONS
GOLIN/HARRIS LUDGATE
GRUNER & JAHR
HACHETTE MAGAZINES
HALIFAX
HAMBURG MESSE UND CONGRESS
HARMAN PRO
HARRISON COMMUNICATIONS
HCC DE FACTO GROUP
HEARST MAGAZINE
HENKEL KGAA
HENLEY GROUP INTERNATIONAL
INTENATIONAL
HEWLETT PACKARD
HILL & KNOWLTON
HILLS PET FOOD
HOFFMAN LA ROCHE
HOLLAND MARINE EQUIPMENT
HONDA
HONG KONG TRADE DEVELOPMENT COUNCIL
HOT AND COLD
HUDSON SANDLER
IBM
ICEX - SPANISH TRADE COMMISSION
IKEA
IMPCO TECHNOLOGIES
IMPERIALS
INCHCAPE
INDIA TRADE PROMOTION ORGANISATION (ITPO)
INFINEON TECH
INGLETON-BEER ASSOCIATES
INGRAM MICRO
INTEL
INTENTIA INTERNATIONAL AB
INTERPUBLIC GROUP OF AGENCIES
IRISH DAIRY BOARD/KERRYGOLD
ISRAEL EXPORT INSTITUTE
ITALIAN TRADE COMMISSION
ITKIB/ISTANBUL LEATHER & LEATHER PRODUCTS EXPORTERS ASS.
JAGUAR
JANSSEN PHARMACEUTICAL
JAPAN LUGGAGE ASSOCIATION
JAPANESE MARINE EQUIPMENT ASS.
JLIA - JAPAN LEATHER & LEATHER GOODS INDUSTRIES ASSOCIATION
JOB OPPORTUNITIES
JOELE FRANK, WILKINSON BRIMMER KATCHER
JOHNSON & JOHNSON
JVC PROF. PROD COMPANY
KARLSHAMNS
KEKST AND COMPANY
KETCHUM PR
KOREA FEDERATION OF HANDICRAFTS COOPERATIVES
KOREA FEDERATION OF PRECIOUS METALS MANUFACTURERS CO-OPERATIVES (KFOPMC)
KOREA INTERNATIONAL TRADE ASS.
KOREA TRADE CENTER HONG KONG
KORG USA
KPNQWEST
LAND ROVER
LEATHER INDUSTRIES OF AMERICA
LOGICA
LOMBARD LOANS
LONDON BUSES
L'OREAL
LUNDBECK
MACKIE DESIGNS INC
MAITLAND CONSULTANCY
MAKOVSKY & COMPANY
MAN SANG JEWELLERY
MANNING GOTLIEB OMD
MANNING SELVAGE & LEE
MASTERCARD
MCDATA CORP.
MCI INTERN
MCO GMBH
MEBMETHODS
MEDI UK
MEDIACOM
MENTOR GRAPHICS
MERCK
MEREDITH CORPORATION
MERIAL
MESSE DUSSELDORF INTERNATIONAL GMBH
MET LIFE
MICHAEL K HOWARD
MICHAEL JAMES AUTOS
MICROSOFT
MICROSOFT PUBLIC RELATIONS
MOBEON
MONTSANTO
MORI
MOTORNATION
MOTOROLA
MOTORPOINT
MSD
MSF
NAPP
NEC TECHNOLOGIES
NETWORK ASSOCIATES
NEW ZEALAND TANNERS ASS.
NEWMONT MINING CORP.
NEWS AKTUELL GMBH
NISSAN
NOONAN/RUSSO COMMUNICATIONS
NORTON FINANCE
NOVARTIS PHARMACEUTICALS
NOVELL
NOVO NORDISK
OCEAN FINANCE
OGILVY PR WORLDWIDE
ORACLE
ORACLE CORPORATION-PUBLIC RELATIONS
ORAFTI
PAB STUDIOS
PACIFIC LOAN
PAGE AUTOS DIRECT
PAKISTAN TANNERS ASS.
PALM INC
PANASONIC BROADCAST & TV
PARAMOUNT CO FORMATION
PARRYS
PFIZER
PHARMACIA
PORTER NOVELLI
PRIMEDIA CONSUMER MAGAZINE
PRIVILEGE
PSE&G
Q MARKETING
QIAGEN N.V.
QUANTUM CORP.
QUINTILES TRANSNATIONAL CORP.
QWEST CYBER SOLUTION
RATIONAL SOFTWARE
REDWOODS
REG 4 VEHICLES
REISTRATIONS
ROCHE
ROLAND
ROLLS-ROYCE
ROYAL BANK OF SCOTLAND
ROYAL MAIL
RSA SECURITY
RTA
RUDER FINN
RUDOLF WILD
SAMSON TECHNOLOGY CORP.
SAMSUNG ELECTRON
SANOFI
SCHERING
SCREWFIX
SEA CONTAINERS SERVICES
SEPIC (FRENCH FOOTWEAR ASS.)
SERCO GROUP PLC
SHENZHEN FOREIGN ECONOMY & TRADE SERVICE CENTRE
SHING HING PEARLS COMPANY
SHIRE HALL INTERNATIONAL
SHIRE PHARMACEUTICALS GROUP
SIEMENS CORP.
SILENT NIGHT HOLDINGS
SINOPHARM
SITRICK AND COMPANY
SKYNET
SONY
SPECTRA
SPRINT
SSB CITI ASSET MANAGEMENT
ST MICROELECTRONICS
STANTON_CRENSHAW
STERLING DIRECT
STORA ENSO
SULZER MEDICA MANAGEMENT AG
SUN MICROSYSTEMS
SURRIDGE DAWSON
SWEDEN CHINA TRADE COUNCIL SHANGHAI LIAISON OFFICE
SYBASE
SYMANTEC DELRINA
TAIWAN BAGS ASSOCIATION
TAIWAN FOOTWEAR MANUFACTURERS ASSOCIATION
TAIWAN JEWLRY INDUSTRY ASS.
TAKEDA PHARMACIA
TASCAM/TEAC AMERICA INC
TAVISTOCK COMMUNICATIONS
TECH DATA
TELEKOM AUSTRIA AG
TEXAS INSTRUMENTS
TFL
THE ASSOCIATION OF NORWEGIAN MARITIME EXPORTERS
THE COCA-COLA COMPANY
THE GREAT TRADE COMPANY
THE WALT DISNEY CO
THOMSON FINANCIAL
TICKETMASTER
TIME WARNER
TMP WORLDWIDE
TOSHIBA AMERICA
TOWNSEND AGENCY
TRIAD
TYCO INTERNATIONAL
UBS PAINEWEBBER
UJA
UNIC - ITALIAN TANNERS INDUSTRY ASSOCIATION
IUN-FIT WINDOWS
UNIPRO
UNITED INTERNATIONAL PICTURES
UNIVERSAL MUSIC UK
UNIVERSAL SALVAGE
UNIVERSITY OF ESSEX
VERISIGN
VERITAS SOFTWARE
VIEWSONIC
VISA
VISTEON - PUBLIC RELATIONS
VOLLMER PUBLIC RELATIONS
VOLVO
W H SMITH
WAGGENER EDSTORM GMBH
WALTHAM
WEBER SHANDWICK SQUARE MILE
WEBER-SHANDWICK WORLDWIDE
WYETH
WYTETH PHARMACEUTICALS
XM SATELLITE RADIO, INC.
YAMAHA CORP OF AMERICA
YAMANOUCHI

INFORMATIONFORBUSINESS

United Business Media

Annual Report & Accounts 2002

UNITED BUSINESS MEDIA

PROFILE

UBM IS A LEADING PROVIDER OF BUSINESS INFORMATION SERVICES TO THE TECHNOLOGY, HEALTHCARE, MEDIA, AUTOMOTIVE AND FINANCIAL SERVICES INDUSTRIES.

UBM OFFERS SERVICES IN MARKET RESEARCH, CONSULTANCY, NEWS DISTRIBUTION, PUBLISHING AND EVENTS TO CUSTOMERS ACROSS THE GLOBE IN THESE SECTORS.

STRATEGY & GOALS

UBM AIMS TO BE A KEY SUPPLIER OF VALUABLE INFORMATION AND INSIGHT TO ITS BUSINESS CUSTOMERS. UBM STRIVES TO ANTICIPATE CUSTOMERS' NEEDS AND CULTIVATE LONG TERM PARTNERSHIPS TO SUPPORT MARKET SHARE GROWTH. UBM IS IMPROVING THE EFFICIENCY OF ITS BUSINESSES AND FOSTERING A CULTURE OF INNOVATION. UBM'S SUSTAINED INVESTMENT WILL DRIVE GROWTH AND PERFORMANCE AND INCREASE THE RANGE AND GLOBAL REACH OF ITS PRODUCTS.

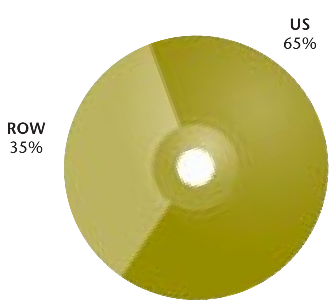
Contents

GROUP AT A GLANCE

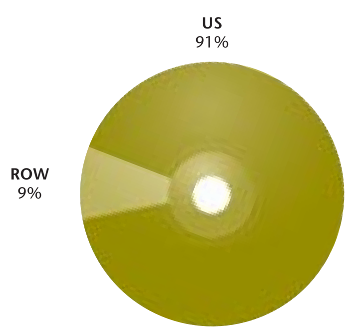
United Business Media

NOP World	PR Newswire	CMP
MARKET RESEARCH	NEWS DISTRIBUTION	PROFESSIONAL MEDIA
> Continuing turnover **£213.0m**	> Continuing turnover **£105.4m**	> Continuing turnover **£475.0m**
> Continuing operating profit* **£17.9m**	> Continuing operating profit* **£17.3m**	> Continuing operating profit* **£29.7m**
> Employees – year end **1,546**	> Employees – year end **855**	> Employees – year end **3,316**

2002 continuing turnover by region



2002 continuing turnover by region



2002 continuing turnover by region

*before amortisation of intangible assets and exceptional items

UNITED BUSINESS MEDIA

COMPANIES AND MAJOR ACTIVITIES

MARKET RESEARCH & CONSULTING

NOP World

NOP Automotive
- > AFI & NOP Auto

MediaMark Research Inc
- > US syndicated print media

NOP Research Group
- > UK & European ad hoc
- > Consumer
- > Business

NOP World Health

Market Measures/Cozint
- > US syndicated & sales force effectiveness

Strategic Marketing Corporation
- > US Custom

NOP Health
- > UK ad hoc

RoperASW
- > US ad hoc consumer trends & consulting

NEWS DISTRIBUTION

PR Newswire

PR Newswire
- > US Distribution, targeting & evaluation

Canada Newswire
- > Canadian distribution

PR Newswire Europe
- > Distribution, targeting & evaluation

PROFESSIONAL MEDIA

Publications and Exhibitions

CMP Media
- > US integrated media
- > High tech & healthcare

CMP Asia
- > Exhibitions & publications
- > Jewellery, leather, beauty

CMP Information
- > Publishing & exhibitions
- > Property, healthcare, music & entertainment

UAP
- > UK specialist publications
- > Classified advertising
- > Auto, leisure, property

HEALTHCARE TECHNOLOGY AUTOMOTIVE FINANCIAL MEDIA

TRADE INVESTMENTS

ITN
20%

PRESS ASSOCIATION
17%

FIVE
35%

SDN
33%

CUSTOMERS

UBM STRIVES TO ANTICIPATE CUSTOMERS' NEEDS AND CULTIVATE LONG TERM PARTNERSHIPS TO SUPPORT MARKET SHARE GROWTH.

KEY PRODUCTS

NO.1

- GAME DEVELOPER CONFERENCE
- INFORMATIONWEEK
- MEDIAMARK RESEARCH INC – STUDY OF THE AMERICAN CONSUMER
- HONG KONG JEWELLERY AND WATCH FAIR
- US1 - NATIONAL NEWSWIRE DISTRIBUTION
- INTERIORS EVENT
- CRN – COMPUTER RESELLER NEWS
- HEALTH INGREDIENTS JAPAN
- AFI - AUTOMOTIVE INTENTION AND PURCHASE STUDY
- PSYCHIATRIC TIMES

"WITH A YEAR-END NET CASH POSITIVE POSITION OF £94M UBM'S BALANCE SHEET IS EVEN STRONGER THAN BEFORE. THIS GIVES US THE CAPACITY TO CONTINUE TO EXPAND THE BUSINESS, LAUNCHING NEW PRODUCTS AND EXPANDING GEOGRAPHICALLY TO BETTER SERVE OUR CUSTOMERS. ALL INVESTMENT PROPOSALS ARE SUBJECTED TO RIGOROUS FINANCIAL HURDLES."

Geoff Unwin
Chairman

CHAIRMAN'S STATEMENT

IN NOVEMBER 2002 – FOLLOWING SIX YEARS AS A NON-EXECUTIVE DIRECTOR – I TOOK OVER THE CHAIRMANSHIP OF THE UBM BOARD FROM RONNIE HAMPEL. I HAVE ALWAYS BEEN EXCITED BY THE POTENTIAL AND THE INTERACTION OF THE MEDIA AND TECHNOLOGY BUSINESSES AND THIS WAS ONE OF THE REASONS WHY I WAS ATTRACTED TO UNITED IN THE FIRST PLACE. ANOTHER MAJOR REASON WHY I WAS SO ENTHUSIASTIC IN TAKING ON THE CHAIRMANSHIP IS BECAUSE OF UBM'S LONG TRACK RECORD IN AMBITIOUSLY AND INNOVATIVELY CREATING VALUE THROUGH ITS BUSINESSES.

We invest steadily and patiently, both organically and by judicious acquisition to create major value for shareholders. The ITV assets, which have been sold, and the Garban (now ICAP) business, now demerged, were both built up – largely organically – over many years. **five** was started from scratch, and in just six years has taken 7.5 per cent of the television advertising market with a particularly strong financial performance in 2002. Today's core information service businesses of market research, news distribution and professional media have roots within United stretching back to the 1970's and in some cases well beyond – some of CMPi's and UAP's major titles were launched in the nineteenth century!

In 2002, a major priority was restructuring the cost base in order to protect profit against the severe market downturn. The numbers speak for themselves: over the past two years we have identified actions to reduce our fixed cost base by over 25 per cent, securing £180m in annualised cost reductions. This has not however distracted us from the fundamental task of creating future revenue growth and all of the divisions, often working together, have continued to develop and launch a wide range of new products – building on long-term creative relationships with customers.

With a year-end net cash positive position of £94m, UBM's balance sheet is even stronger than before. This gives us the capacity to continue to expand the business, launching new products and expanding geographically to better serve our customers. All such investment proposals are subjected to rigorous financial hurdles.

For the financial year 2002, EPS was 16.5p, down from 17.9 pence in 2001 reflecting the difficult trading conditions. Nonetheless, the operating margin of 7.2 per cent in the second half of the year represents a significant improvement on the 5.0 per cent for the same period in 2001. The board is recommending a final dividend for the year of 4 pence per share, making the total dividend payable 7 pence per share. This is in line with our revised progressive dividend policy announced last year and, if approved by shareholders at the AGM, it will be paid on 29 May 2003 to shareholders on the register on 14 March 2003.

I would like to take this opportunity to thank Ronnie Hampel for his outstanding stewardship as chairman over the last three years. Ronnie led the board in an exemplary manner during a period of significant corporate activity in which the company transformed itself from broad-based consumer and business media interests into a sharply focused professional information services company. We will miss his wise counsel. On behalf of the board and employees of UBM, I would like to thank him for his major contribution to UBM and to wish him well in his continuing pursuits.

I would also very much like to thank all our employees for their contribution and commitment during 2002. They are the creative and operational talent of UBM and the customer relationships they have cemented during this challenging year have done much to consolidate UBM's long term growth prospects.

CHIEF EXECUTIVE'S REVIEW

2002 WAS ANOTHER VERY DIFFICULT YEAR. SEVERE DOWNWARD PRESSURE ON TECHNOLOGY ADVERTISING AND NEWS DISTRIBUTION REVENUES IN THE US PUSHED US PROFITS* DOWN BY 58 PER CENT. IN CONTRAST, OUR EUROPEAN AND ASIAN BUSINESSES – CMPi, CMP ASIA, UAP AND NOP RESEARCH – DELIVERED STRONG PERFORMANCES WITH PROFIT* OF £44.9M, AHEAD BY APPROXIMATELY ONE THIRD.

Action to improve operating efficiencies throughout the group has reduced fixed costs by £180m or over 25 per cent against the 2000 base. These improvements and our success in building market share and protecting yields have left group profit attractively geared to an improvement in revenues.

We have steadily increased our investment in new products with over 40 launches in 2002 at a cost of £20m which, in their first year, generated revenue of £17m.

In the second half of 2002 our US high tech business achieved some stability for the first time in two years with revenue at 55 per cent of the peak 2000 levels. Substantial cost reductions enabled CMP Media to meet its target of an operating profit in the fourth quarter. The news distribution business was hit by the de-listing of many US companies – there were 16 per cent fewer Nasdaq companies at the year end – and by the weak state of the financial markets. NOP World's UK, syndicated US media and automotive businesses all performed well in 2002 but the healthcare and ad hoc sectors suffered a marked deterioration and traded at a loss. Action has been taken to ensure these businesses trade profitably in 2003.

CMP Asia delivered revenue growth and improved profit and launched nine new exhibitions. CMP Information's revenue was down, reflecting closures and tough markets, but profit nearly doubled thanks to a wide ranging cost reduction programme. UAP improved margins and increased profit by more than one third on steady turnover. This was thanks to a maiden profit from Auto Exchange, the free pickup auto advertising publication, after five years of investment.

Stringent financial management, with tight control of working capital and capital expenditure, has improved our already strong balance sheet. Cash conversion of around 140 per cent produced a net cash position at the year end of £94m. Our robust balance sheet ensures that we can continue to invest in new products and achieve global reach, both organically and, where appropriate, by acquisition.

five (formerly Channel 5), the principal holding in our investment portfolio, made excellent progress with strong gains in advertising and audience share.

Current Trading and Outlook as at 28 February 2003

Trading conditions continue to be tough in 2003. In the first two months of the year professional publishing revenues are in line with recent trends. PR Newswire's revenue continues to be adversely affected by the uncertain state of financial markets. In the UK, NOP has made a good start and in the US our continuous research businesses are well set to make further progress. Revenues in the healthcare and ad hoc businesses remain under pressure.

The outlook for revenue has however been clouded by growing corporate uncertainty in the face of geopolitical concerns. Against this difficult background we will strive to manage our cost base in line with actual revenues.

In 2003 we are targeting – in the absence of a sharp decline in revenues – an improvement in the group margin from 8.2 per cent in 2002 to around 10 per cent.

Professional publishing margins should benefit from the turnaround to profit at CMP Media in the US and the benefits of the extensive restructuring at CMPi and UAP in the UK. PR Newswire continues to take action to reduce costs in the face of the current weakness in revenues. The strength of our continuous market research business in the US, a resilient UK business and the actions being taken to reduce costs in the US ad hoc business should improve market research margins.

We will continue to build, and at the right time realise, the value of our investment portfolio. **five** is on course to make further gains in advertising share and to break into profit in 2003.

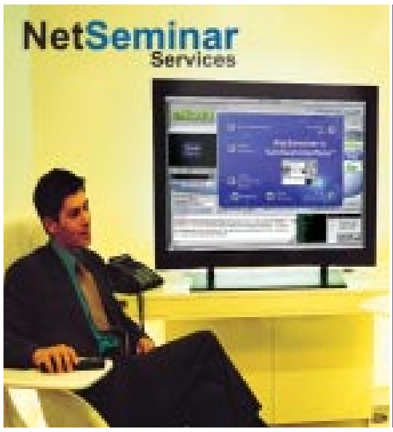
The company intends to purchase its own shares in the market from time to time under the existing authority granted by shareholders.

We remain firmly committed to our strategy of patiently building shareholder value through improvements in operational performance, investment in new products and sensibly priced acquisitions and market share gains.

* Throughout the chief executive's review, operating review and financial review, profit refers to operating profit before amortisation of intangible assets and exceptional items.

"ACTION TO IMPROVE OPERATING EFFICIENCIES THROUGHOUT THE GROUP HAS REDUCED FIXED COSTS BY £180M OR OVER 25 PER CENT AGAINST THE 2000 BASE. THESE IMPROVEMENTS AND OUR SUCCESS IN BUILDING MARKET SHARE AND PROTECTING YIELDS HAVE LEFT GROUP PROFIT ATTRACTIVELY GEARED TO AN IMPROVEMENT IN REVENUES."

Clive Hollick
Chief Executive



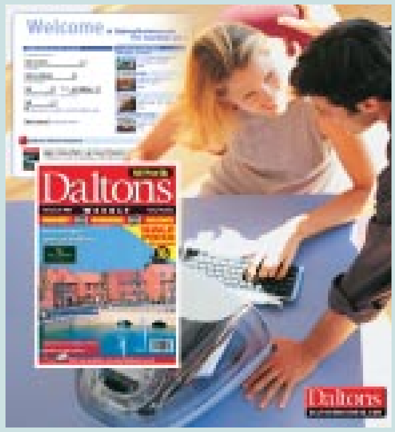
NEW PRODUCT

CMP Media's NetSeminar Services, a web-based interactive product that delivers narrow casting to a targeted, self-qualified audience in a cost effective, measurable way, provides "super-charged leads." Using an integrated marketing approach, NSS delivers live or taped multimedia events incorporating quality audio/video streaming, PowerPoint graphics, live Q&A, polling, audience feedback and real time reporting directly to a targeted audience.

CMP MEDIA – NETSEMINAR SERVICES

- 45 companies used NSS in 2002
- 190 events in 2002, a 40% increase over the previous year
- Provides measurable results, proving strong return on investment

NSS'S INTERACTIVE TECHNOLOGY IS CONTAINED WITHIN A SINGLE BROWSER WINDOW AND PROVIDES A POWERFUL PLATFORM IN WHICH HIGHLY TECHNICAL PRESENTATIONS ARE DELIVERED AT A FRACTION OF THE COST ASSOCIATED WITH TRADITIONAL MEETINGS AND PRESENTATIONS. NETSEMINAR SERVICES HAS TRANSFORMED INTERNET TECHNOLOGIES INTO A SERVICE THAT FUNDAMENTALLY CHANGES BUSINESS COMMUNICATIONS AND VASTLY IMPROVES SALES CYCLE TIMES. AUDIENCE DEVELOPMENT IS WHAT DIFFERENTIATES THIS SERVICE FROM THE COMPETITION. CUSTOMER EVENTS ARE DEVELOPED, PRODUCED AND PROMOTED TO THE TARGETED AUDIENCES OF CMP'S DATABASES WITH ONE BUY.



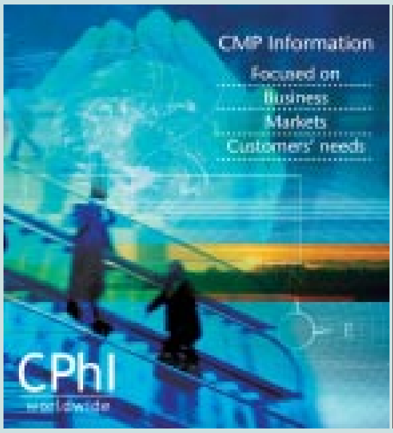
MARKET LEADER

Daltons Weekly is an advertising publication serving three distinct markets, namely Holidays, Property, and Businesses for Sale. The Daltons Weekly Businesses for Sale section advertises going concern businesses for sale via Business Transfer Agents (BTAs) with a typical sale price of up to £3m. For this customer segment, Daltons Weekly is virtually a 'Must Have' product, with all major BTA's in the UK advertising nearly every week.

UAP – DALTONS WEEKLY

- Weekly circulation of 30,000
- DaltonsBusiness.com generates 1 million page impressions a month
- Daltons is published nationally and is unique in the UK

DESPITE BEING THE CLEAR LEADER IN ITS FIELD, DALTONS WEEKLY NEVER RESTS ON ITS LAURELS AND CONTINUALLY INNOVATES AND LAUNCHES NEW INITIATIVES. IN 2002, FOLLOWING DISCUSSION WITH ADVERTISERS AND FEEDBACK FROM READERS, A NEW INTERNET SITE, DALTONSBUSINESS.COM, WAS LAUNCHED IN FEBRUARY 2002 AND CURRENTLY HOSTS AROUND 13,000 BUSINESSES FOR SALE; A NEW SUPPLEMENT, DALTONS WEEKLY PUBS FOR SALE, WAS ALSO LAUNCHED IN THE YEAR; DALTONS WEEKLY WAS ALSO LAUNCHED AS A FULL COLOUR VERSION FOR THE FIRST TIME.



GLOBAL LEADING EVENT

The Convention on Pharmaceutical Ingredients (CPhI) is the definitive event in its market, bringing together the suppliers and customers in what is considered the world's leading pharmaceutical exhibition. Its exhibitors are the manufacturers of pharmaceutical ingredients, intermediates, excipients, specialty and fine chemicals, while its customers are purchasing, engineering, production and quality control executives from drug manufacturers across the globe.

CMPi – CPhI

- Organically launched in 1990
- Attracts over 20,000 visitors and 1,100 exhibitors companies from over 110 countries
- 4 further brand extensions; CPhI Worldwide, CPhI China, CPhI Japan and ICSE

CPhI IS AN ANNUAL EVENT WHICH MOVES ACROSS THE COMMERCIAL CENTRES OF EUROPE TO MEET THE DEMANDS OF ITS INTERNATIONAL AUDIENCE; LAST YEAR PARIS, THIS COMING YEAR, FRANKFURT. THE STRENGTH AND REPUTATION OF CPhI HAS ALLOWED THE BRAND TO BE EXTENDED INTO ASIA, WITH 2002 SEEING THE LAUNCH OF CPhI JAPAN INTO THE WORLD'S 2ND MOST VALUABLE GEOGRAPHIC MARKET. CAPITALISING ON THE BREADTH OF ITS APPEAL, A NEW EVENT WAS ALSO ADDED TO THE MILAN CPhI SHOW IN 2000 – INTERNATIONAL CONTRACT SERVICES EXPO (ICSE) – AIMED AT THE INTERNATIONAL CONTRACT RESEARCH MARKET.

MARKET LEADER

The September Hong Kong Jewellery & Watch Fair is one of the world's top three exhibitions for the international fine jewellery trade, and by far biggest in Asia, Attracting over 1,700 exhibitors and over 33,000 visitors from 106 countries. The sister show to the September event is the June edition of the Asia Fashion Jewellery and Accessories show, serving the fashion jewellery market.

CMP ASIA – JEWELLERY SHOW

- Biggest jewellery fair in Asia, the biggest pearl fair in the world and the 2nd largest diamond and gem fair in the world
- Since its launch in 1982, exhibitor numbers have increased by 14 times
- 24% increase in total exhibitor visitors numbers achieved in 2002

THE YEAR-ON-YEAR INCREASE IN VISITORS AND EXHIBITORS IN BOTH EVENTS, ALONG WITH GROWING DEMAND FROM EXHIBITORS TO TARGET THE BUYING CYCLE IN THE SECOND HALF OF THE YEAR HAS MEANT THAT CMP ASIA WILL BE DEBUTING A NEW FASHION JEWELLERY EVENT TO BE RUN ALONGSIDE THE SEPTEMBER HONG KONG FINE JEWELLERY & WATCH FAIR in 2003. A NEW FINE JEWELLERY EVENT IS ALSO BEING TARGETED IN SHENZEN, MAINLAND CHINA AND WILL BE LAUNCHED IN 2003, TARGETING THE MAJOR CENTRE FOR THE DOMESTIC JEWELLERY TRADE IN CHINA.

PROFESSIONAL MEDIA

PROFESSIONAL MEDIA REVENUE WAS £475.0M, A DECREASE OF 21.8 PER CENT OVER 2001. OPERATING PROFIT AT £29.7M WAS UP 35.6 PER CENT, REFLECTING THE IMPRESSIVE RESULTS FROM CMP ASIA, CMP INFORMATION AND UAP.

CMP Media's continuing US revenue of $359m was 44.3 per cent down on the 2000 base of $644.7m. Most of the £118m revenue reduction was mitigated by cost savings, and as a result, the business moved into an operating profit in the fourth quarter.

In 2002, CMP Media's titles again significantly increased market share to 28.4 per cent of ad page volumes compared with 24.9 per cent in 2001. CMP Media defended yields stoutly, holding the decline to 6.2 per cent year-on-year – despite a 30.4 per cent volume decline in the market.

CMP Media's healthcare business achieved revenue growth of 3 per cent, despite difficult market conditions, with a solid increase in demand during the second half of the year.

CMP Media's £7m strong organic investment programme generated incremental revenue of £7m. New product launches within the technology business included the magazine Optimize – a strategic title spun off from Information Week in late 2001; NetSeminar Services – a web seminar product which utilises streaming video and audio broadcasts for marketing purposes; and the Institute of Partner Education & Development – a specialist training business.

Within the Healthcare division Med Reach has been launched for pharmaceutical companies organising promotional events.

CMP Asia delivered another good performance with reported turnover up 4.3 per cent to £51.1m and profit up 2.2 per cent to £13.7m. Margins held firm at 27 per cent, despite the investment in new exhibition launches.

CMP Asia's excellent performance was achieved in the face of some challenging market conditions in the US and generally poor conditions in the cruise ship and leather markets. The jewellery and beauty groups performed extremely well with record attendance in their prime shows.

KSS's health events and publications have strengthened the Asian portfolio and promises an excellent base for growth in the key Japanese market. This year CMP Asia launched nine new shows, three of which were in China. These new events generated over £2m in revenue and are scheduled to run again.

CMP Information (CMPi) benefited from its business-wide initiative to improve profitability and operational efficiency. Profits increased by 84.1 per cent to £12.7m, and margins more than doubled from 5.3 per cent in 2001 to 11.2 per cent in 2002.

This improvement in profitability was achieved despite a reduction in general advertising and marketing spend in CMPi's main markets. The music and medical markets saw a marked downturn in advertising. Conversely, the agriculture sector rebounded strongly following the foot & mouth crisis in 2001. Many of CMPi's market-leading events registered improvements in performance such as the Interiors Event, the UK's second largest exhibition; CPhI, the pharmaceutical ingredients event; and IFSEC, one of the world's leading security shows.

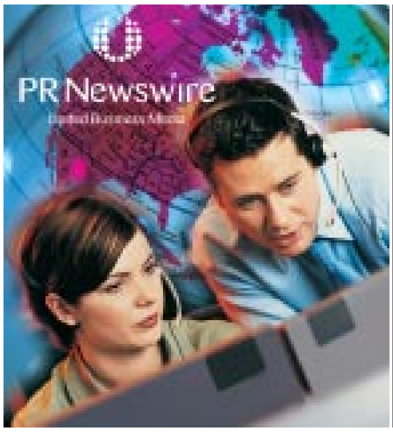
CMPi new product launches this year included Intra, a title aimed at interior designers and architects; CPhI Japan, targeting the pharmaceutical ingredients market in Japan; Firex South, aimed at the UK fire prevention market; and IFSEC China, extending CMPi's successful security show to the Chinese market.

United Advertising Publications (UAP), despite an increase in revenue of only 1.2 per cent to £58.1m, achieved a very strong 35.1 per cent increase in profits to £12.7m. Margins rose to 21.9 per cent (2001: 16.4 per cent).

Every one of UAP's titles recorded an increase in profits for the year, with Exchange & Mart, Daltons Weekly, Trader and Trade-it recording significant profit gains, despite a general decline in the advertising market. Increased circulation and market share was achieved by the two principal titles, Exchange & Mart and Daltons Weekly. The improvement in profit across the range of titles is largely due to the substantial cost savings made by the business.

Auto Exchange, the free pick-up motoring publication, moved into profit for the year, after five years of investment.

Investment in new projects continued and included the completion of the Daltonsbusiness.com website; and the development of Exchange & Mart content for publication in Auto Exchange titles.



MARKET LEADING PRODUCT

US1 is PR Newswire's premium distribution network and a prime vehicle for its customers' corporate messages – it is also a cost-effective media distribution, targeting and monitoring network. As well as meeting regulatory distribution requirements (as with all PR Newswire's networks) by distributing to NASDAQ, the New York Stock Exchange, American stock Exchange, Bloomberg, Reuters, Dow Jones and AP, US1 provides a wealth of value-added services which were further enhanced in 2002.

US1: THE MOST COMPREHENSIVE NATIONAL NEWSWIRE CIRCUIT AVAILABLE

> US1 enables cost effective distribution to major audiences

> Enhanced services added in 2002

> Meets regulatory requirements

VALUE ADDED SERVICES INCLUDE: PR NEWSWIRE-FIRST CALL WIRE™ – ALL PUBLIC COMPANY RELEASES ARE SENT TO THE DESKTOPS OF OVER 400,000 BUY AND SELL-SIDE ANALYSTS ON THE FIRST CALL® NETWORK; RELEASEWATCH™ – A REPORT SENT BY EMAIL WITHIN AN HOUR OF DISTRIBUTION, CONTAINING LINKS TO THE NEWS RELEASE AS IT APPEARS ON UP TO 20 KEY WEB SITES; AND WIRELESS DISTRIBUTION – DELIVERY OF NEWS RELEASES TO PALM™ (PDA) AND GO AMERICA USERS.

NEW PRODUCT LAUNCH

Launched in April 2002, MultiVu provides unsurpassed broadcast and multimedia production and global distribution services to organisations that want to reach the media, financial community, general public and other key audiences with their visual and audio messages. Using the latest technologies, MultiVu multiplies the number of opportunities clients have to communicate with specific audiences through traditional broadcast TV and radio, financial networks, the Web and wireless devices.

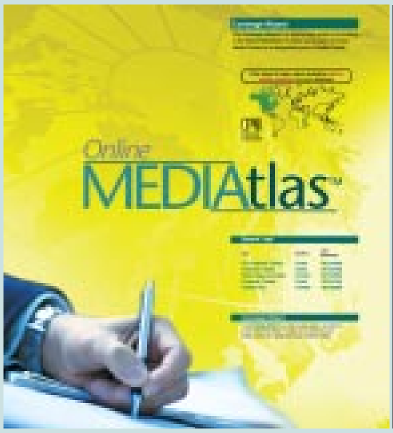
MULTIVU™

> Combines unique multimedia production with global distribution

> Pathfire delivers customers' TV video content directly to US broadcasters

> Launched in May 2002 – Revenues in 2002 exceeded $5m

THROUGH A PARTNERSHIP WITH PATHFIRE, A LEADING DIGITAL DELIVERY SERVICE, PR NEWSWIRE AND MULTIVU DISTRIBUTE VIDEO NEWS RELEASES, B-ROLL AND OTHER CONTENT DIRECTLY TO THE DESKTOPS OF JOURNALISTS IN 1,000 BROADCAST NEWSROOMS IN THE US. PR NEWSWIRE AND MULTIVU CLIENTS ENJOY STATE-OF-THE-ART DIGITAL DELIVERY COMBINED WITH PREMIER PLACEMENT ON PATHFIRE, THE SAME SYSTEM THAT NETWORK AFFILIATES USE TO GET THEIR OWN NEWSFEEDS, PLACING MULTIVU'S CONTENT ALONGSIDE THAT OF THE NATIONAL NEWS PROVIDERS.



NEW PRODUCT LAUNCH

The Online MEDIAtlas (OMA) is an innovative Web-based global media database providing continuously updated information on media and journalists in North America, Latin America, Europe/Africa/Middle East and Asia. OMA is the world's largest global media database including 464,000 journalists at 144,000 media outlets.

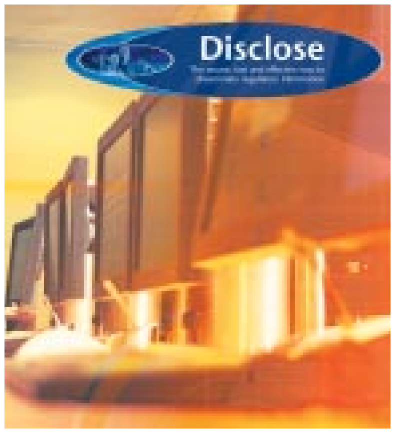
ONLINE MEDIATLAS™

> Ability to conduct focused media campaigns anywhere

> Journalists categorised to enable exact targeting

> Multi-language versions developed

OMA IS POWERED BY SOFTWARE DEVELOPED SPECIFICALLY FOR PR NEWSWIRE TO PROVIDE EASE-OF-USE, ACCURATE MEDIA SELECTION FROM A FULLY ROBUST GLOBAL DATABASE, DEPENDABILITY, ANYTIME/ANYWHERE AVAILABILITY AND AFFORDABILITY. AFTER THE EXCEPTIONAL SUCCESS OF PR NEWSWIRE'S ENGLISH VERSION OF THE OMA, PR NEWSWIRE TRANSLATED THE ENTIRE APPLICATION INTO SPANISH, GERMAN AND FRENCH.



NEW PRODUCT LAUNCH

Following the Financial Services Authority's deregulation of the London Stock Exchange's monopoly of regulatory news distribution, PR Newswire successfully launched its specifically designed system, Disclose, in April 2002. The Disclose system enables clients to submit their price sensitive news via a secure, online interface for distribution to the Secondary Information Providers (SIPs) including Reuters, Bloomberg, AFX, Thomson Financial and Hemscott.

DISCLOSE/PREMIUM DISCLOSE

> Over 13,600 announcements to the market

> Registered over 30 per cent of FTSE 100 as customers

> Captured over 10 per cent of the UK market for all regulatory releases issued

IN JANUARY 2003, AUTOMATIC DISTRIBUTION OF ALL NEWS ANNOUNCEMENTS TO THE UK'S PRESS ASSOCIATION (PA) WAS ADDED. PREMIUM DISCLOSE WAS ALSO LAUNCHED, PROVIDING AUTOMATIC FULFILMENT OF DISCLOSURE REGULATIONS IN THE UK AND THE US, PLUS SIMULTANEOUS DISTRIBUTION TO ALL US AND UK MEDIA – PROVIDING A SINGLE ROUTE TO ALL UK COMPANIES WITH AN ADR LISTING IN THE US AND THOSE WHO WISH TO MAXIMISE THEIR PR PRESENCE.

NEWS DISTRIBUTION

PR NEWSWIRE'S REPORTED REVENUES DECREASED 17.7 PER CENT TO £105.4M AND PROFIT FELL 51.7 PER CENT TO £17.3M. OPERATING MARGINS IN PR NEWSWIRE FELL FROM 28.0 PER CENT TO 16.4 PER CENT INCLUDING THE EFFECTS OF NEW PRODUCT INVESTMENT.

Continuing weak markets in the US, a sharp reduction in the number of listed companies and the low levels of M&A and IPO activity, together with a wave of corporate scandals, made companies particularly publicity-averse. Customers traded down to PR Newswire's lower cost distribution options leading to a 24 per cent decline in the level of messages outbound from the US. Some "discretionary" or non-regulatory products were particularly affected by general corporate cost-cutting.

In PR Newswire's core US distribution business, message volume was 11 per cent below 2001 but average revenue per message was up 4 per cent – boosted by the increased regulatory message length and volume following the enactment of Sarbanes-Oxley.

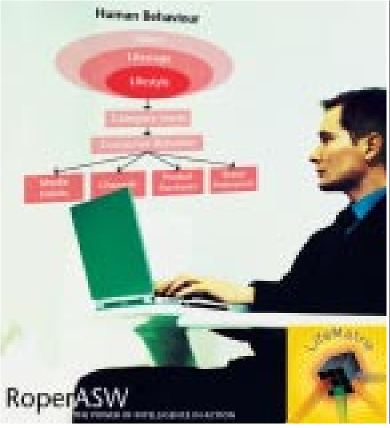
Canada Newswire, although also suffering from a tough local economy, proved to be resilient and PR Newswire share from this JV held firm at US$12m of revenue and US$4.1m of operating profit.

Globally, including PR Newswire Europe, Canada Newswire and other PR Newswire business locations, PR Newswire's market share is up 2.2 per cent to 40.0 per cent, with the fourth quarter alone up 3.1 per cent. In the US, market share held firm at 52 per cent of earnings release volumes.

Revenue was boosted by the growth of new products such as MultiVu and Online MediAtlas, although these were loss making as they are still in their start-up period.

PR Newswire Europe experienced similarly difficult market conditions. PR Newswire's Disclose product has, since its launch in April 2002, captured over 10 per cent of all announcements issued and has signed up over 30 per cent of FTSE 100 companies.

£7m was invested in new products to generate £6m in revenues. The Online MediAtlas was launched in the UK and US during the year as were French, German and Spanish versions. MultiVu, the new division specialising in the production and distribution of video news releases and other multimedia content, contributed $5m in revenues since May. PR Newswire also strengthened its presence in the developing Chinese market with the creation of the leading international corporate announcement distributor in China – Xinhua PR Newswire – a new venture with the largest government-backed news agency.



NEW PRODUCT LAUNCH

RoperASW is the global leader in identifying consumer trends on behalf of many of the world's leading marketers and media companies. With 30 years of tracking in the US, and seven years global experience, Roper's trend database is the world's most extensive – both in terms of the range of trends monitored and the number of countries studied. Using this expertise, Roper launched LifeMatrix in 2002.

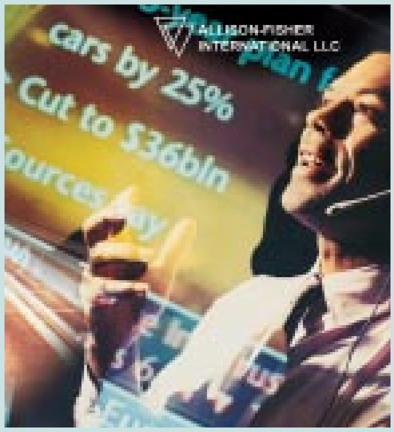
ROPERASW – LIFEMATRIX™

> Combined platform for brand strategy, marketing, media planning

> Based on a multidimensional approach to consumer behaviour

> Utilises key NOP World databases

LIFEMATRIX IS A PROPRIETARY CONSUMER SEGMENTATION SYSTEM THAT FOR THE FIRST TIME PROVIDES ADVERTISERS WITH A COMMON LANGUAGE AND PLANNING SYSTEM. IT PERMITS BRAND MANAGERS TO IDENTIFY THEIR MOST PROFITABLE CONSUMERS AND POTENTIAL CONSUMERS ON EITHER A CUSTOMISED OR SYNDICATED BASIS, AND TO CONDUCT MEDIA PLANNING AGAINST THOSE TARGETS. THE SYSTEM CAN ALSO BE USED FOR MORE EFFICIENT AND EFFECTIVE SCORING OF CUSTOMER DATABASES. IN TODAY'S CHALLENGING MARKETS, CUSTOMERS NEED PRODUCTS WHICH DELIVER EFFECTIVE RESULTS – LIFEMATRIX IS THAT PRODUCT.



MUST-HAVE PRODUCT

AFI's Automotive Intentions and Purchasing Study℠ (AIP) is a monthly and quarterly tracking study which monitors car and truck demand among 660,000 nationally representative US households each quarter. It is the leading pre-purchase study of its kind and highly in demand by major auto manufacturers. The AIP study delivers the ability to anticipate strong or weak demand early in the purchase cycle and develop appropriate marketing plans – months before this information is available through traditional sales reports.

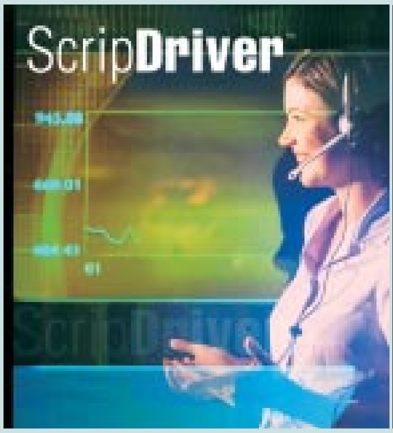
ALLISON-FISHER INTERNATIONAL; INTENTIONS STUDY

> All major auto companies in the US are users of AFI studies

> The largest panel of households in the US (660,000)

> UK study already adopted by major auto producers

AFI'S MOST SIGNIFICANT NEW PRODUCT INTRODUCTION IN 2002 WAS THE LAUNCH OF ITS AUTOMOTIVE INTENTIONS STUDY IN EUROPE. IN PARTICULAR, PILOT PROGRAMS WERE CONDUCTED IN GERMANY, FRANCE AND THE UK, WHICH WERE USED TO DEMONSTRATE THE VALUE OF PRE-PURCHASE AUTOMOTIVE DEMAND TRACKING STUDIES TO EUROPEAN MANUFACTURERS. THE AIP HAS ALREADY BEEN ADOPTED BY SOME OF EUROPE'S LEADING CAR MAKERS.



NEW PRODUCT LAUNCH

ScripDriver is a leap forward in sales and marketing effectiveness in evaluating how doctors prescribe drugs. Other products available on the market fall short for a variety of reasons. Competitive syndicated productivity data just provides counts – letting pharma companies quantify sales and prescriptions – but not offering any insight into the factors driving the decision making process. As a result, users know what happened but not why – or what to do about it.

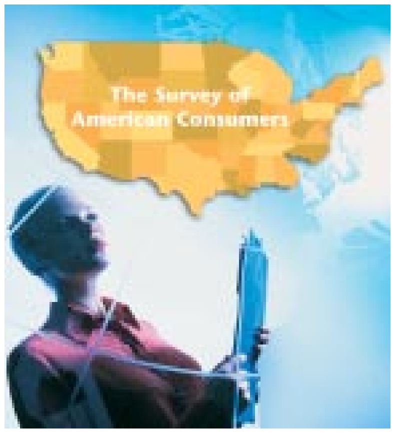
MMC – SCRIPDRIVER™

> US Pharma companies spend over $7 billion annually on sales forces

> 10x more physician access than nearest competitor

> Launched early 2003 – Major corporate clients already secured

SCRIPDRIVER IS THE FIRST TOTAL PRODUCTIVITY SOLUTION, INTRODUCING AN INNOVATIVE MARKETING SCIENCE FRAMEWORK THAT PROVIDES SUPERIOR INSIGHT TO THE PROCESS. SCRIPDRIVER'S RX DECISION FUNNEL, THE METHODOLOGY SUCCESSFULLY TRANSFERRED FROM ALLISON-FISHER, LINKS PROMOTIONAL EFFORTS, BRAND HEALTH AND PATIENT DYNAMICS TO THE PRESCRIBING CHOICE. SCRIPDRIVER PROVIDES A COMPLETE PICTURE OF THE PRESCRIBING DECISION – FROM INITIAL AWARENESS TO FINAL SELECTION AND EVERY STEP IN BETWEEN. SO CLIENTS KNOW WHAT ENDED UP ON THE DOCTOR'S PRESCRIPTION PAD, WHY, AND HOW TO IMPACT IT.



No. 1

MRI's core business is the currency rating service for the consumer magazine industry in the US. Its data provides the agreed standard which the industry uses to make print buying and selling efficient. Its key study, The Survey of the American Consumer, provides the most accurate and actionable information available on consumer's media and product usage.

MRI – STUDY OF THE AMERICAN CONSUMER

> MRI clear number one in the US published Media market

> Clients receive the clearest possible picture on buying behaviour

> Users include major agencies, plus all magazine publishers in the US

USING A SAMPLE OF OVER 26,000 RESPONDENTS IN 48 STATES IN THE US, MRI COLLECTS ITS UNRIVALLED DATA FOR THIS SURVEY BY EMPLOYING THE BEST MODE OF INTERVIEWING IN-PERSON INTERVIEWS CONDUCTED WITHIN A STRICT PROBABILITY SAMPLE AND SUPPORTS THIS WITH EXACTING EXECUTION. INFORMATION IS THEREFORE PROVIDED ON NEWSPAPER AND MAGAZINE READERSHIP, RADIO AND BROADCAST PREFERENCES, USE OF DIRECTORIES AND EFFECTS OF OUTDOOR ADVERTISING ON THE CONSUMER, PC OWNERSHIP AND ONLINE USAGE, AND DEMOGRAPHICS.

MARKET RESEARCH

REVENUES AT NOP WORLD INCREASED BY 9.3 PER CENT TO £213M. ADJUSTING FOR THE EFFECTS OF ACQUISITIONS AND FOREIGN EXCHANGE, UNDERLYING REVENUE DECREASED BY 10.6 PER CENT. PROFITS DECREASED BY 25.4 PER CENT TO £17.9M OR BY 21.0 PER CENT ON AN UNDERLYING BASIS. THE UK OPERATIONS, US CONTINUOUS MEDIA AND THE AUTOMOTIVE BUSINESSES PERFORMED STRONGLY AND CONTRIBUTED ALL OF THE PROFITS IN 2002. THE HEALTHCARE AND CUSTOM BUSINESS IN THE US EXPERIENCED SHARP DOWNTURNS IN REVENUES WHICH HAVE NECESSITATED EXTENSIVE COST REDUCTION PROGRAMMES.

NOP World Health was particularly impacted by the major market research trend to rapid growth in online data collection. At Market Measures Cozint (MMC) this grew from $7m in 2001 to $30m in 2002. Much of this has been cannibalistic, as traditional forms of data collection in the core custom businesses have switched to the internet. Internet research typically sells at a 10-15 per cent discount to traditional methods. This has had the effect of reducing the margin on custom research. Nonetheless, these margins should improve in the longer term as more volume is processed through increasingly automated systems.

At the same time as this transformation was taking place, the pharmaceutical industry experienced slower growth, fewer product approvals from the FDA and more patent expirations. This reduced market research expenditures in areas which supported new product development and led to clients taking lower cost options. The effects of these changes in 2002 have been a decline in revenues in the old MMI business, a reduction in margin on custom research and considerable investment in next-generation products.

MMC has responded to these challenges and opportunities by moving to online faster, increasing the number of syndicated studies and developing a new generation of sales force effectiveness tracking methodologies. A major new product in this area is ScripDriver, a marketing science product which not only quantifies sales and prescription data, but analyses that data and adds insight. Utilising methodologies already successful in AFI, ScripDriver links promotions, brand health and patient dynamics to provide a complete picture of the prescribing decision process. All results are reported online. ScripDriver completed concept testing with clients at the end of 2002 and was launched in early 2003.

Although NOP UK's revenues were in line with last year's, profit increased due to strong performances from the Business and Healthcare divisions and to margin improvements in both Automotive and Mystery Shopping.

Mediamark Research (MRI) maintained its impressive record with improved revenue performance and profits and success in renewing all of its multi-year contracts.

RoperASW's revenues were reduced by client budget pressures and competitive pricing. Profitability was diluted by the investment in new product introductions including the US online Panel and LifeMatrix.

Both Allison-Fisher (AFI) & NOP Auto US achieved increased revenues and profits. AFI's strong syndicated sales and new additional custom business drove topline growth. NOP Auto's US revenue was boosted by the opening of a new office in California.

Organic initiatives reduced profits by £2m with eight major new projects developed, including the online consumer panel within RoperASW, the launch of the joint MRI/RoperASW LifeMatrix – a market segmentation product which offers a combined brand, marketing, and media strategy, the development of a major Roper NOP Consulting offer and also some major product extensions.

FINANCIAL REVIEW

THE OPERATING CASH FLOW FROM THE BUSINESS RESULTED IN A CASH CONVERSION RATE OF 140 PER CENT. ALL OF THE INDIVIDUAL BUSINESSES DELIVERED ROBUST CASH PERFORMANCES. WITH £94M OF NET CASH AT THE YEAR END, UBM HAS RETAINED A STRONG BALANCE SHEET AND FINANCIAL FLEXIBILITY.*

Cash Flow

The operating cash flow* of the business was £91.0m, which exceeded operating profits of £64.9m and resulted in a cash conversion rate of 140.2 per cent. All of the businesses achieved a strong cash performance, for example, CMP Media generated £6.2m despite incurring a £9.4m loss; whilst PR Newswire's US business profits declined from $50m to $29m. However, it generated more cash in 2002 ($37.0m), than in 2001 ($36.3m).

Capital expenditure for the year was £10.9m, significantly less than depreciation of £23.2m. This reflected the tight control of all aspects of expenditure, coupled with increased emphasis on organic investments, where the investment is primarily in people and is consequently expensed rather than capitalised. Working capital inflow was £16.3m, reflecting a strong performance in all divisions, for example debtor days is at an all time low in NOP at 55 and in UAP at 46.

Cash outflows for the year included £8.2m of additional funding for **five**, significantly less than planned due to its much improved financial performance. PR Newswire invested £3.0m in establishing a commercial relationship with Xinhua in China. There were no acquisitions in 2002, although £19.0m was paid in relation to disposals from previous years. We received a tax cash inflow of £15.3m, reflecting the reclaiming of tax from previous years and utilisation of tax losses. We also had outflows in relation to our property provisions of £14.9m and in relation to our 2001 restructuring costs of £20.2m. Cash benefited from the exchange impact on our net US dollar borrowings by £24m. After paying £14.4m in respect of dividends, overall cash increased by £44.2m during the year.

Balance Sheet

We have retained our strong balance sheet and our financial flexibility. We have £93.5m of net cash, comprising £693.0m of cash and £599.5m of debt, furthermore we have undrawn committed banking facilities of £500m.

Our balance sheet includes £169.5m of fixed asset investments. Included in this is our investment in **five**, which has a book value of £119.1m, and a number of other investments which we intend to realise in the medium term. Whilst no disposals took place in 2002 we have since the year end sold our investment in Sporting Index for £9.0m.

The group's tax creditor of £277.4m represents a prudent assessment of the potential tax liability for prior tax years across different geographies, including amounts relating to the group's £3.2bn of disposals in 2000. This liability has been consistently classified as a short-term creditor in line with accounting convention. We do not currently expect the cash outflow in 2003 in respect of this creditor to exceed £10m.

At present we have no net borrowings, however in the current financial climate we believe a prudent ratio of operating profit to interest is five, which implies that we could accommodate a net debt position of up to £400m.

Investment Performance

We benchmark investments against our cost of capital, estimated to be 8 per cent, and returning value to our shareholders. As a consequence of these strict financial criteria and decreasing values, we did not complete any acquisitions in 2002. In relation to our 2001 acquisitions, performance was mixed. Whilst Allison-Fisher, ANP and KSS performed in line or ahead of plan, Roper Starch and Cyperus operated at significantly below plan and as a consequence an impairment was taken against their value.

We constantly monitor the performance of our organic investments, which to date have a mixed performance, reflecting the volatile markets in which we operate. We expect a number of these innovative investments will make a positive contribution to our profitability in 2003, for example our new shows in Asia.

* Operating profits adjusted for capital expenditure, movements in working capital and associates and joint ventures.

Exceptional items

In 2002 these total £158.2m compared to £495.5m last year, and reflect a £30m property restructuring provision, £114.2m charge for impairment and £14m relating to prior year disposals.

Impairment

There is a charge for goodwill impairment of £114.2m. The charge has been made following a review of the goodwill across the business in the light of difficult trading conditions. The impairment principally relates to three main businesses. Within NOP World, the Roper Starch business acquired in 2001 has experienced a weakening of the market in its custom business, and has failed to meet its business plan. In News Distribution, the UK and European businesses have also experienced reduced demand, and have incurred losses in 2002. In Professional Media, CMP Media has seen continued difficult market conditions. The impairment charge of £114.2m has been separately reported as an exceptional operating cost.

Pensions

We have adopted the accounting requirements of FRS 17: "Retirement Benefits" for the year ended 31 December 2002, and have restated the comparative information accordingly. There is no material difference between the charge to the profit and loss account under FRS 17 compared to SSAP 24; however, under FRS 17, a part of the overall cost of £6.8m is shown separately as a £2.1m financing charge.

The adoption of FRS 17 means that the net deficits on the group's defined benefit pension schemes are shown as a liability on the consolidated balance sheet. At 31 December 2002, the aggregate deficit was £90.9m. At 31 December 2001, the deficit was £41.0m; the movement in the year reflects the significant decline in equity values over the period.

Treasury and Finance

The group's treasury function is principally concerned with managing internal and external funding requirements, the monitoring of working capital and management of key financial market risks. Its activities are carried out in accordance with policies approved by the board and are subject to regular review and audit. Contracts are entered into with approved counterparties and not on a speculative basis. The group borrows centrally on behalf of its subsidiaries to maximise flexibility and minimise price. In 2002 no new debt was issued but the group exercised its option to redeem its £180m convertible bond for par in January 2002.

The group has four fixed rate borrowings: a $250m 7.25 per cent bond redeemable in July 2004, a $250m 7.75 per cent bond redeemable in July 2009, a $125m 8.04 per cent private placement redeemable in September 2004 and a $400m convertible bond, redeemable on or after December 2004. To reduce the interest cost of this debt the group entered into a number of transactions. It repurchased $75m of its bonds, invested in $205m of credit linked notes and entered into $1,000m of interest rate swaps. These transactions, which are detailed in note 22 in the accounts, had the effect of reducing interest costs by around £20m in 2002 and will result in further savings in 2003 and beyond. The group also entered into £50m of sterling swaps in 2002 and £170m in early 2003 to reduce its exposure to a reduction in sterling interest rates.

The group retains a £500m revolving credit facility available until August 2006 provided by a syndicate of relationship banks. The drawn margin on this facility is 45 basis points and there are no net assets or gearing covenants, the interest cover covenant (ratio of operating profits to net interest paid) is three times. The facility was undrawn at the end of 2002.

Foreign currency transaction exposures are covered as they arise using forward foreign exchange contracts. There are no material contacts outstanding at the end of 2002. We do not hedge profit translation exposures, as these are accounting rather than cash exposures. However, as shown above foreign currency borrowings are used where appropriate to provide an economic hedge against investment in overseas territories.

Our long term credit rating is investment grade with a Standard & Poor's rating of BBB and Moody's Baa2 with stable outlook.

Going Concern

Having reviewed the groups liquid resources, borrowing facilities and cash flow forecast, the directors believe that the group has adequate resources to continue as a going concern for the foreseeable future.

BOARD OF DIRECTORS

GEOFF UNWIN
Chairman

Geoff Unwin succeeded Sir Ronald Hampel as chairman in November 2002.

Appointed to the board in 1996, he was a director of MAI plc from 1995. He was chief executive officer of Cap Gemini Ernst & Young, one of the largest management and IT consulting firms in the world, until January 2002 and remains a non-voting member of the board of that company. He is deputy chairman and chairman elect of Halma plc, a leading safety and environmental technology group, and chairman of 3G Lab. Aged 60. (1) (2) (3)

CLIVE HOLLICK
Group Chief Executive

Clive Hollick was appointed to the board as group chief executive in 1996 following the merger with MAI plc. Prior to that he was group managing director of MAI plc, having joined the board of that company in 1974. He is a non-executive director of Diageo plc and in February 2002 he was appointed chairman of the South Bank Centre. Previous board appointments include directorships of Hambros Bank Limited (1973-1996), National Bus Company (1984-1991), Logica plc (1987-1992), British Aerospace Plc (1992-1997) and TRW Inc (1999-2002). Aged 57. (3)

MALCOLM WALL
Chief Operating Officer

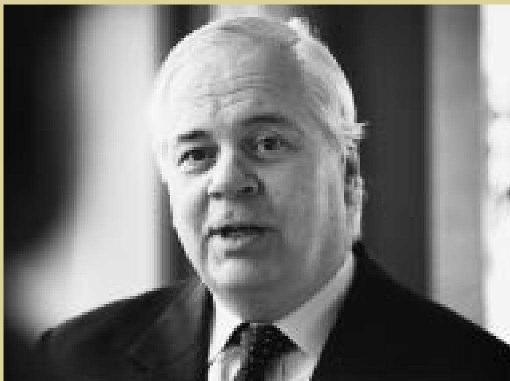
Malcolm Wall joined the group in 1992 as deputy chief executive of Meridian Broadcasting and subsequently became chief executive of United Broadcasting and Entertainment, with responsibility for all the group's television assets. He became chief operating officer of UBM in November 2000 and was appointed to the board on 1 January 2001. He is also a non-executive director of **five**. Aged 46.

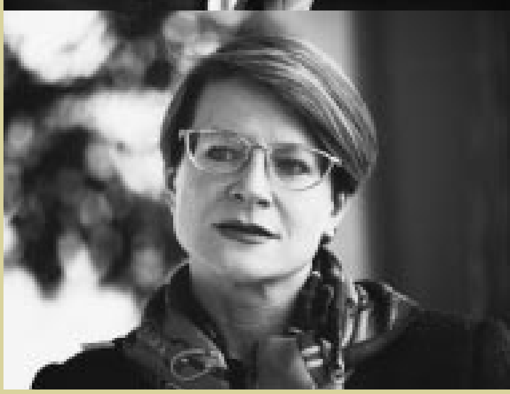
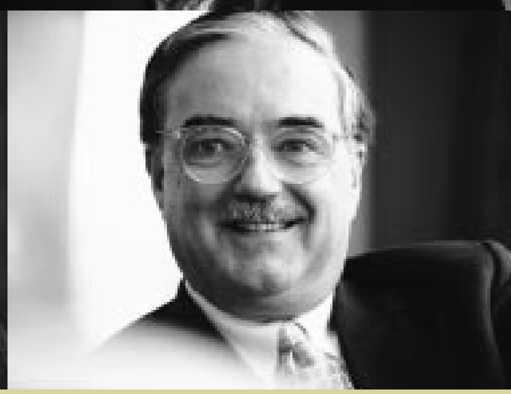
NIGEL WILSON
Chief Financial Officer

Nigel Wilson was appointed to the board as chief financial officer on 1 August 2001. Prior to that he was group finance director of Viridian Group plc from 1996 to 2000, and became managing director of Viridian Capital in 2000. Previous appointments include group finance director at Waste Management International plc, head of corporate finance and commercial director of Dixons Group plc, managing director of Stanhope Properties plc and a consultant at McKinsey. Aged 46.

CHARLES GREGSON
Executive Director

Appointed to the board in 1996, Charles Gregson is responsible for the group's UK specialist publications business, UAP and the group's investments. He joined MAI plc in 1974 as group solicitor and became a director of that company in 1984. He is chairman of ICAP plc, and deputy chairman of Provident Financial plc. Aged 55.



JOHN BOTTS
Non-Executive Director

Appointed to the board in 1997, John Botts is chairman of Botts & Company Limited, a London based funds management and investment company which concentrates on private equity investing in Europe. Other directorships include Euromoney Institutional Investor PLC and Amerindo Internet Fund PLC. He is chairman of the remuneration committee and the senior independent director. Aged 62. (1) (2) (3)

CHRISTOPHER POWELL
Non-Executive Director

Appointed to the board in 1996, Christopher Powell was a director of MAI plc from 1995. He is chairman of BMP DDB, one of Britain's largest advertising agencies, of which he was co-founder, and is a past president of the Institute of Practitioners in Advertising. He also chairs an NHS Health Authority, and serves on the boards of an arts body and an international health charity. Aged 59. (1)

ADAIR TURNER
Non-Executive Director

Appointed to the board in January 2000, Adair Turner was previously director general of the Confederation of British Industry and prior to that a director of McKinsey & Co. He is vice-chairman of Merrill Lynch Europe and a visiting professor at the London School of Economics. In December 2002 he was appointed by the Government to chair an independent commission on pensions. He succeeded Geoff Unwin as chairman of the audit committee in November 2002. Aged 47. (1) (2)

FIELDS WICKER-MIURIN
Non-Executive Director

Appointed to the board in 1998, Fields Wicker-Miurin is executive director of Leaders Quest, an international business that works with leaders from all sectors of business and society to build leadership skills. She was previously chief operating officer of Vesta Group Limited, and finance director of the London Stock Exchange. She is also a non-executive director of Savills plc, the Royal London Group and Carnegie, a Nordic investment bank. She serves on the Nasdaq Technology Advisory Council and is chair of the DTI's Investment Committee. Aged 44. (1)

JONATHAN NEWCOMB
Non-Executive Director

Jonathan Newcomb was appointed to the board on 27 September 2001. He was chairman and CEO of Simon & Schuster, one of the world's largest book publishers, from 1994 until 2002, having been president and chief operating officer from 1991. In February 2002 he joined the New York based private equity firm of Leeds Weld & Co. as a principal. Previous employment included McGraw Hill (where he was responsible for Standard & Poor's and Data Resources) and Dun & Bradstreet. He is also a director of HSBC North America. Aged 56. (1) (2)

(1) Member of the remuneration committee
(2) Member of the audit committee
(3) Member of the nomination committee

DIRECTORS' REMUNERATION REPORT

This report has been prepared in accordance with the requirements of the Companies Act 1985 (the "Act") as amended by the Directors' Remuneration Report Regulations 2002 and has been approved by the board. Disclosure relating to remuneration policy, long term incentive arrangements, total shareholder return and non-executive directors' remuneration policy is not subject to audit. Disclosure relating to individual directors' remuneration on page 20, directors' interests in share options and other long term incentive schemes on pages 23 to 25, and pensions information on page 21 has been audited.

REMUNERATION COMMITTEE

The board has delegated to the remuneration committee responsibility for determining the company's policy on the remuneration of executive directors and specific approval of the remuneration package and terms of employment for each of the executive directors of the company and for other senior executives of the group.

In determining remuneration policy, the committee has regard to the provisions of the Combined Code. All its members are non-executive directors; it is chaired by John Botts, who is also the senior independent director. The other members are Jonathan Newcomb, Christopher Powell, Adair Turner, Geoff Unwin, Fields Wicker-Miurin and, until his retirement in November 2002, Sir Ronald Hampel; all are considered by the company to be independent. The chief executive attends committee meetings by invitation; he is not present for discussion on matters concerning his own remuneration. Meetings are also attended by the company secretary, Anne Siddell, and the legal and personnel director, Jane Stables.

Shareholders have been given an opportunity to vote on the company's remuneration policy at every annual general meeting since 1998. A resolution seeking shareholder approval of this directors' remuneration report will be proposed at this year's annual general meeting.

REMUNERATION POLICY

All of the company's personnel policies, including its policy on remuneration for executive directors, are driven by the requirement to attract, motivate and retain the best available talent in highly competitive markets.

The company aims to strike an appropriate balance between fixed and performance related or variable remuneration. Non-performance related aspects include base salary, cash allowances and contributions to pensions arrangements. Performance related aspects include annual bonus arrangements and other long term incentive arrangements such as executive option schemes and executive equity participation plans. By this means the company is better able to recognise and reward outstanding performance and contribution at the appropriate level. The company believes the contribution made by the performance related elements of the directors' packages should constitute a significant proportion of the total remuneration package and should incentivise them by means of annual and medium term objectives to achieve stretching corporate goals for the benefit of shareholders. The committee intends to review its policy on performance related remuneration during 2003, with particular reference to the balance between cash and equity based awards. The company believes that executive directors' and senior management's pay arrangements ensure that they work effectively as a team in addition to encouraging individual creativity and delivery against goals.

The company encourages directors to build up a shareholding in the company by means of the Senior Executive Equity Participation Plan which is described on page 19. There is no requirement for directors to hold shares in the company.

The company's policy on non-executive directors' remuneration is described on page 26.

Executive directors' service contracts

It is the company's policy that all executive directors should have service contracts that are terminable on no more than one year's notice, and that contracts should not have a fixed term. Contracts provide for automatic termination on retirement at age 60. All directors are subject to re-election by shareholders every 3 years. Details of the service contracts of those executive directors who served during the year are as follows:-

Director	Contract date	Notice Period
C Hollick	31.10.2001	1 year
C Gregson	31.12.2001	1 year
M Wall	24.11.2000	1 year
N Wilson	06.07.2001	1 year

The description on page 21 sets out the calculation of Clive Hollick's pension entitlement if his service were terminated by the company following a change of control. If Clive Hollick or Charles Gregson's employment were terminated other than for cause (summary dismissal), they would be entitled to a payment, calculated by reference to their unexpired period of notice, of up to one year's salary and benefits and 50 per cent of average annual bonus over the preceding 3 years (excluding any special bonus). Under Malcolm Wall and Nigel Wilson's contracts, any payment on early termination would be by reference to the unexpired period of notice, subject to a duty to mitigate.

Base salary for each director is determined annually with effect from 1 January. The company regularly participates in executive remuneration surveys that provide information on the practice of major public companies to measure the competitiveness of the directors' base salaries. In addition to measurement against competitive market data, factors such as inflation, the individual's responsibilities, the company's performance and the salary policy throughout the group as a whole are taken into account when determining base salary levels. No increases were made in base salary levels for executive directors during 2002, nor have any been made in 2003, thus leaving executive directors' base salary levels unchanged since 1 January 2001. Benefits comprise non-pensionable car and cash benefit allowances.

The executive directors are eligible for an annual bonus dependent on the achievement of qualitative and quantitive targets which are set by the committee at the beginning of the year. Targets customarily include a combination of factors which recognise both relevant company performance and individual objectives. The annual bonus is normally capped at 60 per cent of base salary, with the full bonus becoming payable only if targets are substantially exceeded. Bonuses earned are paid in cash or the individual may be invited to invest his bonus in the company's Senior Executive Equity Participation Plan which is described below.

Long term Incentive Arrangements

Executive share options

It is the company's policy to award executive directors executive share options to reward past performance and to incentivise future performance. Such awards are currently made under the United Business Media 2000 Executive Share Option Scheme (the "2000 Scheme") which was established, with shareholder approval, in April 2000.

Options are granted at market value and the committee determines the appropriate level of each grant having regard to corporate objectives, market forces and individual circumstances. It was decided in December 2000 to award options to approximately twenty senior employees of the group (including executive directors) over a period of two years with a maximum value of 12 times salary. This was considered to be appropriate given the wish to incentivise these key individuals during a time of great organisational change, and in light of the restructured group's increased exposure to US markets and the need to compete for talent in those markets. Options with a value of approximately 12 times salary have been granted to Clive Hollick and Malcolm Wall, with a value of approximately 11 times salary to Charles Gregson and with a value of approximately 9 times salary to Nigel Wilson. Half of the options granted in each tranche will vest after three years and half after four years, subject to fulfilment of the performance condition described below. Awards to other participants in the 2000 Scheme are generally made on a phased basis, with annual awards of up to 3 times salary being usual.

The exercise of options under the 2000 Scheme is subject to a performance condition which requires growth in earnings per share to exceed the increase in the Retail Price Index by an average of 3 per cent per annum over the measurement period. If this condition is met, options with a face value equal to 0.75 times salary will vest. In order for the whole award to vest, growth in earnings per share must exceed inflation by an average of 5 per cent per annum. A sliding scale applies between these two figures. These performance conditions are measured over a period of three to six years from the date of grant, with a fixed start date. No re-testing is permitted after six years from the date of grant.

The committee considers that a performance condition based on long term earnings per share growth is an appropriate means of incentivising directors and that the targeted growth levels of between 3 per cent and 5 per cent above inflation are appropriately stretching. As and when options are due to vest, the company's auditors will be asked to confirm whether the performance conditions have been met.

Senior Executive Equity Participation Plan

The United Business Media 2000 Senior Executive Equity Participation Plan ("SEEPP") was established with shareholder approval in April 2000. Invitations are issued annually by the committee and there is no automatic entitlement to participate. Under the SEEPP selected senior executives (including executive directors) may waive part or all of their annual bonus and receive an interest in shares in the company ("bonus shares") to the equivalent value. The executive may also be granted a right to acquire shares ("matching shares") in the company equal in value to the gross amount of the bonus foregone at a nominal price. A matching share award will normally be exercisable in full between the fourth and tenth anniversaries of its grant, but only to the extent that the attached bonus shares are still held on the fourth anniversary of the date of grant. Two thirds of a matching share award may only be exercised if growth in earnings per share exceeds the increase in the Retail Price Index by up to 5 per cent per annum over the period of four years commencing with the year of grant; the remaining one-third requires no performance condition. No re-testing of performance conditions is permitted. These conditions are in accordance with the committee's policy as outlined above.

Other long term incentive arrangements

Clive Hollick and Charles Gregson also hold outstanding awards under executive option and other incentive plans previously operated by the company which have now closed. Executive directors are also entitled to participate in the Sharesave scheme, under which eligible employees around the group may acquire options over ordinary shares of the company at a discount of up to 20 per cent of their market price, using the proceeds of a related SAYE contract.

Further details of these plans, including an explanation of performance conditions, and of the outstanding awards held by executive directors, are set out on pages 23 to 25.

External appointments

It is recognised that by holding the office of a non-executive director of another company, an executive director may gain valuable knowledge and experience that can benefit the company. The policy therefore provides for executive directors to accept not more than two outside corporate directorships, subject to board approval which may be given or withheld at the board's discretion. An executive director may retain the fees received for a non-executive directorship.

TABLE OF INDIVIDUAL DIRECTORS' REMUNERATION

Directors	Position	Basic salary £	Fees £	Benefits £	Bonus £	Compensation £	Total for 2002 £	Total for 2001 £	Employers pension Conts (Money Purchase) £
Clive Hollick	Chief Executive	668,367		17,850			**686,217**	686,217	
Charles Gregson	Executive Director	292,633		13,633	138,960		**445,226**	280,360	
Malcolm Wall	Chief Operating Officer	325,000		11,958	68,250		**405,208**	395,435	48,750
Nigel Wilson	Chief Financial Officer	310,000		13,261	68,200		**391,461**	134,662	62,000
Geoff Unwin	Non-Executive Chairman		64,685				**64,685**	40,000	
John Botts	Non-Executive Director		40,000				**40,000**	40,000	
Jonathan Newcomb	Non-Executive Director		35,000				**35,000**	9,134	
Christopher Powell	Non-Executive Director		35,000				**35,000**	35,000	
Adair Turner	Non-Executive Director		35,795				**35,795**	35,000	
Fields Wicker-Miurin	Non-Executive Director		35,000				**35,000**	35,000	
Directors who retired during the year									
Sir Ronald Hampel	Non-Executive Chairman		169,444			82,108	**251,552***	200,000	
Total emoluments		1,596,000	414,924	56,702	275,410	82,108	**2,425,144**	1,890,808	110,750

* Includes amounts paid in 2003; see note 3 below.

Notes:

1. Benefits are non pensionable car and cash allowances.
2. Directors may be invited to sacrifice part or all of the bonus to the SEEPP.
3. Sir Ronald Hampel ceased to be chairman with effect from 5 November 2002 and the fees column in the above table reflects his remuneration up to that date. He continued to receive fees in accordance with the company's obligations in the terms of his appointment for the remainder of his notice period which would otherwise have expired on 27 March 2003. The figure of £82,108 in the table above comprises the amount of such fees and the value of secretarial services provided; £51,552 of this amount has been paid in 2003. With effect from 1 October 2000, 50 per cent of the fees otherwise payable to Sir Ronald Hampel were provided to him in the form of a provisional allocation of ordinary shares in the company to which he would become entitled, subject to certain conditions, on his retirement from the board. The cash equivalent of these provisional allocations of shares has been reported as part of Sir Ronald's remuneration for the periods in question. He became unconditionally entitled to receive the shares on 5 November 2002.
4. Geoff Unwin's fees increased with effect from 5 November 2002, when he succeeded Sir Ronald Hampel as chairman. Adair Turner's fees increased from the same date, when he became chairman of the audit committee. These increases are reflected in the fees column.
5. Malcolm Wall was appointed as a director on 1 January 2001, Nigel Wilson on 1 August 2001 and Jonathan Newcomb on 27 September 2001. The comparative table shows remuneration paid to them during 2001 with effect from their respective dates of appointment.
6. The company receives a contribution from ICAP plc in consideration for making available Charles Gregson's services as chairman of that company. Charles Gregson's remuneration shown above reflects that contribution. His basic salary level remains unchanged since 2001.
7. Non-executive directors' fees include an element payable in the form of ordinary shares, as described on page 26. The cash element of Christopher Powell's fee is paid to BMP DDB Limited, while that of John Botts is paid to Botts & Company Limited.

Pension entitlement

Clive Hollick and Charles Gregson are members of the United Pension Plan which is an approved defined benefit scheme. The company meets the full cost of the benefits. Normal retirement age is 60. The pension entitlement is two thirds of Final Pensionable Salary, which is the annual average of the best three consecutive Pensionable Salaries in the last ten years.

Under Clive Hollick's contract any bonus paid after 5 April 2001 is not pensionable; this means that if he remains in office until normal retirement age of 60 (20 May 2005) he will receive his already earned pension entitlement of £726,000 per annum. If he retires earlier this entitlement will be reduced pro rata on a sliding scale. The pension would normally also be subject to a discount if drawn prior to normal retirement date. If Clive Hollick's service were terminated by the company following a change of control he would be entitled to receive the pension of £726,000 per annum, reduced to reflect completed service plus his one year's notice period.

Under the terms of Charles Gregson's service contract, the definition of Pensionable Salary includes annual bonus up to 50 per cent of base salary; this is a longstanding term of his service contract. If Charles Gregson's service were terminated by the company without his consent he would be entitled to an immediate pension calculated as a proportion of his pension entitlement at age 60, based on his Final Pensionable Salary at the date of termination.

As members of the United Pension Plan Clive Hollick and Charles Gregson receive increases on their pensions in payment of 5 per cent per annum or RPI, if less, for all pensionable service. The widow's pension for the two executive directors is two thirds of their pension.

The company contributes to personal pension plans for other executive directors.

The following tables show the pension figures required to be disclosed by both the Act (Table 1) and the current UKLA listing rules (Table 2) which have not, as yet, been withdrawn.

Table 1 shows accrued pension entitlements at 31 December 2002 for Clive Hollick and Charles Gregson with the increase in pension accrued during the year together with prior year and current year end transfer values. These transfer values represent the amount that would have been payable assuming the executive left service at the year end.

It should be noted that during the year, as a consequence of changes introduced by the Government to the basis used for calculating Minimum Funding Requirements the Trustees of the scheme amended the basis for calculating transfer values. The equivalent transfer values at 31 December 2002 on a like for like basis are also shown for information. A significant proportion of the increase disclosed has arisen due to the change in the basis and as a consequence of falling equity markets.

Details of the contributions paid by the company during the year to personal pension plans in respect of the other executive directors are also shown.

TABLE 1

Name	Current age	Accrued pension 31.12.2002 £000 pa	Increase in accrued pension during the year ended 31.12.2002 £000 pa	Transfer value 31.12.2001 £000	Transfer value 31.12.2002 £000	Transfer value old basis Note 1 £000	Increase in transfer value for year ended 31.12.2002 £000	Increase in transfer value old basis Note 1 £000
Clive Hollick	57	633	38	8,829	10,065	9,067	1,236	238
Charles Gregson	55	356	3	4,793	4,935	4,387	142	(406)

Name	Normal retirement age	Pension contribution	Company pension contribution during the year £000
Malcolm Wall	60	15% of basic salary	49
Nigel Wilson	60	20% of basic salary	62

TABLE 2

Name	Current age	Accrued pension 31.12.2002 £000 pa	Increase in accrued pension during year ended 31.12.2002 in excess of inflation £000 pa	Transfer value at 31.12.2002 of increase in excess of inflation £000	Old basis Note 1 £000
Clive Hollick	57	633	28	451	406
Charles Gregson	55	356	(3)	(45)	(40)

Note 1: These figures show the equivalent transfer value figures on 31.12.2002 on a like for like basis to those quoted at 31.12.2001

DIRECTORS' INTERESTS

Directors' interests in UBM ordinary shares of 25p ("UBM Shares")

The interests of the directors in UBM shares (all of which are beneficial) are shown as at 1 January 2002, and at 31 December 2002.

Director	Ordinary shares at 1.1.2002	Ordinary shares at 31.12.2002	SEEPP Bonus shares at 1.1.2002	SEEPP Bonus shares at 31.12.2002
Clive Hollick	482,238	499,882	238,804	238,804
Charles Gregson	255,183	302,436	32,270	35,020
Malcolm Wall	2,786	12,427	–	–
Nigel Wilson	19,449	19,449	–	–
John Botts	4,123	7,209*	–	–
Jonathan Newcomb	–	3,104*	–	–
Christopher Powell	4,803	7,889*	–	–
Adair Turner	2,146	5,232*	–	–
Geoff Unwin	6,082	9,168*	–	–
Fields Wicker-Miurin	2,376	5,462*	–	–

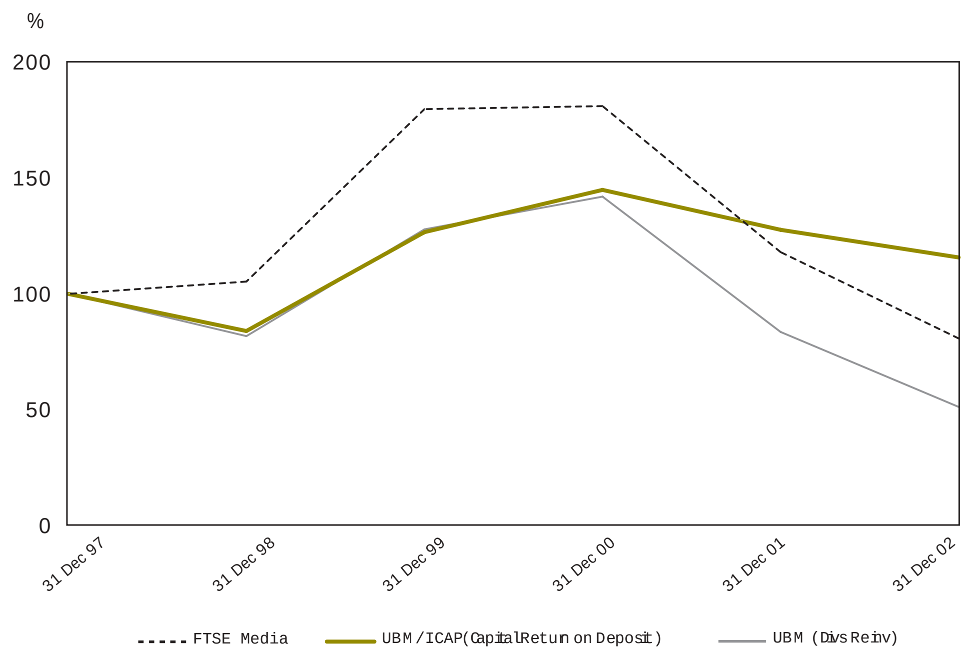
* Interests of non-executive directors include provisional allocations of shares by way of remuneration as described on page 26.

At 31 December 2002, the trustees of the United Business Media Employee Share Ownership Trust, and the Qualifying Employee Share Trust (QUEST) held a total of 1,482,768 UBM ordinary shares (2001: 1,599,185), and 529,530 B shares (2001: 1,446,982) and options over 1,332,707 UBM ordinary shares (2001: 2,253,097) and 1,165,572 B shares (2001: 1,377,771). Under paragraph 2 of Schedule 13 of the Companies Act, the executive directors are deemed to be interested in these shares and options.

The maximum price of UBM ordinary shares during the year was 611 pence and the minimum price was 211 pence.

TOTAL SHAREHOLDER RETURN

The graph below shows UBM's total shareholder return performance over the five years since 31 December 1997 as compared to the FTSE Media index, which has been chosen as UBM is a constituent of that index. During the period two major restructuring events monetised shareholder value which had been created over many years; these were the demerger of Garban (now ICAP), and the return of a £1.25bn special dividend following the disposal of UBM's three ITV licences to Granada Media for £1.75bn. Since the demerger the ICAP shares have significantly outperformed the FTSE 100. In accordance with the requirements of the Act, the 'UBM (Divs Reinv)' line assumes that the benefits received by shareholders from these two events were reinvested in UBM shares; it shows a 49 per cent decline in shareholder return compared to a 19 per cent decline in the return for the FTSE Media index. Within this 'UBM (Divs Reinv)' line the element which relates to the UBM share price decline since 31 December 2000 primarily reflects the severe deterioration in market conditions affecting the group's ongoing US businesses. The 'UBM/ICAP (Capital Return on Deposit)' line reflects ICAP's outperformance and the monetisation of value represented by the special dividend, and shows an increase in shareholder value of 16 per cent.



DIRECTORS' INTERESTS IN OPTIONS OVER UBM SHARES

	Date of grant	Options held at 1.1.02	Exercised/ lapsed during 2002	Options held at 31.12.02	Exercise period from	Exercise period to	Exercise price (p)	Market price at date of exercise	Total gain on exercise
Clive Hollick									
MAI Executive Schemes	30.10.92	51,200	51,200	0	30.10.95	30.10.02	234.375	253.08p	£9,150
	28.10.93	28,800	–	28,800	28.10.96	28.10.03	363.281		
	13.10.94	44,800	–	44,800	13.10.97	13.10.04	374.219		
	20.10.95	64,000	64,000	0	20.10.98	20.10.02	467.625	n/a	n/a
MAI Sharesave Scheme	20.10.95	1,950	–	1,950	01.12.02	01.06.03	400.000		
1994 Executive Scheme	16.09.96	153,455	–	153,455	16.09.99	16.09.06	686.000		
2000 Scheme	18.12.00	152,500	–	152,500	18.12.03	18.12.10	843.000		
	18.12.00	152,500	–	152,500	18.12.04	18.12.10	843.000		
	08.05.01	152,500	–	152,500	08.05.04	08.05.11	724.800		
	08.05.01	152,500	–	152,500	08.05.05	08.05.11	724.800		
	19.12.01	150,000	–	150,000	19.12.04	19.12.11	529.000		
	19.12.01	150,000	–	150,000	19.12.05	19.12.11	529.000		
	22.08.02	–	–	250,000	22.08.05	22.08.12	277.200		
	22.08.02	–	–	250,000	22.08.06	22.08.12	277.200		
United SAYE Scheme	01.11.96	1,464	–	1,464	01.02.04	01.08.04	532.600		
	31.10.97	616	–	616	01.02.05	01.08.05	632.700		
	20.04.01	1,382	–	1,382	01.06.06	01.12.06	488.300		
	15.04.02	–	–	790	01.06.05	01.12.05	480.600		
Charles Gregson									
MAI Executive Schemes	30.10.92	51,200	51,200	0	30.10.95	30.10.02	234.375	501.80	£136,180
	28.10.93	28,800	–	28,800	28.10.96	28.10.03	363.281		
	13.10.94	44,800	–	44,800	13.10.97	13.10.04	374.219		
	20.10.95	64,000	64,000	0	20.10.98	20.10.02	467.625	n/a	n/a
1994 Executive Scheme	16.09.96	69,252	–	69,252	16.09.99	16.09.06	686.000		
2000 Scheme	18.12.00	52,500	–	52,500	18.12.03	18.12.10	843.000		
	18.12.00	52,500	–	52,500	18.12.04	18.12.10	843.000		
	08.05.01	52,500	–	52,500	08.05.04	08.05.11	724.800		
	08.05.01	52,500	–	52,500	08.05.05	08.05.11	724.800		
	19.12.01	75,000	–	75,000	19.12.04	19.12.11	529.000		
	19.12.01	75,000	–	75,000	19.12.05	19.12.11	529.000		
	22.08.02	–	–	125,000	22.08.05	22.08.12	277.200		
	22.08.02	–	–	125,000	22.08.06	22.08.12	277.200		
United SAYE Scheme	01.11.96	2,591	2,591	0	01.02.02	01.08.02	532.600	492.50	£1,111*
	15.12.98	655	–	655	01.02.04	01.08.04	514.800		
	15.04.02	–	–	2,754	01.06.07	01.12.07	480.600		
Malcom Wall									
2000 Scheme	18.12.00	76,000	–	76,000	18.12.03	18.12.10	843.000		
	18.12.00	76,000	–	76,000	18.12.04	18.12.10	843.000		
	08.05.01	76,000	–	76,000	08.05.04	08.05.11	724.800		
	08.05.01	76,000	–	76,000	08.05.05	08.05.11	724.800		
	19.12.01	75,000	–	75,000	19.12.04	19.12.11	529.000		
	19.12.01	75,000	–	75,000	19.12.05	19.12.11	529.000		
	22.08.02	–	–	125,000	22.08.05	22.08.12	277.200		
	22.08.02	–	–	125,000	22.08.06	22.08.12	277.200		
United SAYE Scheme	20.04.01	1,587	–	1,587	01.06.04	01.12.04	488.300		
Nigel Wilson									
2000 Scheme	08.08.01	104,000	–	104,000	08.08.04	08.08.11	595.700		
	08.08.01	104,000	–	104,000	08.08.05	08.08.11	595.700		
	19.12.01	75,000	–	75,000	19.12.04	19.12.11	529.000		
	19.12.01	75,000	–	75,000	19.12.05	19.12.11	529.000		
	22.08.02	–	–	125,000	22.08.05	22.08.12	277.200		
	22.08.02	–	–	125,000	22.08.06	22.08.12	277.200		

* Includes value of associated receipt of ICAP shares

DIRECTORS' INTERESTS IN OPTIONS OVER UBM SHARES (continued)

Options granted under the 2000 Scheme are subject to the performance conditions as described on page 19. Options granted to Clive Hollick and Charles Gregson under the United 1994 Executive Scheme are subject to a performance condition which requires EPS growth to exceed inflation by an average of 2 per cent per annum over a three year period. At the time of setting up the 1994 Executive Scheme this performance measure was in line with existing market practice. The performance condition has been met in respect of all outstanding options held by these executive directors under the United 1994 Executive Scheme, which are consequently fully vested. All options were granted at market value and for no consideration.

Options granted to Clive Hollick and Charles Gregson under the MAI Executive Schemes are not subject to any performance conditions; at the time these schemes were established it was not customary to require performance conditions. All options were granted at market value of the corresponding MAI shares at the date of grant and were converted into options over shares in the company upon the merger of the company and MAI in 1996. No consideration was payable for the grant of options under these schemes.

Options granted under the MAI Sharesave scheme and United SAYE scheme are not subject to performance conditions as these are all-employee schemes.

There have been no variations in the terms and conditions of scheme interests during the year.

DIRECTORS' INTERESTS IN LONG TERM INCENTIVE SCHEMES

Long Term Incentive Plan ("LTIP")

	Shares allocated at 01.01.02	Shares lapsed during 2002	Shares vested during 2002	Value of award at date of grant	Shares allocated at 31.12.02	Earliest date for transfer	Value of shares vested*	Market value**
Clive Hollick	105,027	75,620	29,407	£610,000	0	23.03.02	£172,031	N/A
	75,435	0	0	£648,900	75,435	03.03.03		£218,762
Charles Gregson	62,067	44,689	17,378	£360,485	0	23.03.02	£101,661	N/A
	43,594	0	0	£375,000	43,594	03.03.03		£126,423
Malcolm Wall	34,435	24,794	9,641	£200,000	0	23.03.02	£56,400	N/A
	29,063	0	0	£254,645	29,063	03.03.03		£84,283

Awards under the LTIP were made in the form of a provisional allocation of shares which become receivable on or after the third anniversary of the allocation date, subject to the performance condition being met. This condition requires the group's total shareholder return (i.e. share price movement and dividends paid), when compared with that of FTSE 100 companies over the three year period, to place the group in at least 50th position within the FTSE 100. The shares will vest in full at 25th position or above, while 20 per cent of the shares will vest at 50th position. Shares will be allocated proportionately on a sliding scale between 25th and 50th position. The scheme rules give discretion to the committee to allow limited re-testing if the condition was met after the third year; no such re-testing is undertaken.

The last awards under the LTIP were made in 2000. The performance condition was not met in relation to these awards, which will consequently lapse on 3 March 2003. No further awards will be made.

* The value of shares that vested during the year is calculated at 585 pence, the market value on the date on which the shares were transferred to the directors.

** Market value of LTIP shares as yet unvested is calculated at 290 pence, the closing mid-market price on 31 December 2002.

DIRECTORS' INTERESTS IN LONG TERM INCENTIVE SCHEMES

Senior Executive Equity Participation Plan ("SEEPP")

	B shares/ options at 01.01.02+	Ordinary shares/ options at 01.01.02+	Shares/ options awarded/ exercised in 2002	B shares/ options at 31.12.02+	Ordinary shares/ options at 31.12.02+	Bonus amounts	Price paid for shares/ option (p)	Exercisable from	Expiry date	Market value†
Clive Hollick	36,728	48,414*	0	36,728	48,414	£260,400	709.0	16.09.00	29.06.07	£160,184
	20,117	26,516*	0	20,117	26,516	£155,006	770.5	17.03.01	29.06.07	£87,735
	34,038	44,868*	0	34,038	44,868	£263,796	775.0	18.03.02	29.06.07	£148,452
	390,200	257,176**	0	390,200	257,176	n/a	n/a	30.09.00	29.06.07	£229,549
	49,514	32,634‡	0	49,514	32,634	n/a	n/a	03.12.99	29.06.10	£107,974
	33,354	43,966*	0	33,354	43,966	£309,000	926.44	03.03.04	29.06.10	£154,168
Charles Gregson	13,417	17,686*	0	13,417	17,686	£95,120	709.0	16.09.00	26.06.07	£58,516
	4,994	6,582*	0	4,994	6,582	£38,483	770.5	17.03.01	29.06.07	£21,779
	15,152	19,972*	0	15,152	19,972	£117,430	775.0	18.03.02	29.06.07	£66,082
	9,398	12,388*	0	9,398	12,388	£61,513	654.56	08.03.03	29.06.07	£29,219
	24,757	48,587‡	0	24,757	48,587	n/a	n/a	03.12.99	29.06.10	£107,974
	2,335	3,076*	0	2,335	3,076	£21,630	926.44	03.03.04	29.06.10	£10,181
	–	23,850*	0	–	23,850	£86,719	727.2	08.05.05	08.05.11	£34,583
	–	–	5,500*	–	5,500	£15,450	561.9	16.04.06	16.04.12	£7,975

Awards becoming exercisable on or after 3 March 2004 were granted under the 2000 SEEPP, which is described on page 19. Awards becoming exercisable prior to 3 March 2004 were granted under the 1996 SEEPP, which operates in a similar manner to the 2000 SEEPP, except that the matching awards are subject to a longer vesting period (up to seven years) but no performance conditions are attached.

Notes:

* Clive Hollick and Charles Gregson gave up cash bonuses that would otherwise have been receivable by them in order to receive awards under the SEEPP. The bonus was paid to each individual's funded unapproved retirement benefit scheme ("FURBS") and used by the FURBS Trustees to purchase shares from the SEEPP Trustees. A matching award was granted over an equal number of shares. The table shows the total bonus shares and matching awards. The bonus shares are included in the director's beneficial interest in shares shown on page 22; the amount used to purchase the bonus shares was included in the director's reported remuneration for the year in which the award was made.

** This award comprises 222,487 bonus options and 34,689 matching awards granted to Clive Hollick in exchange for options previously held under the Meridian Broadcasting Executive Share Option Scheme.

‡ These options were granted in exchange for options previously held under the MAI 1989 Purchase Only Share Option Scheme, the rights to which were waived by Clive Hollick and Charles Gregson. Both the bonus options and an equal number of matching options are exercisable in full.

\+ The SEEPP bonus shares/options and matching awards were adjusted to reflect the capital reorganisation which took place on 23 April 2001, whereby every shareholder received 44 B shares and 29 new ordinary shares in place of every 44 ordinary shares previously held.

† The market value of the matching awards is calculated at 290 pence per ordinary share, the closing mid-market price on 31 December 2002, and 245 pence per B share.

Changes in directors' interests since 31 December 2002

There have been no changes to the interests of directors in UBM shares nor in options over UBM shares between the year end and 28 February 2003.

DIRECTORS' REMUNERATION REPORT

NON-EXECUTIVE DIRECTORS' REMUNERATION

The fees of the chairman and non-executive directors are considered and approved by the board as a whole, having regard to current market practice. Non-executive directors' fees were last reviewed in 2000, at which time the board decided that in order to link the interests of non-executive directors more closely with those of shareholders, part of their fees should be paid in the form of ordinary shares. All non-executive directors with the exception of the chairman receive a fee of £25,000 per annum which is paid in cash. A further £10,000 per annum is provisionally allocated in the form of ordinary shares in the company. The directors will become entitled to receive these shares when they leave the board, subject to certain conditions. The directors' fees include membership of board committees; an additional £5,000 per annum is paid to the chairmen of the remuneration and audit committees respectively. As chairman, Sir Ronald Hampel received a fee of £100,000 per annum paid in cash, and a further £100,000 was provisionally allocated in the form of ordinary shares in the company as described above. He became entitled to receive these shares when he retired from the board in November 2002. Sir Ronald's appointment was terminable by either party on not less than twelve months' notice.

Geoff Unwin succeeded Sir Ronald as chairman in November 2002. His contract, which was entered into on 5 November 2002, is terminable by either party on not less than twelve months' notice, such notice not to be given before 1 November 2003. He receives a fee of £100,000 per annum paid in cash and a further £100,000 per annum is provisionally allocated in the form of ordinary shares in the company as described above. Mr Unwin's contract contains no provision for payment of compensation on early termination. The other non-executive directors do not have service contracts with the company; each has a notice period of 6 months. Their terms of appointment contain no provision for payment of compensation on early termination. Non-executive directors are not entitled to participate in the company's share option or pension schemes. Each director's appointment (including that of the chairman) is reviewed every 3 years. The table below shows the date on which each non-executive director was first appointed to the board and the year in which he or she was last re-elected by shareholders.

Director	Date of appointment	Date of last re-election
Geoff Unwin	April 1996	2000
John Botts	July 1997	2001
Jonathan Newcomb	September 2001	2002
Christopher Powell	April 1996	2002
Adair Turner	January 2000	2000
Fields Wicker-Miurin	March 1998	2001

This report was approved by the board of directors and signed on its behalf by:

John Botts Director

CORPORATE GOVERNANCE STATEMENT

COMBINED CODE COMPLIANCE

This report describes the manner in which the board has applied the principles of the Combined Code on corporate governance which is appended to the listing rules of the Financial Services Authority. The board considers that during 2002 the company complied fully with the provisions of Section 1 of the Combined Code. The company has complied with the internal control provisions by establishing the procedures necessary to implement the guidance issued in September 1999 (the Turnbull Committee report) and by reporting in accordance with that guidance.

THE BOARD

Under the company's articles of association, at each annual general meeting any director then in office who has been appointed by the board since the previous annual general meeting and any director who at the date of the notice convening the annual general meeting had held office for more than 30 months since he was last appointed or re-appointed by the company in general meeting shall retire from office, but is eligible for re-appointment.

During the greater part of 2002 there were eleven board members in total, comprising the chairman (part time), chief executive, three other executives and six non-executive directors. That number was reduced to ten following the retirement of the chairman, Sir Ronald Hampel, on 5 November 2002. Sir Ronald was succeeded as chairman by Geoff Unwin, who has served as a non-executive director of the company since 1996 and previously chaired the audit committee. The roles of chairman and chief executive are separate, and the board has nominated John Botts as the senior independent non-executive director. The board receives regular written reports from all executive directors; the chief executive reports principally on matters of strategy and development, the chief operating officer provides detailed reports on the day to day operations of the group's businesses, the chief financial officer reports on accounting, treasury and tax matters, and reports are also received from the executive director responsible for the group's investments.

The primary function of the board is to set the group's strategy and to oversee the effective implementation of that strategy. Scheduled board meetings take place approximately seven times a year, with additional meetings being convened if circumstances require. There is an established agenda of items to be considered at the board meeting and the board also receives presentations from executive directors and from divisional management and other senior executives on specific issues. The chairman meets separately with the chief executive on a regular basis and other informal meetings and discussions take place between directors as appropriate.

The board has three principal committees, all of which have written terms of reference. Details of these committees are as follows:-

The audit committee was chaired by Geoff Unwin until November 2002 and its other members were John Botts, Sir Ronald Hampel and Adair Turner. Following Sir Ronald Hampel's retirement another non-executive director, Jonathan Newcomb, was appointed as a member of the committee and Adair Turner was appointed chairman of the committee. All members of the committee are non-executive directors and are considered by the company to be independent. The committee meets at least four times a year. Meetings are also attended by the chief financial officer, deputy CFO, head of internal audit, company secretary and external auditors. The audit committee's terms of reference were reviewed during the year in the light of the Sarbanes-Oxley Act 2002, US legislation introduced in July 2002 to which the company is subject by virtue of the listing of its ordinary shares on NASDAQ in the form of American Depositary Receipts. The committee now has authority to appoint, review and remunerate the external auditors and to pre-approve their engagement for both audit and non audit services; it also reviews the independence and objectivity of the auditors and reviews the group's accounting procedures and financial control environment. The committee has established policy guidelines on the nature of non audit work which may be undertaken by the auditors. These guidelines identify a number of categories of work where the auditors will not be employed, including financial due diligence assignments on potential acquisitions and financial systems consultancy. The committee has also put in place procedures for the pre approval of any fees payable to the auditors for those non audit services which fall within the policy guidelines.

It is the company's policy to review its external audit arrangements every five years; during the year the committee carried out such a review, as a result of which Ernst & Young LLP were appointed as auditors to the company in May 2002.

The remuneration committee is chaired by John Botts and its other members are Sir Ronald Hampel (until November 2002), Jonathan Newcomb, Christopher Powell, Adair Turner, Geoff Unwin and Fields Wicker-Miurin. All members of the committee are non-executive directors and are considered by the company to be independent. Further details of the committee's activities are set out in the directors' remuneration report on page 18. The company was among the first to invite its shareholders to vote on its remuneration policy in 1998 and has done so at all subsequent annual general meetings. In accordance with the Directors' Remuneration Report Regulations 2002 which have now come into effect, shareholders will be given the opportunity at this year's annual general meeting to vote on the remuneration report as a whole.

The nomination committee was chaired by Sir Ronald Hampel until November 2002 and is now chaired by Geoff Unwin. Its other members are Clive Hollick and John Botts. The committee meets as required to review the structure, size and composition of the board and to identify candidates, both executive and non-executive, whose skills and experience are considered to be of value to the company.

In addition to the principal committees the finance committee, comprising any two directors to include at least one of the chief executive and chief financial officer, approves and facilitates the group's treasury and financial operations within limits established by the board. The company secretary acts as secretary to all the above committees.

NON-EXECUTIVE DIRECTORS

The directors believe that effective corporate governance is strengthened by the presence of a strong independent element on the board. Of the ten board members, 60 per cent (including the chairman) are non-executive directors; all are considered by the company to be independent. Biographies of all of the directors currently in office are set out on pages 16 and 17, and illustrate the range of experience of directors.

The board is considering the recommendations of the Higgs report on the role and effectiveness of non-executive directors which was published in January 2003, and will review its procedures in the light of those recommendations.

CORPORATE GOVERNANCE STATEMENT

RELATIONS WITH SHAREHOLDERS

The company considers its annual and interim reports to be of primary importance in keeping shareholders informed about the activities and progress of the group. In addition to these reports the company also provides updated trading information prior to the start of each close period. Financial and other information about the company is published on its website, which has links to the websites of other businesses in the group.

The company maintains an ongoing dialogue with its major institutional shareholders by means of meetings and presentations as appropriate. Consultation is undertaken with the ABI and other bodies representing shareholders' interests on matters which the company considers appropriate. All shareholders are welcome at the annual general meeting where they have the opportunity to ask questions of all the directors, including the chairman as well as the chairmen of the audit and remuneration committees.

INTERNAL CONTROL

The board is responsible for maintaining the effectiveness of the group's system of internal controls and for reviewing the effectiveness of such systems. The system is intended to enable the group to identify and manage the risks inherent in its business and accordingly can provide only reasonable and not absolute assurance against material mis-statement or loss.

There is an ongoing process for identifying, evaluating and managing the key financial, operating and compliance risks faced by the group, which has been in place during the year and continues in force. This process accords with the Turnbull guidance issued in September 1999 and is regularly reviewed by the board. The process aims to identify and evaluate risks which are specific to each of its businesses; it is undertaken at a divisional level and the results co-ordinated and reviewed by the audit committee. The board reviews the effectiveness of the group's system of internal control by means of regular reports from management and from independent monitoring functions as described below.

Day to day management of the group's businesses is delegated to the chief executive and the executive directors within the financial and strategic objectives for the group as approved by the board. The chief executives of the individual businesses are accountable for the conduct and performance of their division within the agreed strategy and they are authorised to act in accordance with the system of delegated authorities which is monitored by the internal audit department and reviewed periodically by the board.

Individual businesses are responsible for complying with the group's financial reporting system which includes a comprehensive budgeting and financial reporting mechanism, providing monthly trading results, balance sheet and cash flow statements recorded against corresponding figures for the budget and the previous year. This information is reported regularly to the board in the form of management accounts. Individual businesses are also responsible for compliance with certain group policies and guidelines set out in the group's financial policies and procedures manual and the group policy manual.

The internal audit department undertakes periodic reviews of individual businesses to assess their control status. Internal and external audit report to the board on significant exceptions and internal audit follow up on these until they are resolved.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNITED BUSINESS MEDIA PLC

We have audited the group financial statements for the year ended 31 December 2002 which comprise the Profit and Loss Account, the Balance Sheets of the group and company, the group Cash Flow Statement, the Statement of Group Total Recognised Gains and Losses, the Reconciliation of Movements in Group Shareholders' Funds and the related notes 1 to 32. These financial statements have been prepared on the basis of the accounting policies set out therein.

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

The directors' responsibilities for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements and the part of the Directors' Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, United Kingdom Auditing Standards and the Listing Rules of the Financial Services Authority.

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 to be 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 or the Listing Rules regarding directors' remuneration and transactions with the group is not disclosed.

We review whether the Corporate Governance Statement reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules, and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls, or form an opinion on the effectiveness of the group's corporate governance procedures or its risk and control procedures.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Report of the Directors, the unaudited part of the Directors' Remuneration Report, the Chairman's Statement, Chief Executive's Review, Operating Review, Financial Review, Board of directors, Five Year Financial Summary, Financial Calendar, Shareholder Information and Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 to be audited. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Directors' Remuneration Report to be audited.

OPINION

In our opinion

- the financial statements give a true and fair view of the state of affairs of the company and of the group as at 31 December 2002 and of the loss of the group for the year then ended
- the financial statements and the part of the Directors' Remuneration Report to be audited have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP
Registered Auditors
London
28 February 2003

REPORT OF THE DIRECTORS

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

ACTIVITIES, BUSINESS REVIEW AND DEVELOPMENT

During 2002 the group's principal activities were in the areas of market research, news distribution and professional media. The current activities of the group are described in more detail on pages 6 to 13. The financial review on pages 14 and 15 contains details of the performance of the group and its divisions during the year, and the operating review on pages 8 to 13 gives an indication of future developments.

RESULTS FOR THE YEAR AND DIVIDENDS

The results for the year are set out in the group profit and loss account on page 33. After accounting for dividends totalling £24.2m (including the proposed dividend of £13.5m and an accrued LIBOR related B share dividend of £0.6m), the balance to be transferred from reserves is £263.2m. The directors recommend a final dividend of 4 pence per share for the year ended 31 December 2002 to be paid on 29 May 2003 to those shareholders on the register on 14 March 2003. An interim dividend of 3 pence per share was paid on 24 October 2002, making a total for the year of 7 pence (2001: 12 pence).

A dividend of 8.77 pence per B share will be paid on 24 April 2003 to holders of B shares on the register on 14 March 2003.

DIRECTORS AND THEIR INTERESTS

Biographical details of the directors in office as at 28 February 2003 are set out on pages 16 and 17. The following directors held office during the year:

Sir Ronald Hampel (resigned 5 November 2002), Clive Hollick, John Botts, Charles Gregson, Jonathan Newcomb, Christopher Powell, Adair Turner, Geoff Unwin, Malcolm Wall, Nigel Wilson and Fields Wicker-Miurin.

Adair Turner and Geoff Unwin will retire in accordance with the company's articles of association at the annual general meeting and, being eligible, will offer themselves for re-election. Geoff Unwin's contract may be terminated by either party on twelve months' notice, such notice not to be given before 1 November 2003. Adair Turner does not have a service contract. Adair Turner and Geoff Unwin are considered by the company to be independent.

The interests of the directors in office at 31 December 2002 in the shares of the company and its subsidiary undertakings are set out in the directors' remuneration report on pages 18 to 26.

No director had a material interest in any contract other than a service contract with the company or any subsidiary at any time during the year.

CHANGES IN SHARE CAPITAL

The issued share capital of the company at 1 January 2002 was 335,005,854 ordinary shares of 25 pence each, 10,480,642 B shares of 8 23/44 pence each, and 132,484,195 deferred shares of 8 23/44 pence each. The ordinary shares and B shares are listed on the London Stock Exchange. The deferred shares are unlisted.

During the year 555,040 ordinary shares were issued in connection with the exercise of options under the company's share option schemes, of which 300,000 were issued to the Qualifying Employee Share Trust to satisfy the exercise of options under the United SAYE Scheme and MAI Sharesave Scheme. 2,118 ordinary shares were issued on conversion of the company's 6.125 per cent convertible bonds and a further 52,341 ordinary shares were issued to Sir Ronald Hampel on his resignation from the board. In accordance with a resolution passed at the annual general meeting held on 2 May 2002, the outstanding 132,484,195 deferred shares were purchased by the company for an aggregate price of one penny and were cancelled under the provisions of the Companies Act. The company also repurchased a further 2,934,255 B shares with a nominal value of £0.2m for consideration of £7.2m and cancelled them under the provisions of the Companies Act.

The issued share capital of the company at 31 December 2002 was 335,615,353 ordinary shares of 25 pence each and 7,546,387 B shares of 8 23/44 pence each.

At the annual general meeting held on 2 May 2002, shareholders authorised the company to purchase up to 33,505,797 ordinary shares and up to 10,480,642 B shares. These authorities were still valid at 31 December 2002 and will expire at the conclusion of the annual general meeting to be held on 15 May 2003. Resolutions to renew them will be put to shareholders at that meeting.

EMPLOYEE INVOLVEMENT

During 2002 the company continued to implement the longer term initiatives established in 2001 to reward, retain and develop its employees, and sought opportunities to benchmark itself against industry best practice.

Where possible, subsidiaries continued to support and develop the principles of flexible working as it has been demonstrated that employees value highly ways to help balance home and work priorities more effectively. These initiatives include in particular the increased use of homeworking, which helps to rationalise the use of office accommodation.

The online corporate voluntary benefits programme for employees launched in 2001 continued to ensure that employees had access to a wide variety of benefits and services to maximise their spending power.

All divisions continued to make management development a priority in 2002. A range of customised training solutions were offered at local level in order to underpin retention of staff initiatives and ensure managerial skills were developed to meet new business requirements and cope with the difficult trading conditions.

Progress continues to be made in furthering the company's commitment to diversity, which is championed at board level. Diversity forums were set up in 2002 in the US and UK to develop targeted initiatives aimed at recognising and valuing the diversity of the group's employees and creating a supportive and highly productive working environment for all. The company continued its membership of Opportunity Now to benchmark progress and take stock of best practice.

Employees throughout the group receive regular updates on corporate performance, business objectives and development through various formal and informal channels of communication, including local intranet sites and group meetings. A series of web chats were held during the year to allow employees from across the group a real time opportunity to provide feedback to and ask questions of divisional and board level executives. Good use of divisional staff consultative forums was also made to ensure employees received timely communication on relevant issues.

Selection of employees is determined on their aptitude, skills and ability that are relevant to the job. Should an employee become disabled during their employment, efforts are made to enable them to continue their career where possible, including appropriate re-training.

CORPORATE SOCIAL RESPONSIBILITY

The company actively supports corporate social responsibility. It has developed and introduced a range of modern employer, community involvement and product integrity programmes right across the group.

The board has adopted a statement of business principles which is published on the company's website and which outlines its core values in dealing with its principal stakeholders. These principles provide a framework within which the various divisions around the group have developed their own codes of conduct to enable them to prioritise those issues that are of key concern to their specific business.

In each of the group's market places, the integrity of the product or service offered is of paramount importance. Product performance is regularly measured and often publicly reported, as in the case of CMP Media's US publishing statistics. Businesses strive to improve their service to customers by the development and implementation of customer relationship management tools and measure their impact in this area by the use of customer satisfaction surveys.

The company seeks to maximise shareholder value by insisting on the highest standards of financial management, assessment of risk and control. This is achieved by means of detailed financial plans and procedures, setting clear performance targets and monitoring progress against them. Acquisitions are subject to rigorous investment targets which are designed to improve shareholder value and are benchmarked against alternative uses of capital. Financial reporting procedures are designed to ensure transparency and clarity of financial information.

The company pursues employment practices which are designed to assist its employees in achieving an appropriate work/life balance. Work place discrimination or harassment is not tolerated and procedures are in place to support these policies.

The company recognises that it has a role to play in supporting the community which is undertaken both by means of cash donations and by encouraging employees to provide their services as volunteers and facilitating their involvement in their local communities.

As part of the group's risk mapping process, which is described in more detail on page 28, companies within the group assess the risks attaching to the failure to implement social, ethical and environmental policies. These risks are considered by the board twice a year as part of its examination of the overall risk maps.

Due to the nature of its businesses, the group does not have a high environmental impact. Its principal impact arises from energy consumption, which the company continues to monitor and to set reduction targets where practicable. Overall energy consumption levels are expected to continue to decrease during 2003 both as a result of targeted reductions and as a consequence of the ongoing rationalisation of the group's property portfolio. Many of the group's business practices tend to support environmental good practice, for example the increasing use of new technology such as the internet to facilitate data collection within its market research businesses has led to reduced demand for paper resources.

The company continues to review and develop its reporting on relevant CSR issues and will provide periodic updates about these on its website.

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors are required by the Companies Act to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit or loss of the group for that period.

The directors confirm that in preparing the financial statements for the year ended 31 December 2002 the group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are also published on the United Business Media website; the maintenance and integrity of the website is the responsibility of the directors. Legislation in the United Kingdom governing the preparation and the dissemination of financial statements may differ from legislation in other jurisdictions.

DONATIONS

In 2002 the group donated £232,000 to charitable organisations (2001: £316,000). The group made no political donations during 2002 (2001: nil). At the annual general meeting held on 2 May 2002 shareholders approved a resolution allowing the company to make EU political donations and expenditure (as defined in the Companies Act) totalling in aggregate up to £100,000. This approval was sought as a precautionary measure in view of the broad definition of this term, and no such expenditure or donations were made during the year. A similar resolution will be proposed at the annual general meeting to be held on 15 May 2003.

REPORT OF THE DIRECTORS

SUBSTANTIAL SHAREHOLDINGS

As at 28 February 2003 the company had been notified of the following interests of 3 per cent or more in its issued ordinary share capital:-

	Number of ordinary shares held	Percentage of ordinary shares held
FMR Corp.	51,477,234	15.34
Franklin Resources Inc.	49,924,336	14.88
Schroders PLC	29,146,201	8.68
Legal & General	10,173,931	3.03

CREDITOR PAYMENT POLICY

In view of the diversity of its businesses the group does not offer or operate a uniform timetable for payment of suppliers. Each operating company is responsible for agreeing with its own suppliers the terms and conditions on which it will transact business with them, including payment terms. The group's policy is to pay suppliers in accordance with these agreed terms. The company has no trade creditors.

ANNUAL GENERAL MEETING

The annual general meeting of the company will be held on 15 May 2003. The notice of meeting and a description of the business to be transacted is contained in the accompanying document.

AUDITORS

Following the company's review of its audit arrangements the directors appointed Ernst & Young LLP as auditors in May 2002. Ernst & Young LLP have indicated their willingness to continue in office and a resolution for their re-appointment and on their remuneration will be proposed at the annual general meeting.

By order of the board

Anne Siddell
Secretary
28 February 2003

Registered office:
Ludgate House
245 Blackfriars Road
London
SE1 9UY

GROUP PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2002

Notes		Before exceptional items 2002 £m	Exceptional items (note 6) 2002 £m	Total 2002 £m	As restated Before exceptional items 2001 £m	As restated Exceptional items (note 6) 2001 £m	As restated Total 2001 £m
	Turnover – group and share of joint ventures						
	Continuing operations	819.2	–	819.2	959.4	–	959.4
	Discontinued operations	–	–	–	6.2	–	6.2
		819.2	–	819.2	965.6	–	965.6
1	Less: share of joint ventures' turnover	(25.8)	–	(25.8)	(33.1)	–	(33.1)
1	**Group turnover**	793.4	–	793.4	932.5	–	932.5
	Group operating loss						
	Continuing operations	(83.0)	(144.2)	(227.2)	(63.3)	(444.0)	(507.3)
	Discontinued operations	–	–	–	(15.1)	–	(15.1)
3	Group operating loss	(83.0)	(144.2)	(227.2)	(78.4)	(444.0)	(522.4)
5	Share of operating (loss)/profit in joint ventures and associates						
	Continuing operations	1.6	–	1.6	3.5	–	3.5
	Discontinued operations	–	–	–	(5.4)	–	(5.4)
		1.6	–	1.6	(1.9)	–	(1.9)
4	Income from other fixed asset investments	10.4	–	10.4	4.3	–	4.3
1	**Total operating loss**	(71.0)	(144.2)	(215.2)	(76.0)	(444.0)	(520.0)
6	Loss on sale and closure of businesses						
	Continuing operations	–	–	–	–	(32.9)	(32.9)
	Discontinued operations	–	(14.0)	(14.0)	–	(18.6)	(18.6)
		–	(14.0)	(14.0)	–	(51.5)	(51.5)
	Loss on ordinary activities before interest	(71.0)	(158.2)	(229.2)	(76.0)	(495.5)	(571.5)
7	Net interest income	10.1	–	10.1	35.8	–	35.8
30	Other finance expense	(2.1)	–	(2.1)	(1.5)	–	(1.5)
	Loss on ordinary activities before tax	(63.0)	(158.2)	(221.2)	(41.7)	(495.5)	(537.2)
8	Tax on loss on ordinary activities	(16.0)	–	(16.0)	(25.0)	–	(25.0)
	Loss on ordinary activities after tax	(79.0)	(158.2)	(237.2)	(66.7)	(495.5)	(562.2)
	Equity minority interests	(1.8)	–	(1.8)	(2.0)	–	(2.0)
	Loss for the financial year	(80.8)	(158.2)	(239.0)	(68.7)	(495.5)	(564.2)
10	Dividends – equity			(23.6)			(39.8)
	– non-equity			(0.6)			(325.3)
				(24.2)			(365.1)
25	**Retained loss for the financial year**			(263.2)			(929.3)
	Earnings/(loss) per share						
11	– before amortisation of intangible assets and exceptional items			16.5p			17.9p
11	– basic			(71.6)p			(146.3)p
11	– diluted			(71.6)p			(146.3)p

BALANCE SHEETS

at 31 December 2002

Notes		Group 2002 £m	As restated Group 2001 £m	Company 2002 £m	Company 2001 £m
	Fixed assets				
12	Intangible assets	**442.7**	736.8	**–**	–
13	Tangible assets	**67.3**	84.8	**–**	–
14	Investments in subsidiary undertakings	**–**	–	**3,543.9**	3,639.5
	Investments in joint ventures:				
14	– share of gross assets	**17.2**	18.5	**–**	–
14	– share of gross liabilities	**(4.4)**	(3.1)	**–**	–
	Investments in joint ventures	**12.8**	15.4	**–**	–
14	Investments in associated undertakings	**0.2**	0.2	**–**	–
14	Other investments	**169.5**	155.9	**–**	–
		692.5	993.1	**3,543.9**	3,639.5
	Current assets				
15	Stocks	**16.6**	17.0	**–**	–
16	Debtors	**163.3**	210.8	**102.3**	62.4
17	Investments	**1.5**	2.4	**–**	–
17	Short term liquid funds	**594.8**	592.8	**–**	–
	Cash at bank and in hand	**96.7**	353.0	**–**	–
		872.9	1,176.0	**102.3**	62.4
18	**Creditors:** amounts falling due within one year	**(605.9)**	(639.2)	**(34.5)**	(52.1)
	Net current assets/(liabilities)	**267.0**	536.8	**67.8**	10.3
	Total assets less current liabilities	**959.5**	1,529.9	**3,611.7**	3,649.8
	Creditors: amounts falling due after more than one year				
19	Bank and other loans	**(338.5)**	(424.8)	**(385.5)**	(424.8)
20	Other creditors	**(13.3)**	(23.5)	**(2,398.5)**	(2,066.0)
21	Convertible debt	**(245.0)**	(434.5)	**–**	(178.7)
		(596.8)	(882.8)	**(2,784.0)**	(2,669.5)
23	**Provisions for liabilities and charges**	**(58.5)**	(41.0)	**–**	–
	Net assets excluding pension liability	**304.2**	606.1	**827.7**	980.3
30	**Pension liability**	**(90.9)**	(41.0)	**–**	–
	Net assets including pension liability	**213.3**	565.1	**827.7**	980.3
	Capital and reserves				
24	Called up share capital	**84.5**	95.9	**84.5**	95.9
25	Share premium account	**308.5**	305.8	**308.5**	305.8
25	Merger reserve	**31.3**	31.3	**–**	–
25	Other reserves	**167.8**	156.2	**126.1**	114.5
25	Profit and loss account	**(380.8)**	(26.2)	**308.6**	464.1
	Shareholders' funds (including non-equity interests)	**211.3**	563.0	**827.7**	980.3
	Equity minority interests	**2.0**	2.1	**–**	–
	Capital employed	**213.3**	565.1	**827.7**	980.3
	Equity shareholders' funds	**210.7**	550.8	**827.1**	968.1
	Non-equity shareholders' funds	**0.6**	12.2	**0.6**	12.2
	Shareholders' funds	**211.3**	563.0	**827.7**	980.3

These financial statements were approved by a duly appointed and authorised committee of the board of directors on 28 February 2003 and were signed on its behalf by:

Geoff Unwin Director

Clive Hollick Director

GROUP CASH FLOW STATEMENT

for the year ended 31 December 2002

Notes		2002 £m	As restated 2001 £m
27	**Net cash inflow from operating activities**	**55.5**	14.7
	Dividends received from joint ventures and associated undertakings	**0.9**	1.0
	Returns on investments and servicing of finance		
	Interest received	**45.5**	79.4
	Interest paid	**(41.1)**	(55.8)
	Dividends paid to minority shareholders	**(1.9)**	(1.9)
	Dividends paid to non-equity shareholders	**(0.9)**	(324.6)
	Income from other fixed asset investments	**13.6**	4.3
	Finance costs incurred in raising debt	**–**	(4.3)
	Net cash inflow/(outflow) from returns on investments and servicing of finance	**15.2**	(302.9)
	Taxation		
	UK corporation tax received	**3.4**	15.3
	Overseas tax received/(paid)	**11.9**	(19.4)
	Taxation received/(paid)	**15.3**	(4.1)
	Capital expenditure and financial investment		
	Purchase of tangible fixed assets	**(10.9)**	(31.7)
	Proceeds from sale of tangible fixed assets	**1.0**	4.0
	Purchase of other intangible assets	**(0.3)**	(2.4)
	Proceeds from sale of investments	**–**	1.7
	Purchase of investments	**(11.9)**	(79.2)
	Net cash outflow from capital expenditure and financial investment	**(22.1)**	(107.6)
	Acquisitions and disposals		
	Purchase of subsidiary undertakings and businesses	**(1.3)**	(127.8)
	Net cash acquired with subsidiary undertakings and businesses	**–**	10.4
	Investments in joint ventures and associated undertakings	**(0.1)**	(7.3)
	Proceeds from sale of joint ventures and associated undertakings	**–**	22.3
	Costs incurred on the sale and closure of operations	**(19.0)**	(5.7)
	Net cash outflow from acquisitions and disposals	**(20.4)**	(108.1)
	Equity dividends paid to shareholders	**(13.5)**	(93.2)
	Net cash inflow/(outflow) before use of liquid resources and financing	**30.9**	(600.2)
	Management of liquid resources		
	(Purchase)/sale of current asset investments	**(42.4)**	469.0
	Decrease in short term deposits	**264.4**	755.1
	Net cash inflow from management of liquid resources	**222.0**	1,224.1
	Financing		
	Proceeds from issue of ordinary share capital	**2.9**	6.6
	Return of capital to shareholders (including costs)	**(7.4)**	(901.3)
	Proceeds from issue of convertible bond	**–**	274.8
	Repurchase of bond	**(164.0)**	(14.6)
	(Decrease)/increase in bank loans	**(47.8)**	0.2
	Repayment of loan stock	**(23.6)**	(1.7)
	Net cash outflow from financing	**(239.9)**	(636.0)
	Increase/(decrease) in cash in the year	**13.0**	(12.1)

Reconciliation of net cash flow to movement in net cash	2002 £m	2001 £m
Increase/(decrease) in cash in the year	**13.0**	(12.1)
Cash outflow/(inflow) from decrease/(increase) in debt	**235.4**	(254.2)
Cash inflow from decrease in liquid resources	**(222.0)**	(1,224.1)
Changes in net cash resulting from cash flows	**26.4**	(1,490.4)
Other non-cash movements	**(6.2)**	(2.0)
Translation difference	**24.0**	(11.3)
Movement in net cash in year	**44.2**	(1,503.7)
Opening net cash	**49.3**	1,553.0
Closing net cash	**93.5**	49.3

Liquid resources include term deposits and government and corporate securities.

STATEMENT OF GROUP TOTAL RECOGNISED GAINS AND LOSSES

for the year ended 31 December 2002

	2002 £m	As restated 2001 £m
Loss for the financial year	**(239.0)**	(564.2)
Currency translation differences on foreign currency net investments:		
Group	**(32.5)**	16.2
Joint ventures	**(0.9)**	(0.1)
Associates	**–**	(0.1)
Actuarial loss recognised in the pension schemes	**(50.6)**	(49.0)
Other recognised losses for the year	**(84.0)**	(33.0)
Total recognised gains and losses for the year	**(323.0)**	(597.2)
Prior year adjustment – implementation of FRS 17 (see note 25)	**(48.9)**	–
Total gains and losses recognised since last annual report	**(371.9)**	(597.2)

The historical cost result is not materially different from the reported loss in either year.

RECONCILIATION OF MOVEMENTS IN GROUP SHAREHOLDERS' FUNDS

for the year ended 31 December 2002

	2002 £m	As restated 2001 £m
Opening shareholders' funds as reported	**611.9**	2,423.9
Prior year adjustment	**(48.9)**	(3.9)
Opening shareholders' funds – restated	**563.0**	2,420.0
Loss for the financial year	**(239.0)**	(564.2)
Equity dividends	**(23.6)**	(39.8)
Non-equity dividends on B shares (see note 10)	**(0.6)**	(325.3)
	299.8	1,490.7
Other recognised losses relating to the year	**(84.0)**	(33.0)
New share capital subscribed	**2.9**	6.6
Return of capital to shareholders (see note 24)	**(7.4)**	(901.3)
Closing shareholders' funds	**211.3**	563.0

GROUP ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, in accordance with applicable Accounting Standards in the United Kingdom. With the exception of the matters referred to below, the financial statements have been prepared on a basis consistent with prior years.

In preparing the financial statements for the current year, the group has adopted FRS 19 "Deferred Tax" which has resulted in a change of accounting policy for deferred tax. The implementation of the standard has had no material impact on the results or balance sheet of the group and accordingly, no prior year adjustment is required.

The group has adopted FRS 17 "Retirement Benefits" in these financial statements. The adoption of this standard represents a change in accounting policy and the comparative figures have been restated accordingly. Details of the effect of adopting FRS 17 are given in note 25.

CONSOLIDATION

The financial statements include the financial statements of the company and all its subsidiaries, made up to 31 December, or within one week of that date, together with the group's share of the results for the year and of the book values of the net assets and attributable goodwill of joint ventures and associates. The results of subsidiaries and joint ventures and associates acquired or sold during the year are included from or to the effective date of acquisition or disposal.

TURNOVER

Turnover, which is stated net of trade discounts, VAT and other sales related taxes, is recognised as follows:

Publishing: advertising revenue is recognised on issue of the publication.

Exhibitions: revenue is recognised when the show has been completed. Deposits received in advance are recorded as deferred income in the balance sheet.

Market research: revenue is recognised on a completed contract basis. Work in progress amounts are recorded in the balance sheet at cost. Syndicated revenues are recognised on completion and any subsequent sales are recognised as they arise.

News distribution: revenue is recognised on message delivery.

GOODWILL AND INTANGIBLE FIXED ASSETS

Purchased goodwill is capitalised as an intangible asset and amortised on a straight-line basis over its estimated useful life, which the directors view as being a period generally between six and twenty years based on the nature, age and stability of the industry in which the business operates. Where a business is sold, or where goodwill is considered to have been impaired, the net book value of goodwill or the amount of impaired goodwill, as applicable, is charged through the profit and loss account as part of the profit or loss on disposal or through operating profit in the year of impairment.

Impairment reviews are carried out at the end of the first full financial year after acquisition and on the occurrence of any event or change in circumstances indicating that there may have been a decline in the carrying value or change in useful life.

Following the impairment review in 2001, a reappraisal of estimated useful lives adopted for goodwill and intangible assets has been undertaken. As a result, the estimated useful lives of the goodwill relating to certain businesses have been reduced. The impact of this revision has been to increase the amortisation charge for the year by £34m.

Other intangible assets comprise certain product rights including licences and related costs, which are amortised over the shorter of their useful lives or the licence period; and publishing rights and titles and purchased Internet domain names and websites, which are amortised on a straight line basis over their estimated useful lives, not exceeding two years.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets except freehold land. Depreciation rates are calculated so that assets are written down to residual value in equal annual instalments over their expected useful lives, which are as follows:

Freehold buildings and long leasehold property	10-70 years
Short leasehold property	Term of lease
General plant, machinery and equipment	5-20 years
Computer equipment	3 years
Motor vehicles	3-5 years

Software costs are written off as incurred, except for purchases from third parties in respect of major systems. In such cases, the costs are written off over the expected useful life of the asset, not exceeding five years from the date of implementation of the software.

STOCKS

Stocks and work in progress are valued on the first in first out basis at the lower of cost and net realisable value. Cost comprises materials, direct labour and a proportion of attributable production and other overheads.

OPERATING LEASES

Operating lease rentals are charged to the profit and loss account as they arise.

INVESTMENTS

Listed and unlisted investments are stated at the lower of cost and market value or directors' valuation. Investments in subsidiaries included in the company's balance sheet are stated at cost or nominal value of shares issued where merger relief is taken, less any provision for impairment. Investments in companies where the group both has a participating interest and exercises significant influence over the entity's financial and operating policies (through board representation and participation in financial and operating policy decisions) are included as associates under the equity method of accounting.

INVESTMENTS (continued)

Similarly, investments in companies where the group holds a long-term interest that arises as a result of a contractual arrangement and is jointly controlled by the group and other venturers are included as joint ventures under the gross equity method of accounting. The figures included in the financial statements are based on audited accounts, adjusted where necessary by reference to management accounts for the period up to 31 December. Where the accounting policies of associates and/or joint ventures do not conform in all material respects to those of the group, adjustments are made on consolidation.

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for taxable gains arising from the revaluation (and similar fair value adjustments) of fixed assets that have been rolled over into replacement assets, only to the extent that there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;
- Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable; and
- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the period on which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

FOREIGN CURRENCIES

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the date of the balance sheet. The trading results of foreign subsidiary undertakings are translated into sterling at an average of the exchange rates ruling for the year. Differences arising on the retranslation of investments, including goodwill, in foreign subsidiary undertakings and related net foreign currency borrowings, and from the translation of the results of those undertakings at average rate, are taken to reserves, and are reported in the statement of total recognised gains and losses. All other exchange differences are taken to the profit and loss account.

PENSION COSTS

The group sponsors a number of defined benefit schemes and defined contribution schemes. The group has adopted FRS17 "Retirement Benefits" in the financial statements, and this has been treated as a change in accounting policy and resulted in an adjustment of the prior year financial statements as described in note 25. For the defined contribution schemes, the profit and loss charge represents the contributions payable to the scheme during the accounting period. The assets of the defined benefit pension schemes are measured at their market value at the balance sheet date and the liabilities of those schemes are measured using the projected unit method. The discount rate used is the current rate of return on a AA corporate bond of equivalent term and currency to the liabilities. The extent to which the schemes' assets exceed/fall short of their liabilities is shown as a surplus/deficit in the balance sheet to the extent that a surplus is recoverable by the group or that a deficit represents an obligation of the group.

The following is charged to operating profit:

- the increase in the present value of pension scheme liabilities arising from employee service in the current period
- the increase in the present value of pension scheme liabilities as a result of benefit improvements over the period during which such improvements vest.
- gains and losses arising on settlements/curtailments

A credit in respect of the expected return on the schemes' assets and a charge in respect of the increase during the period in the present value of the schemes' liabilities because the benefits are one period closer to settlement are included in other finance income. Actuarial gains and losses are recognised in the statement of total recognised gains and losses.

FINANCIAL INSTRUMENTS

The group currently uses several types of financial instruments as part of an overall risk management strategy. It does not enter into financial instruments for speculative purposes. The accounting treatment adopted depends upon the risk that is being hedged. Interest rate risk associated with net debt is managed centrally by using fixed rate borrowings and financial instruments such as interest rate swaps. Interest differentials under interest rate swaps, forward rate agreements, caps and collars are recognised by adjustment of the underlying interest receivable or payable over the term of the agreement and as such are accrued to the profit and loss account on a time apportioned basis. To mitigate the effect of currency translation risks relating to foreign currency denominated net assets, the group uses foreign currency borrowings where appropriate to provide an economic hedge. Gains and losses arising on overseas net assets and the financial instruments used to hedge the associated currency risks are taken to reserves and are reported in the statement of total recognised gains and losses (see "Foreign currencies" above). Currency net transaction risks on monetary assets and liabilities and forecast trading flows of the group are hedged in all material respects as they arise, generally using forward foreign exchange contracts. Any gains or losses arising on such arrangements are deferred and recognised in operating profit or as adjustments to carrying amount when the hedged transaction has itself been reflected in the group's financial statements upon maturity of the contract. The forward premium or discount for these contracts is not accounted for as interest but as part of the hedge achieved. If underlying forecast flows do not materialise as envisaged, the hedges are either reversed or swapped forward to a future financing period. The adjusting hedges are then accounted for through the profit and loss account to match the revised underlying exposure being hedged. Currency options may be purchased to hedge forecast trading flows. These are accounted for in the same manner as the forward foreign exchange contracts above except that the premium paid is deferred to the point of exercise or lapse of the option. Further information on the accounting policy for financial instruments can be found in note 22.

NOTES TO THE FINANCIAL STATEMENTS

1. BUSINESS ANALYSIS

	Group 2002 £m	Group share of joint ventures 2002 £m	Group 2001 £m	Group share of joint ventures 2001 £m
Turnover by division				
Continuing operations:				
CMP Media	252.4	9.0	370.4	12.9
CMP Asia	51.1	3.6	49.0	3.2
CMP Information	113.4	4.5	130.8	4.2
United Advertising Publications	58.1	–	57.4	–
Professional media	475.0	17.1	607.6	20.3
News distribution	105.4	8.7	128.0	8.6
Market research	213.0	–	194.9	–
Continuing operations	793.4	25.8	930.5	28.9
Discontinued operations:				
Professional media – CMP Information	–	–	2.0	4.2
Discontinued operations	–	–	2.0	4.2
	793.4	25.8	932.5	33.1
by geographic market				
United Kingdom	216.6	4.5	234.2	8.4
North America	502.2	17.0	625.0	21.3
Europe and Middle East	28.1	0.7	28.8	0.2
Pacific	46.5	3.6	44.5	3.2
	793.4	25.8	932.5	33.1

Turnover analysis is based on turnover by origin. Turnover by destination would not be materially different.

	2002 £m	As restated 2001 £m
Net operating assets by division		
CMP Media	181.9	337.2
CMP Asia	6.6	21.8
CMP Information	29.7	72.8
United Advertising Publications	7.2	9.8
Professional media	225.4	441.6
News distribution	34.2	70.5
Market research	59.7	129.4
	319.3	641.5
by geographic market		
United Kingdom	52.6	60.3
North America	258.0	547.6
Europe and Middle East	1.6	10.3
Pacific	7.1	23.3
	319.3	641.5
Reconciliation of net operating assets to net assets		
Net operating assets	319.3	641.5
Investments	778.7	761.6
Corporation tax	(277.4)	(247.2)
Net borrowings	(502.5)	(545.7)
Proposed dividend	(13.9)	(4.1)
Pension liability	(90.9)	(41.0)
Net assets	213.3	565.1

Discontinued operations in 2001 include UK online business to business and business to customer activities which have been disposed or closed.

The caption "Professional Media" has been separately analysed into its underlying businesses and comparatives have been shown accordingly.

1. BUSINESS ANALYSIS (continued)

	Group 2002 £m	Group share of joint ventures 2002 £m	Group share of associates 2002 £m	Subtotal 2002 £m	Exceptional items 2002 £m	Total 2002 £m
Operating profit before amortisation of intangible assets by division*						
Continuing operations:						
CMP Media	(9.9)	0.5	–	(9.4)	(11.3)	(20.7)
CMP Asia	13.6	0.1	–	13.7	(0.7)	13.0
CMP Information	12.5	0.2	–	12.7	(5.8)	6.9
United Advertising Publications	12.7	–	–	12.7	(0.8)	11.9
Professional media	28.9	0.8	–	29.7	(18.6)	11.1
News distribution	14.3	3.0	–	17.3	(4.1)	13.2
Market research	17.9	–	–	17.9	(7.3)	10.6
Continuing operations	61.1	3.8	–	64.9	(30.0)	34.9
Discontinued operations (note 1a)	–	–	–	–	–	–
Operating profit before amortisation of intangible assets*	61.1	3.8	–	64.9	(30.0)	34.9
Amortisation of intangible assets	(133.7)	(2.2)	–	(135.9)	(114.2)	(250.1)
Operating profit/(loss) by division*						
Continuing operations:						
CMP Media	(79.3)	(0.7)	–	(80.0)	(71.3)	(151.3)
CMP Asia	(0.5)	–	–	(0.5)	(0.7)	(1.2)
CMP Information	(9.5)	0.2	–	(9.3)	(5.8)	(15.1)
United Advertising Publications	11.7	–	–	11.7	(0.8)	10.9
Professional media	(77.6)	(0.5)	–	(78.1)	(78.6)	(156.7)
News distribution	8.9	2.1	–	11.0	(21.3)	(10.3)
Market research	(3.9)	–	–	(3.9)	(44.3)	(48.2)
Continuing operations	(72.6)	1.6	–	(71.0)	(144.2)	(215.2)
Discontinued operations (note 1a)	–	–	–	–	–	–
Operating loss*	(72.6)	1.6	–	(71.0)	(144.2)	(215.2)
Non-operating exceptional items						(14.0)
Net interest and other financial income						8.0
Loss on ordinary activities before tax						(221.2)
by geographic market						
United Kingdom	(27.6)	0.5	–	(27.1)	(24.6)	(51.7)
North America	(54.5)	1.9	–	(52.6)	(112.4)	(165.0)
Europe and Middle East	12.5	(0.8)	–	11.7	(7.2)	4.5
Pacific	(3.0)	–	–	(3.0)	–	(3.0)
Operating loss*	(72.6)	1.6	–	(71.0)	(144.2)	(215.2)
Non-operating exceptional items						(14.0)
Net interest and other financial income						8.0
Loss on ordinary activities before tax						(221.2)

*Includes income from other fixed asset investments

NOTES TO THE FINANCIAL STATEMENTS

1. **BUSINESS ANALYSIS** (continued)	As restated Group 2001 £m	Group share of joint ventures 2001 £m	Group share of associates 2001 £m	As restated Subtotal 2001 £m	As restated Exceptional items 2001 £m	As restated Total 2001 £m
Operating profit before amortisation of intangible assets by division*						
Continuing operations:						
CMP Media	(8.8)	1.0	–	(7.8)	(37.8)	(45.6)
CMP Asia	13.3	0.1	–	13.4	–	13.4
CMP Information	6.4	0.5	–	6.9	(21.2)	(14.3)
United Advertising Publications	9.4	–	–	9.4	(1.4)	8.0
Professional media	20.3	1.6	–	21.9	(60.4)	(38.5)
News distribution	32.8	3.0	–	35.8	(6.4)	29.4
Market research	24.1	(0.1)	–	24.0	(7.2)	16.8
Continuing operations	77.2	4.5	–	81.7	(74.0)	7.7
Discontinued operations (note 1a)	(15.0)	(3.8)	(1.3)	(20.1)	–	(20.1)
Operating profit before amortisation of intangible assets*	62.2	0.7	(1.3)	61.6	(74.0)	(12.4)
Amortisation of intangible assets	(136.3)	(1.0)	(0.3)	(137.6)	(370.0)	(507.6)
Operating profit/(loss) by division*						
Continuing operations:						
CMP Media	(98.2)	1.0	–	(97.2)	(407.8)	(505.0)
CMP Asia	(17.1)	(0.1)	–	(17.2)	–	(17.2)
CMP Information	3.2	0.5	–	3.7	(21.2)	(17.5)
United Advertising Publications	8.4	–	–	8.4	(1.4)	7.0
Professional media	(103.7)	1.4	–	(102.3)	(430.4)	(532.7)
News distribution	27.9	2.2	–	30.1	(6.4)	23.7
Market research	16.8	(0.1)	–	16.7	(7.2)	9.5
Continuing operations	(59.0)	3.5	–	(55.5)	(444.0)	(499.5)
Discontinued operations (note 1a)	(15.1)	(3.8)	(1.6)	(20.5)	–	(20.5)
Operating loss*	(74.1)	(0.3)	(1.6)	(76.0)	(444.0)	(520.0)
Non-operating exceptional items						(51.5)
Net interest and other financial income						34.3
Loss on ordinary activities before tax						(537.2)
by geographic market						
United Kingdom	(32.2)	(3.4)	(1.6)	(37.2)	(94.4)	(131.6)
North America	(62.4)	3.9	–	(58.5)	(349.6)	(408.1)
Europe and Middle East	7.9	(0.8)	–	7.1	–	7.1
Pacific	12.6	–	–	12.6	–	12.6
Operating loss*	(74.1)	(0.3)	(1.6)	(76.0)	(444.0)	(520.0)
Non-operating exceptional items						(51.5)
Net interest and other financial income						34.3
Loss on ordinary activities before tax						(537.2)

*Includes income from other fixed asset investments

1. BUSINESS ANALYSIS (continued)	Group 2002 £m	Group share of joint ventures 2002 £m	Group share of associates 2002 £m	Subtotal 2002 £m	Exceptional items 2002 £m	Total 2002 £m
(a) Analysis of discontinued operations						
Operating loss before amortisation of intangible assets by division						
Professional media	–	–	–	–	(14.0)	(14.0)
Discontinued operations	–	–	–	–	(14.0)	(14.0)
Amortisation of intangible assets	–	–	–	–	–	–
Operating loss by division						
Professional media	–	–	–	–	(14.0)	(14.0)
Discontinued operations	–	–	–	–	(14.0)	(14.0)

	Group 2001 £m	Group share of joint ventures 2001 £m	Group share of associates 2001 £m	Subtotal 2001 £m	Exceptional items 2001 £m	Total 2001 £m
Operating loss before amortisation of intangible assets by division						
Professional media – CMP Information	(15.0)	(3.8)	(1.3)	(20.1)	–	(20.1)
Discontinued operations	(15.0)	(3.8)	(1.3)	(20.1)	–	(20.1)
Amortisation of intangible assets	(0.1)	–	(0.3)	(0.4)	–	(0.4)
Operating loss by division						
Professional media – CMP Information	(15.1)	(3.8)	(1.6)	(20.5)	–	(20.5)
Discontinued operations	(15.1)	(3.8)	(1.6)	(20.5)	–	(20.5)

During 2002, UBM settled an outstanding legal claim relating to the planned merger with Carlton Communications plc in 2000 and the subsequent sale of the group’s television businesses. The exceptional cost of this claim to the group, net of associated receipts, amounted to £14.0m.

Discontinued operations in 2001 include UK online business to business and business to customer activities which have been disposed of or closed.

2. RECONCILIATION OF OPERATING PROFIT BEFORE AMORTISATION AND EXCEPTIONALS TO LOSS BEFORE TAX

	2002 £m	As restated 2001 £m
Operating profit before amortisation of intangible assets and exceptional items	64.9	61.6
Net interest income	10.1	35.8
Other finance expense	(2.1)	(1.5)
Amortisation of intangible assets		
– Group	(133.7)	(136.3)
– Joint ventures and associates	(2.2)	(1.3)
Exceptional items charged to operating profit (see note 6)		
– Impairment of goodwill	(114.2)	(370.0)
– Restructuring costs	(30.0)	(74.0)
Exceptional items charged to loss before tax	(14.0)	(51.5)
Loss before tax	(221.2)	(537.2)

3. COST OF SALES AND OPERATING EXPENSES

	Before exceptional items Total 2002 £m	Exceptional items 2002 £m	Total 2002 £m
Changes in stocks of finished goods and work in progress	(0.7)	–	(0.7)
Other operating income	16.2	–	16.2
Raw materials and consumables	(117.5)	–	(117.5)
Other external charges	(317.0)	(30.0)	(347.0)
Staff costs	(300.5)	–	(300.5)
	(719.5)	(30.0)	(749.5)
Depreciation of tangible assets	(23.2)	–	(23.2)
Amortisation of intangible assets	(133.7)	(114.2)	(247.9)
	(876.4)	(144.2)	(1,020.6)
Cost of sales	(282.2)	–	(282.2)
Distribution costs	(200.8)	–	(200.8)
Administrative expenses	(409.6)	(144.2)	(553.8)
Other operating income	16.2	–	16.2
	(876.4)	(144.2)	(1,020.6)

3. COST OF SALES AND OPERATING EXPENSES (continued)

	As restated Before exceptional items Continuing 2001 £m	Before exceptional items Discontinued 2001 £m	As restated Before exceptional items Total 2001 £m	As restated Exceptional Items 2001 £m	As restated Total 2001 £m
Changes in stocks of finished goods and work in progress	(1.3)	–	(1.3)	–	(1.3)
Other operating income	6.1	–	6.1	–	6.1
Raw materials and consumables	(122.9)	–	(122.9)	–	(122.9)
Other external charges	(379.6)	(14.0)	(393.6)	(55.5)	(449.1)
Staff costs	(336.6)	(3.0)	(339.6)	(18.5)	(358.1)
	(834.3)	(17.0)	(851.3)	(74.0)	(925.3)
Depreciation of tangible assets	(23.3)	–	(23.3)	–	(23.3)
Amortisation of intangible assets	(136.2)	(0.1)	(136.3)	(370.0)	(506.3)
	(993.8)	(17.1)	(1,010.9)	(444.0)	(1,454.9)
Cost of sales	(358.8)	–	(358.8)	–	(358.8)
Distribution costs	(252.3)	–	(252.3)	–	(252.3)
Administrative expenses	(388.8)	(17.1)	(405.9)	(444.0)	(849.9)
Other operating income	6.1	–	6.1	–	6.1
	(993.8)	(17.1)	(1,010.9)	(444.0)	(1,454.9)

	Before exceptional items Total 2002 £m	**Exceptional items 2002 £m**	**Total 2002 £m**
Included within other external charges:			
Operating lease charges			
– hire of plant, machinery and vehicles	**(2.5)**	**–**	**(2.5)**
– property	**(33.8)**	**–**	**(33.8)**
Auditors' remuneration – as auditors (company £10,000)	**(0.6)**	**–**	**(0.6)**
Redundancy and other restructuring costs (net of curtailment)	**(8.5)**	**(30.0)**	**(38.5)**

	Before exceptional items Continuing 2001 £m	Before exceptional items Discontinued 2001 £m	Before exceptional items Total 2001 £m	As restated Exceptional items 2001 £m	As restated Total 2001 £m
Included within other external charges:					
Operating lease charges					
– hire of plant, machinery and vehicles	(5.1)	–	(5.1)	–	(5.1)
– property	(36.4)	(0.2)	(36.6)	–	(36.6)
Auditors' remuneration – as auditors (company £10,000)	(0.7)	–	(0.7)	–	(0.7)
Redundancy and other restructuring costs (net of curtailment)	–	–	–	(59.9)	(59.9)

3. COST OF SALES AND OPERATING EXPENSES (continued)

During the year, the company undertook a review of its audit arrangements. Following a selection process involving three major firms, Ernst & Young were appointed as auditors to the group with effect from 2002. The auditors' remuneration shown above for 2002 represents fees payable to Ernst & Young; the auditors' remuneration for 2001 represents fees payable to PricewaterhouseCoopers, the previous auditors.

Non-audit fees paid to Ernst and Young in the year totalled £0.1m, principally relating to taxation services.

Non-audit fees paid to PricewaterhouseCoopers in 2001 totalled £4.0m, including £0.3m charged as exceptional items relating to the Group Process Review and £3.7m in respect of taxation services and support to other corporate activity.

The Audit Committee has established policy guidelines on the nature of non-audit work which may be undertaken by the auditors. These guidelines identify a number of categories of work where the auditors will not be employed, including financial due diligence assignments on potential acquisitions and financial systems consultancy. The Audit Committee has also put in place procedures for the pre-approval of any fees payable to the auditors for those non-audit services which fall within the policy guidelines.

Professional firms are selected to provide advisory services on the basis of their relevant experience and expertise. For major projects, it is the group's policy to undertake a competitive tendering process. In certain circumstances, for example for reasons of confidentiality or knowledge of the group's businesses and structures, it is appropriate to employ the group's auditors to provide such services without a competitive tender being undertaken.

4. INCOME FROM OTHER FIXED ASSET INVESTMENTS

	2002 £m	2001 £m
Income from unlisted investments	10.4	4.3

5. SHARE OF OPERATING (LOSS)/PROFIT IN JOINT VENTURES AND ASSOCIATES (BEFORE EXCEPTIONAL ITEMS)

	2002 £m	2001 £m
Joint ventures and associates within continuing operations	3.8	4.4
Joint ventures and associates within acquisitions	–	0.1
	3.8	4.5
Joint ventures and associates within discontinued operations	–	(5.1)
Amortisation of goodwill	(2.2)	(1.3)
	1.6	(1.9)

6. EXCEPTIONAL ITEMS

	2002 £m	As restated 2001 £m
Charged to operating loss:		
Continuing operations:		
Costs of integration of acquired businesses	–	(5.1)
Group Process Review costs (note (a))	–	(9.0)
Other restructuring costs (note (b))	(30.0)	(59.9)
Goodwill impairment (note (c))	(114.2)	(370.0)
Continuing operations	(144.2)	(444.0)
Total charged to operating loss	(144.2)	(444.0)
Charged to loss before tax		
Payments relating to prior year disposals (note (d))	(14.0)	–
Loss on sale or closure of businesses (note (e))	–	(51.5)
Total charged after operating loss	(14.0)	(51.5)
Total charged to loss on ordinary activities before tax	(158.2)	(495.5)
Tax on exceptional items:	–	–

(a) The Group Process Review was a programme that aimed to achieve operating efficiencies through re-engineering of systems and processes within the business. All remaining projects were completed during 2001.

(b) Other restructuring costs in 2002 relate to additional provisions for vacant properties. In 2001 it included vacant property provisions and redundancy costs which resulted from the restructuring and other cost reduction and business re-engineering programmes in 2001. Restructuring costs in 2001 have been restated to take account of FRS 17 adjustments for curtailment credits of £4.9m arising from these redundancies.

(c) In accordance with the requirements of FRS 11 "Impairment of fixed assets and goodwill", the directors have considered the carrying value of the group's purchased goodwill, and, in the light of market conditions, made a provision for impairment. In determining the amount of the impairment, which was calculated on a net realisable value basis, the directors considered a number of factors, including the current and prospective revenues, earnings and cash flows from the businesses.

(d) During the period, UBM settled an outstanding claim relating to the planned merger with Carlton Communications plc in 2000 and the subsequent sale of the group's television business. The exceptional cost of this claim to the group, net of associated receipts amounted to £14.0m, all or which has been reflected in the cash flow statement.

(e) Loss on sale or closure of businesses in 2001 included the loss on sale or closure of a number of UK online based business to business and business to consumer activities and included goodwill and investment write downs together with provisions for planned future closures and disposals. Of the loss on sale or closure, £32.9m related to continuing operations and £18.6m related to discontinued businesses. The analysis by business segment is: £47.0m – professional media, £3.6m – news distribution and £0.9m - market research

7. NET INTEREST INCOME/(EXPENSE)

		2002 £m	2001 £m
Interest receivable		55.6	87.4
Interest payable	– on bank loans and overdrafts	(1.9)	(1.8)
	– on other loans	(43.6)	(49.2)
Group		10.1	36.4
Share of joint ventures		–	(0.6)
Share of associates		–	–
		10.1	35.8

Interest receivable includes £8.8m (2001: £7.4m) of interest receivable from Channel 5 Television Group Limited in respect of shareholder loans.

8. TAX ON LOSS ON ORDINARY ACTIVITIES

	2002 £m	2001 £m
a) Analysis of tax charge for the year:		
UK corporation tax at 30.0% (2001: 30.0%)	(0.5)	(1.0)
Overseas corporation tax	15.3	24.7
Tax relating to share of profit of joint ventures	1.2	1.3
	16.0	25.0

	2002 £m	2001 £m
b) Factors affecting tax charge for the year:		
Loss on ordinary activities before tax	(161.2)	(537.2)
Loss on ordinary activities before tax multiplied by standard rate of corporation tax in the UK of 30%	(48.4)	(161.2)
Effect of:		
Expenses not deductible for tax purposes (primarily goodwill amortisation)	76.9	203.3
Tax effect of items not recognised in consolidated financial statements	(8.0)	(20.2)
Reversal of timing differences	(1.2)	14.7
Higher tax rates on overseas earnings	(3.7)	(11.1)
Other	0.4	(0.5)
Tax on loss on ordinary activities	16.0	25.0

c) Factors that may affect future tax:

No deferred tax has been recognised on the retained profits and reserves of overseas subsidiaries or joint ventures or associated undertakings as there is currently no intention to remit such amounts to the UK.

Deferred tax assets have not been recognised, having given consideration to the likelihood of recovery of the balance.

9. LOSS FOR THE FINANCIAL YEAR OF THE COMPANY

As permitted by Section 230 of the Companies Act 1985, the company's profit and loss account has not been presented. A loss of £(123.9)m (2001: loss of £(285.8)m) has been included within the group results and dealt with in the financial statements of the company.

10. DIVIDENDS

	2002 £m	2001 £m
Equity dividends		
Ordinary shares:		
Interim of 3.0 p (2001: 11.0 p)	10.1	36.4
Proposed final of 4.0 p (2001: 1.0 p)	13.5	3.4
Non-equity dividends – B shares	0.6	325.3
	24.2	365.1

In 2002, non-equity dividends relate to the accrual for the LIBOR linked dividend on 7,546,387 B shares remaining in issue. The non-equity dividend in 2001 represented the single dividend of 245 pence per share paid to the holders of 132,484,195 B shares who elected for this option, together with the accrual for the LIBOR linked dividend of £0.7m on 10,480,642 B shares remaining in issue (see note 24).

11. EARNINGS/(LOSS) PER SHARE

	2002 Earnings/ (loss) £m	2002 Weighted average number of shares million	2002 Earnings/ (loss) per share pence	2001 Earnings/ (loss) £m	2001 Weighted average number of shares million	2001 Earnings/ (loss) per share pence
Earnings per share before amortisation of intangible assets and exceptional items	**55.1**	**333.8**	**16.5**	68.9	385.7	17.9
Adjustment in respect of amortisation of intangible assets	**(135.9)**	**–**	**(40.7)**	(137.6)	–	(35.7)
Adjustment in respect of exceptional items	**(158.2)**	**–**	**(47.4)**	(495.5)	–	(128.5)
Basic loss per share	**(239.0)**	**333.8**	**(71.6)**	(564.2)	385.7	(146.3)
Effect of dilutive securities:						
Options	**–**	**–**	**–**	–	–	–
Convertible debt	**–**	**–**	**–**	–	–	–
Diluted loss per share	**(239.0)**	**333.8**	**(71.6)**	(564.2)	385.7	(146.3)

Earnings per share before amortisation of intangible assets and exceptional items are presented as the directors consider that this presents a meaningful measure of the performance of the group.

For diluted earnings per share, the weighted average number of shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The group has three categories of dilutive potential ordinary shares: those share options granted to employees where the exercise price is less than the average market price of the company's ordinary shares during the year, those shares which may be issued under the Long Term Incentive Plan ("LTIP") and shares attributable to convertible debt. No adjustment has been made for the dilutive impact in 2002 as this would decrease reported loss per share. The impact of dilutive securities in 2002 would be to decrease the loss by £4.1m for convertible debt (2001: £7.6m) and to increase weighted average shares by 0.7m shares for employee share options (2001: 1.2m) and 43.1m shares for convertible debt (2001: 23.7m).

12. INTANGIBLE FIXED ASSETS

	Goodwill £m	Other intangible assets £m	Total £m
Cost			
At 1 January 2002	1,741.9	17.3	1,759.2
Currency translation	(119.1)	(0.4)	(119.5)
Additions	1.3	0.3	1.6
Disposals	(0.3)	–	(0.3)
At 31 December 2002	**1,623.8**	**17.2**	**1,641.0**
Amortisation			
At 1 January 2002	1,007.0	15.4	1,022.4
Currency translation	(71.6)	(0.4)	(72.0)
Charge for the year	246.9	1.0	247.9
Disposals	–	–	–
At 31 December 2002	**1,182.3**	**16.0**	**1,198.3**
Net book amount			
At 31 December 2002	**441.5**	**1.2**	**442.7**
At 31 December 2001	734.9	1.9	736.8

The amortisation charge for the year includes an impairment charge of £114.2m relating to the CMP Media, News Distribution and Market Research businesses.

13. TANGIBLE FIXED ASSETS

	Land and buildings £m	Plant, machinery and vehicles £m	Total £m
Group			
Cost			
At 1 January 2002	67.4	149.7	217.1
Currency translation	(2.5)	(8.8)	(11.3)
Additions	6.6	4.3	10.9
Disposals	(0.9)	(13.6)	(14.5)
At 31 December 2002	**70.6**	**131.6**	**202.2**
Depreciation			
At 1 January 2002	26.0	106.3	132.3
Currency translation	(1.2)	(6.3)	(7.5)
Charge for the year	5.9	17.3	23.2
Disposals	(0.3)	(12.8)	(13.1)
At 31 December 2002	**30.4**	**104.5**	**134.9**
Net book amount			
At 31 December 2002	**40.2**	**27.1**	**67.3**
At 31 December 2001	41.4	43.4	84.8

	2002 £m	2001 £m
Land and buildings at net book amount comprise:		
Freehold	**15.7**	17.8
Long leasehold	**1.3**	1.3
Short leasehold	**23.2**	22.3
	40.2	41.4

14. FIXED ASSET INVESTMENTS

	Unlisted £m	Goodwill £m	Total £m
Group			
(a) Joint ventures			
Cost			
At 1 January 2002	10.3	7.1	17.4
Currency translation	(0.3)	(0.7)	(1.0)
Additions	0.1	–	0.1
Transfers	(8.1)	6.9	(1.2)
Disposals	(0.1)	–	(0.1)
Dividends	(0.9)	–	(0.9)
Share of profits less losses	2.6	–	2.6
At 31 December 2002	**3.6**	**13.3**	**16.9**
Amortisation			
At 1 January 2002	–	2.0	2.0
Currency translation	–	(0.1)	(0.1)
Charge for the year	–	2.2	2.2
At 31 December 2002	**–**	**4.1**	**4.1**
Net book amount			
At 31 December 2002	**3.6**	**9.2**	**12.8**
At 31 December 2001	10.3	5.1	15.4

14. FIXED ASSET INVESTMENTS (continued)

	Unlisted £m	Goodwill £m	Total £m
Group			
(b) Associated undertakings			
Cost			
At 1 January 2002 and 31 December 2002	**0.2**	**–**	**0.2**
Amortisation			
At 1 January 2002 and 31 December 2002	**–**	**–**	**–**
Net book amount			
At 1 January 2002 and 31 December 2002	**0.2**	**–**	**0.2**

There are no listed joint ventures or associates.

	Listed investments £m	Loans to unlisted £m	Unlisted investments £m	Total unlisted £m	Investment in own shares £m	Total £m
(c) Investments: other						
At 1 January 2002	0.2	195.2	(46.8)	148.4	7.3	155.9
Currency translation	–	–	(1.0)	(1.0)	–	(1.0)
Additions	–	15.7	5.5	21.2	1.8	23.0
Return of investment	–	–	(3.2)	(3.2)	–	(3.2)
Transfers from debtors	–	–	0.2	0.2	–	0.2
Disposals	–	–	(0.4)	(0.4)	(5.0)	(5.4)
At 31 December 2002	**0.2**	**210.9**	**(45.7)**	**165.2**	**4.1**	**169.5**

Additions to unlisted investments include additional shareholder loans to Channel 5 Television Group Limited.

The market value of other listed investments at 31 December 2002 was £1.0m (2001: £1.0m). The group also holds investments in own shares through the ESOP and QUEST. The market value of own shares held in the ESOP and Quest at 31 December 2002 was £5.6m (2001: £11.2m) and the nominal value was £0.4m (2001: £ 0.5m).

	Type of business	Country of incorporation/ registration	Class of shares held	Shareholding/ Interest %	Accounting Year end
(d) Principal fixed asset investments are as follows:					
Joint ventures:					
Canada Newswire Limited	News distribution	Canada	Ordinary	50.0%	31 December
ANP Pers Support	News distribution	Netherlands	Ordinary	50.0%	31 December
Panamerican Leather Fair LLC	Exhibitions	USA	Ordinary	50.0%	31 December
EMedia Asia Limited	Exhibitions and publications	Barbados	Ordinary	39.9%	31 December
Other fixed asset investments:					
Channel 5 Television Group Limited	Broadcasting	Great Britain	Ordinary	35.37%	31 December
Paperloop.com, Inc.	Internet business	USA	Ordinary	37.2%	31 December
The Press Association Ltd	News distribution	Great Britain	Ordinary	17.01%	31 December
SDN Limited	Multiplex Operator	Great Britain	Ordinary	33.3%	31 December
Satellite Information Services (Holdings)	News distribution	Great Britain	Ordinary	20.0%	31 December
Independent Television News Limited	Broadcasting	Great Britain	Ordinary	20.0%	31 December

14. FIXED ASSET INVESTMENTS (continued)

Significant investments

The unaudited financial statements of Channel 5 Television Group Limited for the year ended 31 December 2002 show aggregate capital and reserves of £(495.2)m (2001: £(468.0)m) and a loss for the financial year of £(27.2)m (2001: £(89.1)m).

Employee Share Ownership Plan

An Employee Share Ownership Plan (the "United ESOP") was established by the company on 24 June 1996. MAI already had an Employee Share Ownership Plan established in 1989 (the "MAIESOP"). The United ESOP has purchased in the open market, or has received from the MAIESOP, or has been granted options over, United shares which are held on trust for employees participating in the plans listed below. The purchase of shares in the open market is financed through bonuses sacrificed by senior executives under the terms of the Senior Executive Equity Participation Plan ("SEEPP") and contributions in cash by the company to finance the acquisition of the matching element of such bonuses.

Dividends on the shares held by the United ESOP have been waived. The costs of running these schemes have been included in the profit and loss account.

Qualifying Employee Share Trust

In January 1998 a Qualifying Employee Share Trust ("the QUEST") was established for the purpose of satisfying exercises of options under the MAI Sharesave Scheme and the United SAYE Share Option Scheme. A new company, United QUEST Trustee Limited, was incorporated for the purposes of administering the QUEST. On 28 January 1998, the company issued 3,579,947 shares to the QUEST for a total consideration of £25,732,629, equal to 719 pence per share, the mid-market price at the close of business on 28 January 1998.

On 17 March 2000, the company issued 500,185 shares to the QUEST for a total consideration of £4,321,600 equal to 869 pence per share, the mid-market price at the close of business on 17 March 2000. On 18 May 2001, the company issued 100,000 shares to the QUEST for a total consideration of £727,000 equal to 727 pence per share, the mid-market price at the close of business on 18 May 2001. On 20 March 2002, the company issued 300,000 shares to the QUEST for a total consideration of £1,752,000 equal to 584 pence per share, the mid-market price at the close of business on 20 March 2002.

The dividends on the shares held by the QUEST have been waived.

		Options over United shares 2002	Options over United shares 2001	Number of United shares 2002	Number of United shares 2001
At 31 December the holdings of the United ESOP and the QUEST were as follows:					
United ESOP	– Ordinary shares	**1,332,707**	2,253,097	**1,239,276**	1,562,980
	– B shares	**1,165,572**	1,377,771	**529,530**	1,446,982
QUEST	– Ordinary shares	**–**	–	**243,492**	36,205

The market value of United shares at 31 December was 290 pence (2001: 480 pence) per share.

The group has taken advantage of the exemption in UITF 17 (revised) and has not applied the abstract to its SAYE and equivalent overseas schemes.

		Number of shares over which options were outstanding 2002	2001
As at 31 December the aggregate liabilities of the United ESOP and the QUEST were as follows:			
MAI 1989 Scheme		**–**	128,000
SEEPP – bonus options	– Ordinary shares	**602,976**	676,266
	– B shares	**672,857**	737,525
SEEPP – matching options	– Ordinary shares	**370,613**	453,170
	– B shares	**491,641**	638,480
Harlow Butler Share Bonus Plan		**6,743**	6,743
LTIP		**339,675**	706,350
Senior executive allocations		**12,000**	6,583
MAI Sharesave Scheme		**16,672**	26,791
United SAYE Scheme		**834,426**	1,104,348
		3,347,603	4,484,256

14. FIXED ASSET INVESTMENTS (continued)

	Shares in group companies £m	Loans to group companies £m	Total £m
Company			
Investments: subsidiary undertakings			
Cost			
At 1 January 2002	3,004.9	834.6	3,839.5
Net repayment of loans	–	(20.6)	(20.6)
At 31 December 2002 – Cost	**3,004.9**	**814.0**	**3,818.9**
Provision against investments			
At 1 January 2002	**(200.0)**	**–**	**(200.0)**
Charged in year	**(75.0)**	**–**	**(75.0)**
At 31 December 2002 – Provision	**(275.0)**	**–**	**(275.0)**
Net book amount			
At 31 December 2002	**2,729.9**	**814.0**	**3,543.9**
At 1 January 2002	2,804.9	834.6	3,639.5

The provision against investments arises as a result of the directors' review of the carrying value of the company's investments in subsidiary undertakings in light of the group goodwill impairment charge (see note 12).

15. STOCKS

	2002 £m	2001 £m
Group		
Raw materials and consumables – paper stocks	**0.7**	1.4
Work in progress:		
– short term market research contracts	**14.1**	13.7
– other	**–**	0.3
Finished goods and goods for resale	**1.8**	1.6
	16.6	17.0

16. DEBTORS

	Group 2002 £m	As restated Group 2001 £m	Company 2002 £m	Company 2001 £m
Amounts falling due within one year:				
Trade debtors	**107.2**	156.9	**–**	–
Other debtors	**13.8**	15.1	**–**	0.1
Prepayments and accrued income	**40.0**	38.8	**1.6**	1.6
Group relief receivable	**–**	–	**100.7**	60.5
Pension prepayments – defined contribution schemes	**2.3**	–	**–**	–
Deferred tax (note 23)	**–**	–	**–**	0.2
	163.3	210.8	**102.3**	62.4

17. CURRENT ASSET INVESTMENTS

	Investments 2002 £m	Short term liquid funds 2002 £m	Total 2002 £m	Investments 2001 £m	Short term liquid funds 2001 £m	Total 2001 £m
Group						
Overseas						
Listed investments	**–**	**594.8**	**594.8**	–	592.8	592.8
Unlisted investments	**1.5**	**–**	**1.5**	2.4	–	2.4
	1.5	**594.8**	**596.3**	2.4	592.8	595.2

The aggregate market value of short term liquid funds at 31 December 2002 was £594.8m (2001: £592.8m).

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2002 £m	Group 2001 £m	Company 2002 £m	Company 2001 £m
Unsecured bank overdrafts	**0.2**	0.2	**–**	–
Bank and other loans	**15.8**	39.4	**5.9**	29.5
Trade creditors	**38.8**	51.5	**–**	–
Other creditors	**55.0**	85.7	**–**	–
Corporation tax	**277.4**	247.2	**–**	–
Other taxes and social security	**21.3**	8.4	**–**	0.1
Accruals and deferred income	**183.5**	202.7	**14.7**	18.4
Proposed dividends – group	**13.9**	4.1	**13.9**	4.1
	605.9	639.2	**34.5**	52.1

19. BANK AND OTHER LOANS DUE AFTER MORE THAN ONE YEAR

	Group 2002 £m	Group 2001 £m	Company 2002 £m	Company 2001 £m
Other loans	**338.5**	424.8	**385.5**	424.8

US dollar private placement

US dollar fixed rate financial liabilities include a private placement of £77.6m which is repayable in September 2004 (2001: £85.9m).

US dollar senior unsecured loan notes

US dollar fixed rate financial liabilities include £260.9m (2000: £338.9m) of senior unsecured loan notes (stated net of £47m of repurchases made by a wholly owned subsidiary of the company and issue costs). The notes were issued in two tranches: £155.3m 7.25 per cent notes due July 2004 and £155.3m 7.75 per cent notes due July 2009 (stated at par value).

The notes repurchased are held by a wholly owned subsidiary of the company and have not been cancelled. Accordingly, these continue to be shown as amounts due in the company balance sheet.

Borrowing facilities

In addition the group has a 5-year stand-by £500m syndicated bank credit facility. At 31 December 2002 there were no borrowings under this facility (2001: £nil m). All conditions precedent to the committed borrowing facilities were met at 31 December 2002 and the facility incurs commitment fees of 0.2 per cent per annum (2001: 0.2 per cent per annum).

20. OTHER CREDITORS DUE AFTER MORE THAN ONE YEAR

	Group 2002 £m	Group 2001 £m	Company 2002 £m	Company 2001 £m
Amounts owed to group companies	**–**	–	**2,398.5**	2,066.0
Other creditors	**13.3**	23.5	**–**	–
	13.3	23.5	**2,398.5**	2,066.0

21. CONVERTIBLE DEBT

	Group 2002 £m	Group 2001 £m	Company 2002 £m	Company 2001 £m
6.125% subordinated convertible bonds due 2003	**–**	164.0	**–**	178.7
2.375% senior convertible bonds due 2006	**245.0**	270.5	**–**	–
	245.0	434.5	**–**	178.7

United Business Media (Jersey) Limited, a wholly owned subsidiary of the company has in issue a 5 year $400m 2.375 per cent fixed annual coupon payable semi-annually convertible bond. The bonds are convertible into preference shares of United Business Media (Jersey) Ltd at any time up to the seventh calendar day before the date fixed for redemption, 19 December 2006. The preference shares will, in turn, be exchangeable immediately for ordinary shares in the company.

United Business Media (Jersey) Limited may redeem all of the $400m bonds at their principal amount, together with accrued interest:

a) at any time after 19 December 2004 if the market price per ordinary share on each of the dealing days in any period of 30 days ending not earlier than 14 days prior to the giving of the notice of redemption has been at least 130 per cent of the Exchange Price on such dealing day; or

b) at any time if 85 per cent or more of the aggregate principal amount of the bonds originally issued shall have been previously purchased and cancelled, redeemed or converted.

Convertible bondholders may put the bond back to United Business Media (Jersey) Limited for par on 19 December 2004.

The 6.125per cent convertible bond was repaid in January 2002.

22. FINANCIAL INSTRUMENTS

Objectives, policies and procedures

The group's funding, liquidity and exposure to currency and interest rate risk is managed by the group's treasury department. Treasury operations are conducted within a framework of policies and guidelines authorised by the board and are subject to internal control procedures. The objective of the framework is to provide flexibility whilst minimising risk and prohibiting speculative transactions or positions to be taken. Further detail on policies for managing funding requirements, investment of surplus funds and management of risks can be found with the Financial Review.

(a) Financial liabilities

The interest rate risk profile of the group's financial liabilities at 31 December was:

Currency	Total 2002 £m	Floating rate financial liabilities 2002 £m	Fixed rate financial liabilities 2002 £m	Financial liabilities on which no interest is paid 2002 £m	Fixed rate liabilities Weighted average interest rate 2002 %	Fixed rate liabilities Weighted average period for which rate is fixed 2002 Years
Sterling	**122.7**	**8.8**	**7.6**	**106.3**	**5.0**	**2.0**
US dollar	**639.9**	**276.4**	**307.1**	**56.4**	**3.4**	**3.5**
Euro currencies	–	–	–	–	–	–
Other currencies	**0.2**	**0.2**	–	–	–	–
Total	**762.8**	**285.4**	**314.7**	**162.7**		

Currency	Total 2001 £m	Floating rate Financial liabilities 2001 £m	Fixed rate financial liabilities 2001 £m	Financial liabilities on which no interest is paid 2001 £m	Fixed rate liabilities Weighted average interest rate 2001 %	Fixed rate liabilities Weighted average period for which rate is fixed 2001 Years
Sterling	257.7	32.8	182.9	42.0	6.1	0.2
US dollar	749.2	172.8	560.4	16.0	5.0	4.0
Euro currencies	–	–	–	–	–	–
Other currencies	–	–	–	–	–	–
Total	1,006.9	205.6	743.3	58.0		

2001 amounts have been restated to include the FRS17 "Retirement Benefits" pension liability of £41.0m. See note 30.

The maturity profile of the carrying amount of the group's financial liabilities at 31 December was:

Maturity Group	Debt 2002 £m	Other financial liabilities 2002 £m	Total 2002 £m
Within one year, or on demand	**16.0**	**14.4**	30.4
Between one and two years	**225.4**	**21.4**	246.8
Between two and five years	**245.0**	**18.2**	263.2
Over five years	**113.1**	**108.7**	221.8
Total	**599.5**	**162.7**	762.2
Finance charges allocated to future periods			
Unamortised issue costs	**8.1**	–	8.1

22. FINANCIAL INSTRUMENTS (continued)

(a) Financial liabilities (continued)

Maturity Group	Debt 2001 £m	Other financial liabilities 2001 £m	Total 2001 £m
Within one year, or on demand	203.3	0.9	204.2
Between one and two years	–	7.8	7.8
Between two and five years	526.6	26.3	552.9
Over five years	169.0	60.8	229.8
Total	898.9	95.8	994.7
Finance charges allocated to future periods			
Unamortised issue costs	8.9	–	8.9

Non-equity shares of £0.6m (2001: £12.2m) have been excluded from the above tables as they have no fixed maturity date.

In 2002, the effect of the group's interest rate swaps was to classify as floating rate in the above table all £77.6m of 2004 fixed rate Private Placements and £90.1m of the outstanding £147.7m 2004 fixed rate US loan notes. This debt has been swapped into 6 month US dollar LIBOR plus an average of 2.5 per cent to the maturity date of the debt. In addition, the group had interest rate swaps to classify as floating rate in the above table of £108.7m of the outstanding £113.1m 2009 US loan notes. The loan notes have been swapped into 6 month dollar LIBOR plus an average of 1.89 per cent to the maturity date of the debt. The counter parties have an option to cancel the swaps every six months (first option on £46.6m is 1 July 2003, first option on £62.1m is 1 Jan 2004).

Other floating rate financial liabilities comprise of borrowings which bear interest at rates based on LIBOR minus a margin for each relevant currency for periods between one and six months; and the company's non-equity shares which pay a dividend equal to 75 per cent of 12 month sterling LIBOR.

The total financial liabilities include £13.3m of other creditors falling due after more than one year (2001: £17.0m), the pensions deficit of £90.9m (2001: £41.0m) with maturity of greater than five years, £55.3m of vacant property provisions (2001: £37.8m) with an average maturity of 3.7 years and £0.6m of non-equity shareholding comprising of B shares outstanding (2001: £12.2m).

Sterling financial liabilities, on which no interest is paid, have a maturity of greater than five years (2001 between one and five years). US dollar financial liabilities, on which no interest is paid, have a weighted average period until maturity of 2.3 years (2001: 3.3 years).

(b) Financial Assets

The interest rate risk profile of the groups' financial assets at 31 December was:

Currency	Total 2002 £m	Cash at bank and deposits 2002 £m	Other financial assets 2002 £m	Floating rate 2002 £m	Fixed rate 2002 £m	Non interest bearing Total 2002 £m
Sterling	**397.2**	**59.0**	**338.2**	**200.5**	**50.0**	**147.2**
US dollar	**455.8**	**33.3**	**422.5**	**361.6**	**75.8**	**18.4**
Euro currencies	**1.7**	**1.7**	**–**	**1.5**	**–**	**0.2**
Other currencies	**3.7**	**2.7**	**1.0**	**2.2**	**–**	**1.5**
Total	**858.4**	**96.7**	**761.7**	**565.8**	**125.8**	**167.3**

Currency	Total 2001 £m	Cash at bank and deposits 2001 £m	Other financial assets 2001 £m	Floating rate 2001 £m	Fixed rate 2001 £m	Non interest bearing Total 2001 £m
Sterling	589.9	288.4	301.5	459.0	–	130.9
US dollar	495.7	55.4	440.3	477.9	1.3	16.5
Euro currencies	6.6	6.1	0.5	6.1	–	0.5
Other currencies	4.6	3.1	1.5	3.1	–	1.5
Total	1,096.8	353.0	743.8	946.1	1.3	149.4

22. FINANCIAL INSTRUMENTS (continued)

(b) Financial Assets (continued)

The group's two US dollar senior unsecured loan notes carry interest rates that are significantly in excess of market rates. As stated in the Financial Review the group has redeemed $75m of these bonds early in order to reduce the group's net interest exposure. To achieve a higher level of redemption without making a significant early redemption payment, the group has entered into the following transactions that have a similar economic effect to redeeming the bonds.

In 2002, the group has purchased US$205m of credit linked notes from a number of counterparties, these notes having similar maturities to the US dollar loan notes. The notes pay interest at an average rate of LIBOR plus 267 basis points per annum. $120m of these variable flows have then been swapped into fixed rate flows of between 6.86 per cent and 8.1 per cent per annum as a hedge against the 7.25 per cent and 7.75 per cent per annum fixed coupon payments on the US dollar loan notes.

In return for paying interest on the credit linked notes at rates in excess of LIBOR the final redemption to be received by the company is determined by certain circumstances related to the credit risk of the company. These circumstances arise if there has been a "credit event" as defined in the terms of the note, in which case the counterparties may redeem the notes at less than par value. A credit event arises in the event of any of the following circumstances:

- a bankruptcy of the company;
- if the group is required by any of its lenders to accelerate repayment of borrowings;
- if the group fails to make payment under any of its borrowings;
- if the group restructures any of its borrowings in order to avoid default;
- if any of its borrowings are repudiated, disaffirmed or rejected or subject to any moratorium.

If a credit event should take place, the credit linked note may not necessarily be redeemed for cash. The company may receive its own bonds or debt obligations with a par value equivalent to the amount of the credit linked notes from the counterparties in settlement of redemption of the note.

	Fixed rate financial assets weighted average interest rate		Fixed rate financial assets weighted average period for which rate is fixed	
	2002	2001	**2002**	2001
Currency	**%**	%	**Years**	Years
Sterling	**5.0**	3.9	**1.0**	0.0
US dollar	**7.4**	2.1	**4.1**	0.3

The effect of the group's swaps was to classify £50m of floating rate cash in the above tables as fixed rate at a rate of 5.0 per cent and £75.8m of floating rate credit linked notes in the above tables to fixed rate at an average of 7.4 per cent.

Non-interest bearing financial assets comprise other fixed asset investments for which there is no maturity.

(c) Fair values of financial assets and financial liabilities

The following tables provide a comparison by category of the carrying amounts and the fair values of the group's financial assets and financial liabilities at 31 December 2002 and 31 December 2001. The fair value of US dollar private placements (included in long-term borrowings) was calculated by discounting expected future cash flows at risk adjusted interest rates. Market values obtained from third parties have been used to determine the fair value of interest rate swaps, credit linked notes, forward foreign exchange contracts, the fixed rate convertible bonds and the US dollar senior loan. The fair value of cash at bank and deposits approximates to their book value due to their short maturity. Listed investments are valued at market value. For all other financial assets and liabilities the carrying amount has been used.

	Book value 2002 £m	Fair value 2002 £m
Primary financial instruments held or issued to finance the group's operations:		
Financial liabilities:		
– Short-term borrowings (up to two years)	**(241.4)**	**(256.7)**
– Long-term borrowings (over two years)	**(358.1)**	**(366.8)**
– Other financial liabilities	**(162.7)**	**(181.2)**
Financial assets:		
– Cash at bank and deposits	**96.7**	**96.7**
– Other financial assets	**761.7**	**767.2**
Derivative financial instruments held to manage the interest rate profile:		
Interest rate swaps		
– assets	**6.2**	**16.8**
– liabilities	**–**	**–**

22. FINANCIAL INSTRUMENTS (continued)

(c) Fair values of financial assets and financial liabilities (continued)

	Book value 2001 £m	Fair value 2001 £m
Primary financial instruments held or issued to finance the group's operations:		
Financial liabilities:		
– Short-term borrowings (up to two years)	(203.5)	(203.3)
– Long-term borrowings (over two years)	(695.4)	(679.3)
– Other financial liabilities	(95.8)	(120.6)
Financial assets:		
– Cash at bank and deposits	353.0	353.0
– Other financial assets	743.8	744.6
Derivative financial instruments held to manage the interest rate profile:		
Interest rate swaps		
– assets	–	13.0
– liabilities	–	(8.9)

(d) Hedges

The group's policy is to hedge interest rate risk using fixed rate borrowings and financial instruments such as interest rate swaps. Net foreign currency transaction risks are hedged as they arise, generally using forward foreign exchange contracts, whilst foreign currency borrowings are used to provide an economic hedge against investments in overseas territories. The group's policy for accounting for hedges can be found in the "Group accounting policies" section of this report.

The tables below show the extent to which the group has unrecognised gains and losses in respect of financial instruments used as hedges at the beginning and end of the year. All the gains and losses on the hedging instruments are expected to be matched by losses and gains on the hedged transactions or positions.

	Unrecognised gains £m	Unrecognised losses £m	Total net gains/ (losses) £m
Unrecognised gains and losses on hedges at 1 January 2002	13.0	(8.9)	4.1
Arising in previous years included in 2002 income	11.8	(8.9)	2.9
Gains and losses not included in 2002 income			
Arising before 1 January 2002	1.2	–	1.2
Arising in 2002	9.4	–	9.4
Gains and losses on hedges at 31 December 2002	**10.6**	**–**	**10.6**
of which			
Gains and losses expected to be included in 2003 income	10.6	–	10.6
Gains and losses expected to be included in 2004 income or later	–	–	–

	Unrecognised gains £m	Unrecognised losses £m	Total net gains/ (losses) £m
Unrecognised gains and losses on hedges at 1 January 2001	14.8	(0.9)	13.9
Arising in previous years included in 2001 income	(2.1)	(8.0)	(10.1)
Gains and losses not included in 2001 income			
Arising before 1 January 2001	12.7	(8.9)	3.8
Arising in 2001	0.3	–	0.3
Gains and losses on hedges at 31 December 2001	13.0	(8.9)	4.1
of which			
Gains and losses expected to be included in 2002 income	11.9	(8.9)	3.0
Gains and losses expected to be included in 2003 income or later	1.1	–	1.1

22. FINANCIAL INSTRUMENTS (continued)

(e) Currency exposures

As outlined in the Financial Review the group policy is to hedge, where possible, in all material respects exposures on monetary assets and liabilities.

The table below shows the extent to which group companies have monetary assets and liabilities in currencies other than their functional currency.

31 December 2002 Functional currency of group operation	Net foreign currency monetary assets/(liabilities) Sterling £m	US dollar £m	Euro currencies £m	Other currencies £m	Total £m
Sterling	–	0.1	1.3	(0.1)	1.3
US dollar	0.3	–	1.4	–	1.7
Euro currencies	(0.1)	0.6	–	–	0.5
Other currencies	–	–	–	–	–
Total	**0.2**	**0.7**	**2.7**	**(0.1)**	**3.5**

31 December 2001 Functional currency of group operation	Net foreign currency monetary assets/(liabilities) Sterling £m	US dollar £m	Euro currencies £m	Other currencies £m	Total £m
Sterling	–	(62.6)	5.5	0.5	(56.6)
US dollar	–	–	(1.2)	–	(1.2)
Euro currencies	–	0.9	–	–	0.9
Other currencies	–	(5.3)	–	–	(5.3)
Total	–	(67.0)	4.3	0.5	(62.2)

23. OTHER PROVISIONS FOR LIABILITIES AND CHARGES

	Property £m	Former financial services £m	Total £m
Group			
At 1 January 2002	37.8	3.2	41.0
Provided in the year	30.0	–	30.0
Utilised in the year	(12.5)	–	(12.5)
At 31 December 2002	**55.3**	**3.2**	**58.5**

Liabilities on property

The group has lease obligations in respect of the continuing costs of vacant property, the quantification of which depends upon the ability to exit the leases early or sublet the properties, and for dilapidations on certain leasehold properties which are dependent principally on actual reinstatement costs on expiry of the leases. The provision in respect of these obligations at 31 December 2002 has been determined following external professional advice and will be utilised over the period of the leases in question, which range from 1 to 16 years.

The increase in the provision during the year is a result of additional reorganisation and restructuring of the group during 2002 and the consequent reduction in the group's overall property requirements.

23. OTHER PROVISIONS FOR LIABILITIES AND CHARGES (continued)

Liabilities arising from former financial services activities

A subsidiary of the group was formerly engaged in the selling of personal pensions prior to 1996. As a result of the industry-wide review into pension misselling by the Personal Investment Authority, the group is exposed to actual and potential future claims by investors in respect of policies found to have been missold. Although work is now progressing with respect to the identification and review of all pension policies sold, the number and amount of such claims can not be finally determined until all potential compensation costs have been agreed. The amount of the provisions at 31 December 2002 has been determined on the basis of independent financial advice.

Deferred tax	**£m**
Company	
At 1 January 2002	(0.2)
Provided in period	(0.2)
At 31 December 2002	–

The amount of provided and unprovided deferred tax liability/(asset) is as follows:

	2002 Provided £m	**2002 Unprovided £m**	2001 Provided £m	2001 Unprovided £m
Group				
Accelerated capital allowances	**–**	**(7.1)**	–	(7.3)
Other timing differences	**–**	**(85.0)**	–	(95.0)
	–	**(92.1)**	–	(102.3)
Company				
Other timing differences	**–**	**(6.3)**	(0.2)	(47.1)

These deferred tax assets have not been recognised, having given consideration to the likelihood of recovery of the balance.

The above tables do not include any tax on the distribution of retained profits and reserves by overseas subsidiaries or joint ventures or associated undertakings as there is currently no intention to remit such amounts to the UK.

24. CALLED UP SHARE CAPITAL

	2002 £m	2001 £m
Authorised		
486,851,630 (2001: 486,851,630) Ordinary shares of 25 pence each	**121.7**	121.7
375,417,690 (2001: 375,417,690) B shares of 8 and 23/44 pence each	**32.0**	32.0
132,484,195 (2001: 132,484,195) Deferred shares of 8 and 23/44 pence each	**11.3**	11.3
	165.0	165.0

	Ordinary shares Number	B shares Number	Deferred shares Number
Allotted and fully paid			
In issue at 1 January 2002	335,005,854	10,480,642	132,484,195
Allotted in respect of share option schemes and other entitlements	607,381	–	–
B shares purchased by the company	–	(2,934,255)	–
Cancellation of deferred shares	–	–	(132,484,195)
Convertible bonds exercised	2,118	–	–
In issue at 31 December 2002	**335,615,353**	**7,546,387**	**–**

	Ordinary shares £m	B shares £m	Deferred shares £m	Total £m
Allotted and fully paid				
In issue at 1 January 2002	83.7	0.9	11.3	95.9
Allotted in respect of share option schemes and other entitlements	0.2	–	–	0.2
B shares purchased by the company	–	(0.3)	–	(0.3)
Cancellation of deferred shares	–	–	(11.3)	(11.3)
Convertible bonds exercised	–	–	–	–
In issue at 31 December 2002	**83.9**	**0.6**	**–**	**84.5**

The return of capital to shareholders undertaken in 2001, took the form of a subdivision and consolidation of the existing United ordinary shares. On 23 April 2001, each of the existing 507,901,885 ordinary shares of 25 pence then in issue were sub-divided into one share of 8 23/44 pence (B Shares) and one share of 16 21/44 pence and immediately following such sub-division every issued share of 16 21/44 pence was sub-divided into 29 shares of 25/44p. Every 44 shares of 25/44 pence each resulting from such sub-division were then consolidated into one ordinary share of 25p. The subdivision created a class of B shares with a total value of approximately £1.25 billion. UK shareholders had the option to sell these shares for 245 pence per share, to receive a single dividend of 245 pence per share, or to retain the B shares and receive a continuing dividend linked to LIBOR. During the year ended 31 December 2002, 2,934,255 B shares were purchased by the company for consideration of £7.1m. Cumulatively to 31 December 2002, 367,871,303 B shares have been purchased by the company for consideration of £901.3m. At 31 December 2002, 7,546,387 B shares remain in issue.

The B shares are irredeemable. However, the company has the authority to convert, at its option, all remaining B shares in issue after 23 April 2011, if the number is less than 125m. The conversion into ordinary shares will be based on the market price of ordinary shares at the time of the conversion.

B Shares

B shareholders are entitled to a non-cumulative preference dividend based on the principal of 245 pence per share. The dividend is the lower of 25 per cent per annum or 75 per cent of the 12 month LIBOR rate. On winding up, the B shareholders are entitled to 245 pence per share and the relevant proportion of the dividends outstanding. B shareholders do not have any voting entitlements except in a resolution relating to a winding up of the company or if the B share dividend has been outstanding for more than six months. B shares are therefore regarded as non-equity shares.

Deferred Shares

Deferred shareholders may receive a dividend only after B share dividends and an ordinary dividend of a minimum of £50.0 per share has been paid. On winding up, the Deferred shareholders are entitled to receive repayment up to the nominal value if there are sufficient funds available after paying the B shareholders 245 pence and any proportion of the preference dividend owing to them and paying ordinary shareholders £100,000 per share. Deferred shareholders do not have voting entitlements. Deferred shares are therefore regarded as non-equity shares.

In accordance with a resolution passed at the annual general meeting held on 2 May 2002, the outstanding 132,484,195 deferred shares were purchased by the company for an aggregate price of one penny and were cancelled under the provisions of the Companies Act 1985.

25. SHARE PREMIUM ACCOUNT AND RESERVES

	Share premium account £m	Merger reserve £m	Capital redemption reserve £m	Other reserves £m	Profit and loss account £m	Total £m
Group						
At 1 January 2002 as previously reported	305.8	31.3	31.2	125.0	22.7	516.0
Prior year adjustment – FRS17 (see below)	–	–	–	–	(48.9)	(48.9)
At 1 January 2002 as restated	305.8	31.3	31.2	125.0	(26.2)	467.1
Retained loss for the year	–	–	–	–	(263.2)	(263.2)
Actuarial loss on pension scheme	–	–	–	–	(50.6)	(50.6)
Premium on shares issued, net of costs	2.7	–	–	–	–	2.7
Return of capital to shareholders*	–	–	0.3	–	(7.4)	(7.1)
Cancellation of deferred shares	–	–	11.3	–	–	11.3
Currency translation	–	–	–	–	(33.4)	(33.4)
At 31 December 2002	**308.5**	**31.3**	**42.8**	**125.0**	**(380.8)**	**126.8**

* Return of capital to shareholders includes costs of £0.2m (2001: £7.2m).

Prior year adjustment

The prior year adjustment relates to the implementation of FRS 17 "Retirement Benefits". The adoption of FRS 17 has resulted in no material change to pension costs overall. However, £1.5m previously included within the pension charge against operating profits in 2001 has been reclassified as finance costs.

Analysis of prior year adjustment	£m
Adjustment to opening reserves at 1 January 2001	(3.9)
Adjustment to profit and loss for the year ended 31 December 2001	4.0
Adjustment to amounts recognised in statement of total recognised gains and losses for the year ended 31 December 2001	(49.0)
	(48.9)

The total group reserves at 31 December 2002 include £4.2m (2001: £3.8m) in respect of joint ventures and £(28.9)m (2001: £(28.9)m) in respect of associated undertakings, of which £(13.6)m (2001: £(14.9)m) has been dealt with in the profit and loss account and £(11.1)m (2001: £(10.2)m) of exchange has been dealt with in reserves, in line with SSAP 20.

	Share premium account £m	Capital redemption reserve £m	Other reserves £m	Profit and loss account £m	Total £m
Company					
At 1 January 2002	305.8	31.2	83.3	464.1	884.4
Retained loss for the year	–	–	–	(148.1)	(148.1)
Premium on shares issued	2.7	–	–	–	2.7
Cancellation of deferred shares	–	11.3	–	–	11.3
Return of capital to shareholders*	–	0.3	–	(7.4)	(7.1)
At 31 December 2002	**308.5**	**42.8**	**83.3**	**308.6**	**743.2**
Non-distributable	308.5	42.8	83.3	–	434.6
Distributable	–	–	–	308.6	308.6

* Return of capital to shareholders includes costs of £0.2m (2001: £7.2m).

The company received £2.9m (2001: £5.6m) on the issue of shares in respect of the exercise of options awarded under various share option plans, of which £2.9m (2001: £4.9m) is payable by employees to the group for the issue of these shares.

The net amount of foreign currency losses on foreign exchange borrowings less deposits offset in the reserves of the group was a gain of £24.0m (2001: loss of £11.3m) and in the company was £nil (2001: £nil) respectively.

26. COMMITMENTS AND CONTINGENT LIABILITIES

At 31 December the group is committed to make payments during the following year under non-cancellable operating leases as follows:

Group	Land and buildings 2002 £m	Land and buildings 2001 £m	Other 2002 £m	Other 2001 £m
Operating leases which expire				
Within one year	**1.5**	1.7	**1.9**	0.2
Two to five years	**6.3**	7.4	**0.4**	0.6
After five years	**23.2**	20.1	**–**	0.1
	31.0	29.2	**2.3**	0.9

At 31 December the company is committed to make payments during the following year under non-cancellable operating leases as follows:

Company	Land and buildings 2002 £m	Land and buildings 2001 £m	Other 2002 £m	Other 2001 £m
Operating leases which expire				
After five years	**4.9**	4.9	**–**	–

Capital expenditure contracted for but not provided in the financial statements amounts to £0.2m (2001: £0.5m).

The company acts as guarantor over a net overdraft facility of £70m and a foreign exchange line of £50m that are available to subsidiary undertakings. The company also acts as guarantor over the fixed interest payable on interest rate swaps taken out by a subsidiary undertaking. The company also acts as guarantor over the convertible bonds disclosed in note 22.

On 26 June 2001, Allison-Fisher International, Inc. a US market research company specialising in the automotive industry, was acquired for an initial consideration of $45.0m. The consideration payable is subject to an earn out arrangement. If certain profit targets over the period from acquisition until 30 June 2004 are met, maximum consideration of up to an additional $33.0m may be payable.

27. RECONCILIATION OF OPERATING LOSS TO CASH INFLOW FROM OPERATING ACTIVITIES

	Total 2002 £m	As restated Total 2001 £m
Operating loss	**(215.2)**	(520.0)
Depreciation charges	**23.2**	23.3
Amortisation of intangible assets – group	**247.9**	506.3
Share of results of joint ventures	**(1.6)**	0.3
Share of results of associates	**–**	1.6
Income from fixed asset investments	**(10.4)**	(4.3)
Other finance expenses	**(2.1)**	(1.5)
Loss on sale of tangible fixed assets	**0.4**	1.0
Payments against provisions	**(14.9)**	(3.8)
(Increase)/decrease in stocks	**(0.7)**	5.6
Decrease in debtors	**44.3**	68.8
Decrease in creditors	**(27.3)**	(74.5)
Payments against restructuring and other exceptional costs	**(20.2)**	(19.0)
Other non-cash items including movements on provisions	**32.1**	30.9
Cash inflow from operating activities	**55.5**	14.7

The effect of exceptional items on cash inflow from operating activities was an outflow of £30.0m (2001: £30.9m).

28. ANALYSIS OF MOVEMENT IN NET CASH/(DEBT)

	At 1 January 2002 £m	Cash flow £m	Other non-cash movements £m	Exchange movements £m	**At 31 December 2002 £m**
Cash at bank and in hand	353.0				**96.7**
Overdrafts	(0.2)				**(0.2)**
	352.8				**96.5**
Less deposits treated as liquid resources	(343.0)				**(75.4)**
	9.8	13.0	–	(1.7)	**21.1**
Debt due after one year	(859.3)	211.8	(6.2)	70.2	**(583.5)**
Debt due within one year	(39.4)	23.6	–	–	**(15.8)**
	(888.9)	248.4	(6.2)	68.5	**(578.2)**
Deposits included in cash	343.0	(264.4)	–	(3.2)	**75.4**
Current asset investments	595.2	42.4	–	(41.3)	**596.3**
Total	49.3	26.4	(6.2)	24.0	**93.5**

29. PARTICULARS OF EMPLOYEES

	2002 Number	2001 Number
The average number of persons employed in the group, including directors, during the year was as follows:		
Location		
United Kingdom	**2,388**	2,936
North America	**3,376**	4,196
Europe and Middle East	**89**	104
Pacific	**309**	330
	6,162	7,566
Category		
CMP Media	**1,772**	2,472
CMP Asia	**322**	328
CMP Information	**807**	1,160
United Advertising Publications	**724**	803
Professional media	**3,625**	4,763
News distribution	**889**	1,055
Market research	**1,648**	1,748
	6,162	7,566

	2002 £m	2001 £m
Staff costs, including directors' emoluments, were:		
Wages and salaries	**254.5**	293.3
Social security costs	**32.6**	32.6
Other pension costs	**13.4**	13.7
	300.5	339.6

During 2001, the group also incurred exceptional payments relating to redundancy of £23.4m.

29. PARTICULARS OF EMPLOYEES

	2002 £m	2001 £m
Directors' emoluments		
Fees	**0.4**	0.4
Remuneration and benefits in kind	**1.6**	1.5
Compensation for loss of office	**0.1**	–
Bonuses	**0.3**	0.1
Contributions to defined contribution pension schemes	**0.1**	0.2
	2.5	2.2

Details of executive and non-executive directors' emoluments and their interest in shares and options of the company are shown within the directors' remuneration report in the sections "Remuneration policy: pension entitlement", "Table of individual directors' remuneration", "Directors' interests" and "Directors' interests in options over United shares".

30. PENSIONS

The group has adopted FRS17 "Retirement Benefits" in these financial statements.

The group operates a number of defined benefit pension schemes in the UK and overseas. The most recent actuarial valuations were carried out at various dates between 5 April 2000 and 5 April 2002 and updated to 31 December 2002 by independent qualified actuaries using the projected unit method.

The financial assumptions used to calculate the present value of scheme liabilities under FRS17 are:

	UK Schemes			US Schemes		
	2002 %	2001 %	2000 %	**2002 %**	2001 %	2000 %
Discount rate	**5.60**	6.00	6.00	**6.75**	7.25	7.25
Inflation assumption	**2.50**	2.75	2.50	**2.50**	n/a	n/a
Rate of increase in salaries	**4.00**	4.75	4.50	**4.00**	6.00	6.00
Rate of increase in pensions in payment on post April 1997 pension	**2.50**	2.75	2.50	**n/a**	n/a	n/a

The assets in the scheme and expected return on assets were:

UK Scheme	**2002 £m**	**Expected return on assets %**	2001 £m	Expected return on assets %	2000 £m	Expected return on assets %
Equities	**151.4**	**6.0**	182.0	6.5	202.0	7.0
Bonds	**131.1**	**4.7**	143.0	5.5	163.0	5.5
Cash	**2.5**	**4.0**	2.0	4.0	1.0	4.0
Total	**285.0**		327.0		366.0	

US Scheme	**2002 £m**	**Expected return on assets %**	2001 £m	Expected return on assets %	2000 £m	Expected return on assets %
Equities	**8.50**	**8.0**	11.00	8.0	14.00	8.0
Bonds	**5.80**	**6.8**	7.00	7.0	9.00	7.0
Cash	**–**	**n/a**	–	n/a	–	n/a
Total	**14.3**		18.0		23.0	

30. PENSIONS (continued)

The following amounts at 31 December 2002 were measured in accordance with the requirements of FRS 17:

	UK Schemes			US Schemes		
	2002 £m	2001 £m	2000 £m	**2002 £m**	2001 £m	2000 £m
Total market value of assets	**285.0**	327.0	366.0	**14.3**	18.0	23.0
Present value of scheme liabilities	**(365.6)**	(359.0)	(312.0)	**(24.6)**	(27.0)	(30.0)
Surplus/(deficit) in the scheme	**(80.6)**	(32.0)	54.0	**(10.3)**	(9.0)	(7.0)
Irrecoverable surplus	**–**	–	(46.0)	**–**	–	–
Recoverable surplus/(deficit)	**(80.6)**	(32.0)	8.0	**(10.3)**	(9.0)	(7.0)
Related deferred tax liability/(asset)*	**–**	–	–	**–**	–	–
Net pension asset/(liability)	**(80.6)**	(32.0)	8.0	**(10.3)**	(9.0)	(7.0)

* The related deferred tax asset (liability) has not been recognised, having given consideration to the likelihood of recovery of the balance.

	UK Schemes		US Schemes	
Analysis of amount charged to operating loss in respect of defined benefit schemes	**2002 £m**	2001 £m	**2002 £m**	2001 £m
Current service cost	**2.0**	2.6	**3.8**	4.4
Past service cost (gross)	**0.2**	0.6	**(0.6)**	–
	2.2	3.2	**3.2**	4.4
Curtailments/settlements (gross)	**(0.7)**	(1.2)	**–**	(3.7)
Total operating charge	**1.5**	2.0	**3.2**	0.7

Curtailment credits in 2001 have been included within exceptional items as they originate from the significant restructuring activity that occurred during that year.

	UK Schemes		US Schemes	
Movement in (deficit)/surplus during the year	**2002 £m**	2001 £m	**2002 £m**	2001 £m
(Deficit)/surplus in the scheme at beginning of the year	**(32.0)**	54.0	**(9.0)**	(7.0)
Movement in year:				
Current service cost	**(2.0)**	(2.6)	**(3.8)**	(4.4)
Contributions	**3.1**	4.4	**3.7**	7.2
Past service costs	**(0.2)**	(0.6)	**0.6**	–
Settlement/curtailments	**0.7**	1.2	**–**	3.7
Other finance expense	**(1.8)**	(1.0)	**(0.3)**	(0.5)
Actuarial loss	**(48.4)**	(87.4)	**(2.2)**	(7.6)
Effect of currency translation	**–**	–	**0.7**	(0.4)
Deficit in scheme at end of year	**(80.6)**	(32.0)	**(10.3)**	(9.0)

30. PENSIONS (continued)

Analysis of amount credited to other finance expense	UK Schemes 2002 £m	UK Schemes 2001 £m	US Schemes 2002 £m	US Schemes 2001 £m
Expected return on pension scheme assets	**19.4**	18.0	**1.3**	1.6
Interest on pension scheme liabilities	**(21.2)**	(19.0)	**(1.6)**	(2.1)
Net return	**(1.8)**	(1.0)	**(0.3)**	(0.5)

Analysis of amount recognised in statement of total recognised gains and losses (STRGL)	UK Schemes 2002 £m	UK Schemes 2001 £m	US Schemes 2002 £m	US Schemes 2001 £m
Actual return less expected return on pension scheme assets	**(48.4)**	(46.4)	**(2.6)**	(2.8)
Experience gains and losses arising on the scheme liabilities	**9.8**	–	**–**	(4.8)
Changes in assumptions underlying the present value of the scheme liabilities	**(9.8)**	(41.0)	**0.4**	–
Impact of irrecoverable surplus	**–**	46.0	**–**	–
Actuarial loss recognised in the STRGL	**(48.4)**	(41.4)	**(2.2)**	(7.6)

History of experience gains and losses	UK Schemes 2002 £m	UK Schemes 2001 £m	US Schemes 2002 £m	US Schemes 2001 £m
Difference between the expected and actual return on scheme assets:				
Amount	**(48.4)**	(46.4)	**(2.6)**	(2.8)
Percentage of scheme assets at period end	**(17%)**	(14%)	**(18%)**	(16%)
Experience gains and losses of scheme liabilities:				
Amount	**9.8**	–	**–**	(4.8)
Percentage of the present value of the scheme liabilities at period end	**3%**	–	**–**	(18%)
Total amount recognised in statement of total recognised gains and losses:				
Amount	**(48.4)**	(41.4)	**(2.2)**	(7.6)
Percentage of the present value of the scheme liabilities at period end	**(13%)**	(12%)	**(9%)**	(28%)

The UK schemes are closed to new members, hence under the projected unit method, the current service cost (expressed as a percentage of salary) will increase as the members of the scheme approach retirement.

The group is making additional contributions to eliminate MFR deficits in the UK. Contributions are expected to be £10.9m in 2003 made up of £5.4m for UK plans and £5.5m for US plans.

The pension cost for the defined contribution schemes for the year ended 31 December 2002 is as follows:

Defined contribution schemes	2002 £m	2001 £m
– UK	**2.0**	2.0
– US	**3.2**	4.4
Total for the year	**5.2**	6.4

31. RELATED PARTY TRANSACTIONS

The group entered into the following transactions with related parties during the year:

Transactions with related parties	Nature of transactions	Balances (owed by)/due to the group at 31 December 2002 £m	Value of transactions 2002 £m	Balances (owed by)/due to the group at 31 December 2001 £m	Value of transactions 2001 £m
Channel 5 Television Group Limited	Loans and interest receivable	**193.5**	**8.9**	179.2	7.4
SDN Limited	Loans and interest receivable	**13.2**	**0.3**	12.3	0.3

32. SHARE OPTIONS

At 31 December 2002 options granted over the company's ordinary shares of 25 pence under employee share option schemes were outstanding as detailed below. At 31 December 2002 the market price of the company's ordinary shares was 290p.

Date of grant	Number of shares	Exercise price (p)	Exercise dates From	Exercise dates To
United UK Executive Schemes				
13/04/1993	10,280	530.1	13/04/1996	13/04/2003
24/09/1996	4,300	692.5	24/09/1999	24/09/2006
26/03/1997	27,300	754.5	26/03/2000	26/03/2007
25/09/1997	7,894	760.0	25/09/2000	25/09/2007
14/12/1998	111,530	511.0	14/12/2001	14/12/2008
16/09/1999	9,880	607.0	16/09/2002	16/09/2009
03/03/2000	175,936	867.2	03/03/2003	03/03/2010
08/05/2001	148,529	724.8	08/05/2004	08/05/2011
08/08/2001	10,072	595.7	08/08/2004	08/08/2011
08/03/2002	156,780	574.0	08/03/2005	08/03/2012
United International Executive Schemes				
27/04/1994	15,000	607.8	27/04/1997	27/04/2004
04/04/1995	10,000	482.5	04/04/1998	04/04/2005
19/04/1996	35,000	658.5	19/04/1999	19/04/2006
05/06/1996	86,288	702.5	05/06/1999	05/06/2006
16/09/1996	222,707	686.0	16/09/1999	16/09/2006
24/09/1996	250,700	669.5	24/09/1999	24/09/2006
26/03/1997	109,600	731.5	26/03/2000	26/03/2007
25/09/1997	67,106	742.0	25/09/2000	25/09/2007
14/12/1998	1,206,840	511.0	14/12/2001	14/12/2008
16/09/1999	29,120	607.0	16/09/2002	16/09/2009
03/03/2000	1,040,360	867.2	03/03/2003	03/03/2010
09/05/2000	55,465	753.0	09/05/2003	09/05/2010
18/12/2000	3,004,100	843.0	18/12/2003	18/12/2010
18/12/2000	1,061,000	843.0	18/12/2004	18/12/2010
08/05/2001	2,391,471	724.8	08/05/2004	08/05/2011
08/05/2001	1,241,000	724.8	08/05/2004	08/05/2011
08/08/2001	103,928	595.7	08/08/2004	08/08/2011
08/08/2001	104,000	595.7	08/08/2005	08/08/2011
19/12/2001	1,240,000	529.0	19/12/2004	19/12/2011
19/12/2001	1,240,000	529.0	19/12/2005	19/12/2011
08/03/2002	2,383,220	574.0	08/03/2005	08/03/2012
22/08/2002	1,827,500	277.2	22/08/2005	22/08/2012
22/08/2002	1,827,500	277.2	22/08/2006	22/08/2012
MAI 1991 Executive Scheme				
20/04/1993	35,840	289.1	20/04/1996	20/04/2003
28/10/1993	105,600	363.3	28/10/1996	28/10/2003
13/10/1994	137,600	374.2	13/10/1997	13/10/2004
18/10/1995	54,400	490.6	18/10/1998	18/10/2005

32. SHARE OPTIONS (continued)

Date of grant	Number of shares	Exercise price (p)	Exercise dates From	To
United SAYE Schemes				
01/11/1996	15,885	532.6	01/02/2000	01/08/2004
31/10/1997	18,235	632.7	01/02/2001	01/08/2005
15/12/1998	88,919	514.8	01/02/2002	01/08/2006
17/09/1999	135,020	497.0	01/12/2002	01/06/2007
20/04/2001	355,258	488.3	01/12/2004	01/12/2008
15/04/2002	221,109	480.6	01/06/2005	01/12/2009
United International Sharesave Plan *				
15/01/1998	7,260	632.7*	01/02/2001	01/08/2003
04/01/1999	20,257	514.8*	01/02/2002	01/08/2004
30/09/1999	66,250	497.0*	01/12/2002	01/06/2005
20/04/2001	194,445	488.3*	01/12/2004	01/12/2006
26/04/2002	200,119	480.6*	01/06/2005	01/12/2007
MAI Sharesave Scheme				
20/10/1995	16,672	400.0	01/12/2000	01/06/2003

*The option price is quoted in each country in the local currency, and has been translated at the exchange rate on the date of grant.

	United Executive Schemes*	United SAYE Schemes	MAI Executive Schemes	MAI SAYE Schemes	United International Schemes
The movement in shares under option during the year was as follows:					
Shares under option at 1 January 2002	15,117,558	1,104,348	563,840	26,791	550,493
Granted during the year	6,240,000	262,129	–	–	214,729
Exercised during the year	152,640	90,632	102,400	2,471	–
Expired, cancelled or lapsed	990,512	441,419	128,000	7,648	276,891
Balance at 31 December 2002	20,214,406	834,426	333,440	16,672	488,331

*Including the Blenheim scheme.

FIVE YEAR FINANCIAL SUMMARY

	2002 £m	2001† £m	2000 £m	1999 £m	1998* £m
Profit and loss account					
Turnover	**793.4**	932.5	1,975.0	2,171.3	1,911.5
Profit** after interest	**72.9**	95.9	195.7	252.1	310.6
Amortisation of intangible assets	**(135.9)**	(137.6)	(186.6)	(244.4)	(167.0)
(Loss)/profit before tax	**(221.2)**	(537.2)	2,093.2	(42.3)	345.5
Earnings/(loss) per share					
Before amortisation of intangible assets and exceptional items	**16.5**	17.9p	27.4p	36.9p	37.2p
Basic	**(71.6)**	(146.3)p	365.7p	(21.2)p	56.3p
Ordinary dividends	**7.0p**	12.0p	22.2p	22.2p	22.9p

* Restated to exclude Garban

** Before amortisation of intangible assets and exceptional items

† Restated for the implementation of FRS 17 "Retirement Benefits"

FINANCIAL CALENDAR

Record date for 2002 final dividend	14 March 2003
Annual General Meeting	15 May 2003
Final dividend payment date	29 May 2003
Announcement of interim results	29 July 2003
Interim dividend payment date	October 2003

PRINCIPAL GROUP SUBSIDIARIES

The directors consider that to give full particulars of all subsidiary undertakings would lead to a statement of excessive length. The following information relates to those subsidiary undertakings whose results or financial position, in the opinion of the directors, principally affect the figures of the group.

	Country of incorporation and operation	Percentage interest and voting rights at 31 December 2002
Professional Media		
CMP Asia Ltd	Hong Kong	100
CMP Europe Ltd	Great Britain	100
CMP Information Ltd	Great Britain	100
CMP Media, LLC	USA	100
Expoconsult B.V.	Netherlands	100
United Advertising Publications plc	Great Britain	100
United Entertainment Media, Inc.	USA	100
News Distribution		
PR Newswire Association, Inc.	USA	100
PR Newswire Europe Ltd	Great Britain	100
Market Research		
Allison-Fisher International LLC	USA	100
Market Measures/Cozint L.P	USA	100
Mediamark Research, Inc.	USA	100
NOP Research Group Ltd	Great Britain	100
NOP World Strategic Marketing L.P	USA	100
RoperASW LLC	USA	100
Head Office		
United Business Media Finance, Inc.	USA	100
United Business Media Group Ltd	Great Britain	100
United Business Media (Jersey) Ltd	Great Britain	100
United Finance Ltd	Jersey	100

All companies stated as being incorporated in Great Britain are registered in England and Wales. None of the above subsidiaries are held directly by the company, with the exception of United Business Media (Jersey) Ltd.

A full list of group subsidiaries will be appended to the next annual return.

SHAREHOLDER INFORMATION

REGISTERED OFFICE AND REGISTERED NUMBER

Ludgate House
245 Blackfriars Road
London
SE1 9UY

Registered Number 152298

REGISTRARS

All enquiries regarding shareholder administration including dividends, lost share certificates or changes of address should be communicated in writing, quoting United Business Media's company reference number 0239 to the following address:-

Lloyds TSB Registrars
The Causeway
Worthing
West Sussex
BN99 6DA

Tel: 0870 600 3970

Shareholders can also view their shareholdings online by registering at www.shareview.co.uk.

INVESTOR RELATIONS AND GENERAL ENQUIRIES

For all investor relations and general enquiries about the company, please contact our group communications department at the registered office as shown above or telephone 020 7921 5000.

Requests for further copies of our annual report and accounts can be made via our website www.unitedbusinessmedia.com - or by telephoning the company secretary's office on the number given above.

CAPITAL GAINS TAX

The market value of United Business Media plc's shares on 31 March 1982 was 165 pence. The adjusted market value for shares acquired prior to 31 March 1982 which participated in the rights issues of November 1983 and June 1993 is 232.5 pence. The market quotations of the company's ordinary shares and ICAP plc (previously Garban plc) ordinary shares for 17 November 1998, being the first day of dealing following ICAP's demerger from the company were as follows:-

United Business Media plc ordinary shares of 25 pence – 638 pence

ICAP plc ordinary shares of 50 pence – 217 pence

The market values of United Business Media plc's ordinary shares of 25 pence and B shares on 23 April 2001 following the capital reorganisation were as follows:-

Ordinary shares of 25 pence – 693 pence

B shares – 245 pence

AMERICAN DEPOSITARY RECEIPTS (ADRS)

The company's ordinary shares are traded in the USA on the NASDAQ in the form of ADRs. ADRs are issued by the Bank of New York which acts as the depositary. Voting rights as a shareholder are exercised through the depositary. The NASDAQ symbol for United Business Media's ADRs is UNEWY.

SHAREHOLDER PROFILE AS AT 31 DECEMBER 2002

Holdings	No. of holders	Percentage of holders	No. of shares	Percentage of issued capital
1 – 1,000	10,154	70.19	3,755,902	1.12
1,001 – 5,000	3,139	21.70	6,333,757	1.89
5,001 – 50,000	695	4.80	11,367,313	3.39
50,001 – 1,000,000	425	2.94	96,367,278	28.71
Over 1,000,000	54	0.37	217,791,103	64.89
	14,467	100.00	335,615,353	100.00

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3 COM
AALI/AHSLEA - INTERNATIONAL FAIRS COMMITTEE
AARP
ABBOT
ABERNATHY MACGREGOR GROUP
ACEXPIEL
ADM
ADZ MEDIA
AEC/SPANISH COMPONENTS ASS.
AEGEAN EXPORTERS' UNIONS
AGILENT TECH
ALFRED E. TIEFENBACHER
ALLIANZ LIFE
ALLIED/BURGESS
ALPA SPA/AZIENDA LAVORAZIONE PRODOTTI AUSTILIARI SPA
AMERICAN HOME PRODUCTS
ANETIS PHARMACEUTICALS
ANTISOMA
AOL EUROPE
APICCAPS
ARRIVA
ARROW ELECTRONICS
ASDA STORES
ASIA GLOBAL CROSSING
ASSINTECAL - ASSOCIACAO BRASILEIRA DE IND. COMP. COURO E CALCADOS
ASSOCIATION PARFUMS COSMETIQUES. CODEL
ASTRA ZENECA
AT & T
ATLANTICA
AVANTI
AVAYA COMM.
AVENTIS
AVNET
AXA INSURANCE
B & H PHOTO
BANKSIDE CONSULTANTS
BARKING & DISTRICT COUNCIL
BARTLETT SCOTT EDGAR
BASF SOUTH EAST ASIA PTE
BAUM ARENSMEIER & TALENT (BA&T)
BAYER
BEA SYSTEMS
BEECHAM PEPLOW NOAKES
BEGHIN - MEIJI/BEGHIN - SAY
BELL POTTINGER FINANCIAL
BIRMINGHAM CHAMBER OF COMMERCE & INDUSTRY
BLANC & OTUS
BMS, INC.
BOEHRINGER
BOEING
BOLTON WILLIAMS
BOYNE PUBLICITY
BRAZILIAN INSTITUTE OF GEMS AND PRECIOUS METALS (IBGM)
BRILLIANT MEDIA
BRIMARD ON SYSTEM
BRISTOL MYERS SQUIBB
BRITISH AIRWAYS
BRITISH LEATHER CONFEDERATION
BRITISH TELECOM
BROADGATE CONSULTANTS
BROCADE COMMUNICATIONS
BRUNSWICK GROUP
BTC
BUDGET INSURANCE
BURSON-MARSTELLER
CABLE & WIRELESS HKT IMS
CADBURY SCHWEPPES
CADENCE DESIGN SYSTEMS
CALLAWAY GOLF
CANNON - L2 DIVISION
CANON BROADCAST
CANON MARKETING (HONG KONG)
CAP GEMINI ERNST & YOUNG
CAPE CLEAR SOFTWARE
CAPITAL RADIO
CAR CRAFT
CAR LAND
CARDEW & CO.
CARNATION
CARNIVAL CORP.
CARSHOP
CARVIN MANUFACTURING
CELESTIAL ASIA SECURITIES HOLDINGS
CENTRICA
CFME ACTIM
CHANDLER CHICCO
CHINA CHAMBER OF COMMERCE OF MEDICINES & HEALTH PRODUCTS
CHINA FOREIGN TRADE GUANGZHOU EXHIBITION CORP.
CHINA GREAT WALL INTERNATIONAL EXHIBITION
CHINA LEATHER INDUSTRY ASS - CLIA
CHIRON
CHLOPAK, LEONARD, SCHECTER
CHRISTIE & CO.
CHRYSLER
CICB - CENTRO DAS INDUSTRIAS DE CURTUMES DO BRASIL
CISCO
CITIGATE DEWE ROGERSON
CNH GLOBAL
CNW (TORONTO)
COHN & WOLFE
COMPANY FORMATIONS
COMPAQ
COMPUTER ASSOCIATES
CONCORDE LONDON
CONDENAST PUBLICATIONS
CORNERPARK GARAGE
CPR WORLDWIDE
CROOKES
D.D.D.
DAIMLERCHRYSLER
DANISCO - CULTOR
DANISH EXPORT GROUP ASS.
DELL COMPUTER
DELPHI AUTOMOTIVE SYSTEMS
DEPARTMENT OF EXPORT PROMOTION, THAILAND
DEPARTMENT OF HEALTH
DIAGNOSTIC RESEARCH
DIAL 4 A LOAN
DIGITALWORK
DIRECT CARS
DIRECT LINE
DIVINE
DOWLING KERR
DUCATI MOTOR HOLDING S.P.A.
DURMA MESSE STUTTGART INTERNATIONAL GMBH
E M & F
EBOOKERS.COM
EDELMAN WORLDWIDE EL PASO CORP.
ELI LILLY
EMAP PETERSEN
ENGINES DIRECT/RIMACROFT
EPSON HONG KONG
EUROCAR
EXPORT VLAANDEREN
FA HUMBERSTONE
FEINSTEIN KEAN HEALTHCARE
FINANCIAL DYNAMICS
FINNISH FOREIGN TRADE
FIREFLY COMMUNICATIONS
FISHBURN HEDGES
FLEISHMAN HILLARD
FOOTWEAR INDUSTRIES OF AMERICA
FORD MOTOR COMPANY
FOREST LABORATORIES
FRB WEBER SHANDWICK
FRENCH LEATHER FEDERATION - F.F.T.M.
FRESHFIELDS BRUCKHAUS DERINGER
FUJITSU
GLAXOSMITHKLINE
GARDINER CALDWELL COMMS
GAVIN ANDERSON & COMPANY
GCI GROUP - HOLD INVOICES
GENERAL MOTORS
GERMAN SWEDISH
GHS STRINGS
GIBSON MUSICAL INSTRUMENTS
GKN PLC
GM COMMUNICATIONS
GOLIN/HARRIS LUDGATE
GRUNER & JAHR
HACHETTE MAGAZINES
HALIFAX
HAMBURG MESSE UND CONGRESS
HARMAN PRO
HARRISON COMMUNICATIONS
HCC DE FACTO GROUP
HEARST MAGAZINE
HENKEL KGAA
HENLEY GROUP INTERNATIONAL
INTENATIONAL
HEWLETT PACKARD
HILL & KNOWLTON
HILLS PET FOOD
HOFFMAN LA ROCHE
HOLLAND MARINE EQUIPMENT
HONDA
HONG KONG TRADE DEVELOPMENT COUNCIL
HOT AND COLD
HUDSON SANDLER
IBM
ICEX - SPANISH TRADE COMMISSION
IKEA
IMPCO TECHNOLOGIES
IMPERIALS
INCHCAPE
INDIA TRADE PROMOTION ORGANISATION (ITPO)
INFINEON TECH
INGLETON-BEER ASSOCIATES
INGRAM MICRO
INTEL
INTENTIA INTERNATIONAL AB
INTERPUBLIC GROUP OF AGENCIES
IRISH DAIRY BOARD/KERRYGOLD
ISRAEL EXPORT INSTITUTE
ITALIAN TRADE COMMISSION
ITKIB/ISTANBUL LEATHER & LEATHER PRODUCTS EXPORTERS ASS.
JAGUAR
JANSSEN PHARMACEUTICAL
JAPAN LUGGAGE ASSOCIATION
JAPANESE MARINE EQUIPMENT ASS.
JLIA - JAPAN LEATHER & LEATHER GOODS INDUSTRIES ASSOCIATION
JOB OPPORTUNITIES
JOELE FRANK, WILKINSON BRIMMER KATCHER
JOHNSON & JOHNSON
JVC PROF. PROD COMPANY
KARLSHAMNS
KEKST AND COMPANY
KETCHUM PR
KOREA FEDERATION OF HANDICRAFTS COOPERATIVES
KOREA FEDERATION OF PRECIOUS METALS MANUFACTURERS CO-OPERATIVES (KFOPMC)
KOREA INTERNATIONAL TRADE ASS.
KOREA TRADE CENTER HONG KONG
KORG USA
KPNQWEST
LAND ROVER
LEATHER INDUSTRIES OF AMERICA
LOGICA
LOMBARD LOANS
LONDON BUSES
L'OREAL
LUNDBECK
MACKIE DESIGNS INC
MAITLAND CONSULTANCY
MAKOVSKY & COMPANY
MAN SANG JEWELLERY
MANNING GOTLIEB OMD
MANNING SELVAGE & LEE
MASTERCARD
MCDATA CORP.
MCI INTERN
MCO GMBH
MEBMETHODS
MEDI UK
MEDIACOM
MENTOR GRAPHICS
MERCK
MEREDITH CORPORATION
MERIAL
MESSE DUSSELDORF INTERNATIONAL GMBH
MET LIFE
MICHAEL K HOWARD
MICHAEL JAMES AUTOS
MICROSOFT
MICROSOFT PUBLIC RELATIONS
MOBEON
MONTSANTO
MORI
MOTORNATION
MOTOROLA
MOTORPOINT
MSD
MSF
NAPP
NEC TECHNOLOGIES
NETWORK ASSOCIATES
NEW ZEALAND TANNERS ASS.
NEWMONT MINING CORP.
NEWS AKTUELL GMBH
NISSAN
NOONAN/RUSSO COMMUNICATIONS
NORTON FINANCE
NOVARTIS PHARMACEUTICALS
NOVELL
NOVO NORDISK
OCEAN FINANCE
OGILVY PR WORLDWIDE
ORACLE
ORACLE CORPORATION-PUBLIC RELATIONS
ORAFTI
PAB STUDIOS
PACIFIC LOAN
PAGE AUTOS DIRECT
PAKISTAN TANNERS ASS.
PALM INC
PANASONIC BROADCAST & TV
PARAMOUNT CO FORMATION
PARRYS
PFIZER
PHARMACIA
PORTER NOVELLI
PRIMEDIA CONSUMER MAGAZINE
PRIVILEGE
PSE&G
Q MARKETING
QIAGEN N.V.
QUANTUM CORP.
QUINTILES TRANSNATIONAL CORP.
QWEST CYBER SOLUTION
RATIONAL SOFTWARE
REDWOODS
REG 4 VEHICLES
REISTRATIONS
ROCHE
ROLAND
ROLLS-ROYCE
ROYAL BANK OF SCOTLAND
ROYAL MAIL
RSA SECURITY
RTA
RUDER FINN
RUDOLF WILD
SAMSON TECHNOLOGY CORP.
SAMSUNG ELECTRON
SANOFI
SCHERING
SCREWFIX
SEA CONTAINERS SERVICES
SEPIC (FRENCH FOOTWEAR ASS.)
SERCO GROUP PLC
SHENZHEN FOREIGN ECONOMY & TRADE SERVICE CENTRE
SHING HING PEARLS COMPANY
SHIRE HALL INTERNATIONAL
SHIRE PHARMACEUTICALS GROUP
SIEMENS CORP.
SILENT NIGHT HOLDINGS
SINOPHARM
SITRICK AND COMPANY
SKYNET
SONY
SPECTRA
SPRINT
SSB CITI ASSET MANAGEMENT
ST MICROELECTRONICS
STANTON_CRENSHAW
STERLING DIRECT
STORA ENSO
SULZER MEDICA MANAGEMENT AG
SUN MICROSYSTEMS
SURRIDGE DAWSON
SWEDEN CHINA TRADE COUNCIL SHANGHAI LIAISON OFFICE
SYBASE
SYMANTEC DELRINA
TAIWAN BAGS ASSOCIATION
TAIWAN FOOTWEAR MANUFACTURERS ASSOCIATION
TAIWAN JEWLRY INDUSTRY ASS.
TAKEDA PHARMACIA
TASCAM/TEAC AMERICA INC
TAVISTOCK COMMUNICATIONS
TECH DATA
TELEKOM AUSTRIA AG
TEXAS INSTRUMENTS
TFL
THE ASSOCIATION OF NORWEGIAN MARITIME EXPORTERS
THE COCA-COLA COMPANY
THE GREAT TRADE COMPANY
THE WALT DISNEY CO
THOMSON FINANCIAL
TICKETMASTER
TIME WARNER
TMP WORLDWIDE
TOSHIBA AMERICA
TOWNSEND AGENCY
TRIAD
TYCO INTERNATIONAL
UBS PAINEWEBBER
UJA
UNIC - ITALIAN TANNERS INDUSTRY ASSOCIATION
IUN-FIT WINDOWS
UNIPRO
UNITED INTERNATIONAL PICTURES
UNIVERSAL MUSIC UK
UNIVERSAL SALVAGE
UNIVERSITY OF ESSEX
VERISIGN
VERITAS SOFTWARE
VIEWSONIC
VISA
VISTEON - PUBLIC RELATIONS
VOLLMER PUBLIC RELATIONS
VOLVO
W H SMITH
WAGGENER EDSTORM GMBH
WALTHAM
WEBER SHANDWICK SQUARE MILE
WEBER-SHANDWICK WORLDWIDE
WYETH
WYTETH PHARMACEUTICALS
XW SATELLITE RADIO, INC.
YAMAHA CORP OF AMERICA
YAMANOUCHI

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