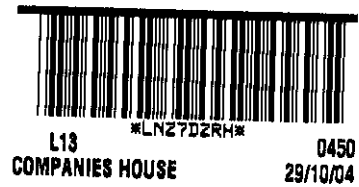


THE PERFECT POSTER COMPANY LIMITED
(Registered Number: 1131184)

ANNUAL REPORT

26 DECEMBER 2003



THE PERFECT POSTER COMPANY LIMITED

DIRECTORS' REPORT AND ACCOUNTS

52 WEEKS ENDED 26 DECEMBER 2003

DIRECTORS' REPORT

The Directors submit their report and the financial statements of the Company for the 52 weeks ended 26 December 2003.

REVIEW OF THE BUSINESS AND DIVIDENDS

The Company did not trade during the 52-week period under review, or in the prior period.

The Directors do not recommend payment of a dividend (2002: £Nil).

DIRECTORS

The following Directors served during the period:

L P Healy
B M A Hopkins
J J Parkinson
A J Round
I G Fallon

None of the Directors had any beneficial interest in the shares of the Company during the period. The interests of the Directors, who are not directors of Independent News & Media PLC, the Company's ultimate parent undertaking, in the share options of that company at the beginning (or date of appointment, if later) and end of the period were:

	At 27 December 2002	Granted During Year	Exercised During Year	At 26 December 2003	Weighted Average Exercise Price
A J Round	390,000	-	-	390,000	€2.37

The interests of the other Directors, who are also directors of Independent News & Media PLC, in the shares and share options of that company, are disclosed in that company's accounts.

THE PERFECT POSTER COMPANY LIMITED

DIRECTORS' REPORT AND ACCOUNTS

52 WEEKS ENDED 26 DECEMBER 2003

DIRECTORS' REPORT (Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those accounts, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors to the Company will be put to the Annual General Meeting.

By order of the Board



A J Round

Company Secretary

Date : 25 October 2004

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE PERFECT POSTER COMPANY LIMITED**

We have audited the financial statements which comprise the profit and loss account, the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual 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 in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.


Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 26 December 2003 and of its result for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

25 October 2004

THE PERFECT POSTER COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

52 WEEKS ENDED 26 DECEMBER 2003

	Note	52 weeks ended 26 December 2003 £	52 weeks ended 27 December 2002 £
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	-	-
Taxation		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
Preference shares appropriation	5	<u>(3,250)</u>	<u>(3,250)</u>
RETAINED LOSS FOR THE PERIOD		(3,250)	(3,250)
ACCUMULATED PROFIT BROUGHT FORWARD		3,792,057	3,792,057
Preference shares appropriation	6	<u>3,250</u>	<u>3,250</u>
RETAINED PROFIT CARRIED FORWARD		<u>3,792,057</u>	<u>3,792,057</u>

There are no recognised gains or losses other than the profit for the financial period and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the periods stated above and their historical cost equivalents.

The notes on pages 6 to 7 form part of these accounts.

THE PERFECT POSTER COMPANY LIMITED

BALANCE SHEET

AS AT 26 DECEMBER 2003

	Note	26 December 2003 £	27 December 2002 £
CURRENT ASSETS			
Debtors	3	3,824,560	3,824,560
		<hr/>	<hr/>
TOTAL ASSETS		3,824,560	3,824,560
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Represented by:			
Called up share capital	4	32,503	32,503
Profit and loss account		3,792,057	3,792,057
		<hr/>	<hr/>
		3,824,560	3,824,560
		<hr/>	<hr/>
Comprising:			
Equity interests		3,717,497	3,720,747
Non - equity interests		107,063	103,813
		<hr/>	<hr/>
SHAREHOLDER'S FUNDS INCLUDING NON-EQUITY INTERESTS	6	3,824,560	3,824,560
		<hr/>	<hr/>

Approved by the Board on *25 October* 2004.

A. J. Round

A J Round
Director

The notes on pages 6 to 7 form part of these accounts.

THE PERFECT POSTER COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 52 WEEKS ENDED 26 DECEMBER 2003

1 ACCOUNTING POLICIES

- a) The accounts are prepared under the historical cost convention, in accordance with the going concern concept, and comply with applicable accounting standards on a basis consistent with the previous year.
- b) The financial year ends on the last Friday nearest 31 December. Periodically this results in a fifty-three week year.

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' Remuneration

Auditors' remuneration is borne by the parent company.

Directors' Emoluments and Employees

No Director received any emoluments from the Company in respect of services during the period (2002: Nil).

Details of the Directors emoluments in respect of their services to the Group can be found in the financial statements of Independent News & Media (UK) Limited and Independent News & Media PLC. There were no employees during the period (2002: Nil).

3 DEBTORS

	2003 £	2002 £
Amounts owed by parent undertaking	3,824,560	3,824,560
	3,824,560	3,824,560

Amounts owed by parent undertaking are non-interest bearing, unsecured and repayable on demand.

4 CALLED UP SHARE CAPITAL

	Authorised		Allotted and fully paid	
	2003 £	2002 £	2003 £	2002 £
Equity shares:				
Ordinary £1 shares	5,000	5,000	3	3
Non – equity shares:				
'A' redeemable cumulative £1 Preference shares	45,000	45,000	-	-
'B' redeemable cumulative £1 Preference shares	32,500	32,500	32,500	32,500
	82,500	82,500	32,503	32,503

The preference shares have priority on dividends and payment of capital. However they have no voting rights unless the fixed preferential dividend remains unpaid. The preference shares are redeemable at the option of the Company.

THE PERFECT POSTER COMPANY LIMITED

NOTES TO THE ACCOUNTS FOR THE 52 WEEKS ENDED 26 DECEMBER 2003

5 ARREARS OF CUMULATIVE PREFERENCE DIVIDEND

The dividends in arrears on the 'B' 10% redeemable cumulative preference shares at 26 December 2003 amount to £74,563 (2002: £71,313).

6 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2003 £	2002 £
Loss attributable to shareholders	(3,250)	(3,250)
Preference shares appropriation	3,250	3,250
Opening shareholder's funds	<u>3,824,560</u>	<u>3,824,560</u>
Closing shareholder's funds	<u>3,824,560</u>	<u>3,824,560</u>

7 CASH FLOW STATEMENT

The Company is exempt from producing a cash flow statement under Financial Reporting Standard 1 as it is wholly owned by a parent undertaking established under the law of a member state of the European Community. The parent undertaking prepares consolidated financial statements, including a consolidated cash flow statement, which includes all subsidiary undertakings. These financial statements are drawn up in accordance with companies legislation promulgated within the Republic of Ireland.

8 ULTIMATE HOLDING COMPANY AND RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of Independent News & Media (UK) Limited, a company incorporated in Great Britain and registered in England. The ultimate holding company is Independent News & Media PLC, a company incorporated in the Republic of Ireland.

As permitted by paragraph 3(c) of FRS8 - Related Party Disclosures, transactions with other entities in the Group are not disclosed. There are no other related party transactions.

The only consolidated accounts produced that include the results of the Company are those of Independent News & Media PLC. A copy of those accounts can be obtained from Independent House, 2023 Bianconi Avenue, Citywest Business Campus, Naas Road, Dublin 24, Ireland.