

Directors' Remuneration Report

The terms of reference and composition of the Remuneration Committee are set out on page 14.

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

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

Audited Information

The emoluments of the directors for the year, charged to the Consolidated profit and loss account on page 20, are shown below:

	Salary/Fee/ Benefits 2005 £'000	Bonuses 2005 £'000	Share options issued at a discount 2005 £'000	Total 2005 £'000	Total 2004 £'000
Michael Grade	60	-	-	60	35
Rosalyn Wilton	67	120	50	237	616
Daryl Paton (appointed 12 Jan 2005)	132	54	10	196	-
Simon Ashdown (resigned 11 Jan 2005)	26	-	-	26	73
Charles Jillings	18	-	-	18	18
Scott Troeller	18	-	-	18	5
Marco Sodi	18	-	-	18	5
Total	339	174	60	573	752

Rosalyn Wilton, Daryl Paton and Simon Ashdown received private health insurance cover during the year.

Directors' Interests

The interests of the directors and their immediate families in the ordinary shares of 5p each of the company, including options granted but not yet exercised under the Hemscott Share Option Plan and by separate agreement were as shown in the following tables. There were no changes in the interests of the directors or their immediate families in the issued share capital of the Company between 1 January 2006 and 12 May 2006.

	As at 31 December 2005	As at 31 December 2004
Shareholdings:		
Michael Grade	35,000	35,000
Rosalyn Wilton	112,222	112,222

The market price of the ordinary shares at 31 December 2005 was 39.5p and the range during the year was 35.0p to 49.0p.

Options

	At 1 Jan 2005	Granted 16 March 2005	At 31 Dec 2005	Exercise price per Ordinary Share (pence)	Date at which first exercisable*	Expiry date (or status)
Rosalyn Wilton						
	125,000		125,000	5.0	25/08/04	24 August 2014
	222,225		222,225	5.0	25/08/04	24 August 2014
	125,000		125,000	5.0	25/11/04	24 August 2014
	125,000		125,000	5.0	25/02/05	24 August 2014
	125,000		125,000	5.0	25/05/05	24 August 2014
	216,667		216,667	26.5	1	28 September 2013
	216,666		216,666	26.5	29/9/05	28 September 2013
	216,667		216,667	26.5	2	28 September 2013
	66,667		66,667	27.5	1	28 September 2013
	66,666		66,666	27.5	29/9/05	28 September 2013
	66,667		66,667	27.5	2	28 September 2013
	41,667		41,667	35.5	1	28 September 2013
	41,666		41,666	35.5	29/9/05	28 September 2013
	41,667		41,667	35.5	2	28 September 2013
	625,000		625,000	50.0	3	24 August 2014
	625,000		625,000	57.5	4	24 August 2014
	625,000		625,000	66.1	5	24 August 2014
	625,000		625,000	76.0	5	24 August 2014
	750,000		750,000	50.0	6	24 August 2014
		450,598	450,598	50.0	7	23 November 2014
		450,599	450,599	57.5	8	23 November 2014
		450,599	450,599	66.1	5	23 November 2014
		450,599	450,599	76.0	5	23 November 2014
Daryl Paton						
	113,000		113,000	5.0	12/01/07	11 January 2015
	200,000		200,000	50.0	9	11 January 2015
	200,000		200,000	57.5	10	11 January 2015
	200,000		200,000	66.1	5	11 January 2015
	200,000		200,000	76.0	5	11 January 2015
	100,000		100,000	50.0	6	15 March 2015
Simon Ashdown						
	80,000			46.0	1	Lapsed
	90,000		90,000	46.0	23/04/06	22/10/06
	80,000		80,000	46.0	2	6 mths after 2
	40,000			50.0	3	Lapsed
	40,000			57.5	4	Lapsed
	40,000			66.1	5	Lapsed
	40,000			76.0	5	Lapsed
	50,000			50.0	6	Lapsed

* See Notes overleaf

Notes to Options:

¹ Exercisable upon publication of the Company's preliminary results for year ended 31 December 2004.

² Exercisable upon publication of the Company's preliminary results for year ended 31 December 2005.

³ These Options are first exercisable as to 80 percent on 25 August 2005 and as to 20 percent on 25 August 2006.

⁴ These Options are first exercisable as to 60 percent on 25 August 2006 and as to 40 percent on 25 August 2007.

⁵ These Options are first exercisable on a Takeover Event (as defined by the Hemscott Share Option Plan).

⁶ These TSR Options are first exercisable on a Takeover Event (as defined by the Hemscott Share Option Plan) and then only if and to the extent that the average annual Total Shareholder Return of the company since grant of the option is between 15 percent and 30 percent.

⁷ These Options are first exercisable as to 80 percent on 24 November 2005 and as to 20 percent on 24 November 2006.

⁸ These Options are first exercisable as to 60 percent on 24 November 2006 and as to 40 percent on 24 November 2007.

⁹ These Options are first exercisable as to 80 percent on 12 January 2006 and as to 20 percent on 12 January 2007.

¹⁰ These Options are first exercisable as to 60 percent on 12 January 2007 and as to 40 percent on 12 January 2008.

All unvested options become immediately exercisable on a Takeover Event.

No options were exercised by any director in 2005.

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

Unaudited Information**Service Agreements**

The current executive directors have service agreements that can be terminated by either party giving not less than six months' written notice.

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

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

On 28 February 2006 Rosalyn Wilton and Daryl Paton received £120,000 and £54,000 respectively under the terms of bonus awards set in March 2005.

The company has a letter of appointment with Michael Grade as non-executive chairman terminable by either party without notice. His annual fee is £60,000.

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

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

Signed by order of the board

Michael Grade
Chairman
12 May 2006