

Registered number: 01437199

News Corp Investments UK & Ireland

Report and financial statements

for the year ended 3 July 2016



News Corp Investments UK & Ireland

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**Strategic report
For the year ended 3 July 2016**

The directors present their Strategic report and the financial statements of the company for the year ended 3 July 2016.

Principal activities and business review

The principal activity of the company is that of the parent undertaking of the News Corp Investments UK & Ireland group ("News UK" group) and therefore does not actively trade.

The loss before tax for the financial year of £183,571,000 (2015 - loss of £230,396,000) relates to interest paid to group undertakings of £20,611,000 (2015 - £20,225,000) and an impairment of investments in its subsidiary undertaking of £162,960,000 (2015 - £210,171,000).

Post balance sheet events

On 6 July 2016, the company issued Eurobonds of £98,838,000 to NC Finance Limited to repay the intercompany payable. On 13 July 2016 the company subscribed for 1 ordinary share in News Corp Holdings UK & Ireland, in exchange for £34,044,000 of intercompany receivable and £64,794,000 of cash.

On 12 August 2016, the company issued a further £23,162,000 of Eurobonds in exchange for cash to NC Finance Limited. The company subsequently subscribed for 1 ordinary share in News Corp Holdings UK & Ireland for consideration of £23,162,000 of cash.

On 14 September 2016, the company issued a further £39,000,000 of Eurobonds in exchange for cash to NC Finance Limited. The company subsequently subscribed for 1 ordinary share in News Corp Holdings UK & Ireland for consideration of £39,000,000 of cash.

On 26 September 2016, the company indirectly acquired 100% ownership of the Wireless Group plc for cash consideration of £221,000,000.

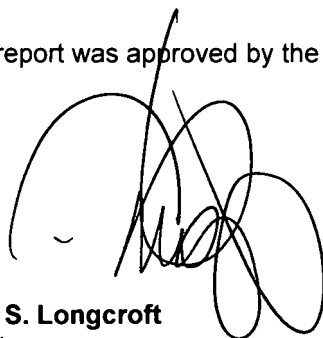
Future developments

The directors expect the company to continue as an investment holding company for the foreseeable future.

Principal risks and uncertainties facing the business

The company's trade and activities are largely dependent on other group companies within the News UK group. Therefore the principal risks and uncertainties are borne by other group companies within the News UK group and are disclosed within the financial statements of the other group companies.

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

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above the printed name of the director.

C. C. S. Longcroft
Director

Date: 25 October 2016

Directors' report
For the year ended 3 July 2016

The directors present their report and the financial statements for the year ended 3 July 2016.

Going concern

The company is an investment company and therefore does not actively trade. After making enquires, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

Results and dividends

The loss for the year, after taxation, amounted to £183,571,000 (2015 - £230,434,000). The directors do not recommend a dividend.

Directors

The directors who served during the year were:

R. M. Brooks (Appointed 4 December 2015)
M. C. Gill
C. C. S. Longcroft

Except as noted above, all directors served throughout the year and are still directors at the date of signing this report.

Directors indemnity provisions

News Corporation has indemnified all directors of the company against liability in respect of proceedings brought by third parties, except that, in accordance with the Companies Act 2006, no indemnity is provided against: any liability incurred by the director in defending civil proceedings brought by the company, or an associated company, in which the final judgement is given against the director; any liability of the director to pay a fine imposed by criminal proceedings; any liability incurred by the director in defending criminal proceedings in which the director is convicted; any liability of the director to pay a penalty sum to a regulatory authority in respect of non-compliance with any requirement of a regulatory nature, howsoever arising; or any liability of the director in connection with an application for relief in which the court refuses to grant him relief. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' report.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Directors' report (continued)
For the year ended 3 July 2016

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The directors have passed a resolution to dispense with the requirement to reappoint auditors annually. Ernst & Young LLP are deemed to be reappointed as auditor in the absence of a notice that the appointment is to be terminated.

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

A large, stylized handwritten signature in black ink, appearing to be 'C. C. S. Longcroft', written over the text 'This report was approved by the board and signed on its behalf by:'.

C. C. S. Longcroft
Director

Date: 25 October 2016

1 London Bridge Street
London
SE1 9GF

Independent auditor's report to the members of News Corp Investments UK & Ireland

We have audited the financial statements of News Corp Investments UK & Ireland for the year ended 3 July 2016, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 18. The relevant financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' responsibilities statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 3 July 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with those accounts.

Independent auditor's report to the members of News Corp Investments UK & Ireland (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Neil Cullum (Senior Statutory Auditor)
for and on behalf of
Ernst & Young LLP
Statutory Auditor
London

Date: 27/10/2016

News Corp Investments UK & Ireland

Profit and Loss Account For the year ended 3 July 2016

	Note	2016 £000	2015 £000
Exceptional administrative expenses	6	(162,960)	(210,171)
Operating loss		<u>(162,960)</u>	<u>(210,171)</u>
Interest payable and similar charges	7	(20,611)	(20,225)
Loss on ordinary activities before taxation		<u>(183,571)</u>	<u>(230,396)</u>
Tax on loss on ordinary activities	8	-	(38)
Loss for the financial year		<u><u>(183,571)</u></u>	<u><u>(230,434)</u></u>

The notes on pages 9 to 19 form part of these financial statements.

Statement of Comprehensive Income For the year ended 3 July 2016

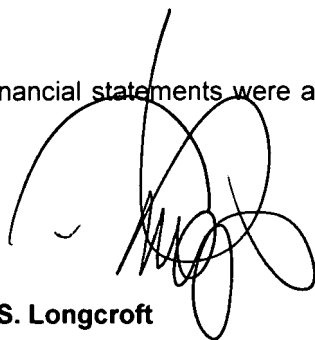
	2016 £000	2015 £000
Loss for the financial year	(183,571)	(230,434)
Total comprehensive loss for the year	<u><u>(183,571)</u></u>	<u><u>(230,434)</u></u>

The notes on pages 9 to 19 form part of these financial statements.

Balance Sheet
As at 3 July 2016

	Note	2016 £000	2015 £000
Fixed assets			
Investments	9	586,683	749,643
Current assets			
Debtors	10	34,044	-
Cash at bank and in hand	11	64,794	-
		<u>98,838</u>	<u>-</u>
Creditors: amounts falling due within one year	12	(98,838)	-
		<u>-</u>	<u>-</u>
Net current assets			
		<u>586,683</u>	<u>749,643</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	13	(541,000)	(520,389)
		<u>45,683</u>	<u>229,254</u>
Net assets			
		<u><u>45,683</u></u>	<u><u>229,254</u></u>
Capital and reserves			
Called up share capital	14	30,997	30,997
Other reserves		134,621	134,621
Profit and loss account		(119,935)	63,636
		<u>45,683</u>	<u>229,254</u>
Net assets		<u><u>45,683</u></u>	<u><u>229,254</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



C. C. S. Longcroft
Director

Date: 25 October 2016

The notes on pages 9 to 19 form part of these financial statements.

News Corp Investments UK & Ireland

Statement of Changes in Equity For the year ended 3 July 2016

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000
At 29 June 2015	30,997	134,621	63,636	229,254
Loss for the financial year	-	-	(183,571)	(183,571)
Total comprehensive loss for the year	-	-	(183,571)	(183,571)
At 3 July 2016	30,997	134,621	(119,935)	45,683

Statement of Changes in Equity For the year ended 28 June 2015

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£000	£000	£000	£000
At 30 June 2014	30,997	134,621	294,070	459,688
Loss for the financial year	-	-	(230,434)	(230,434)
Total comprehensive loss for the year	-	-	(230,434)	(230,434)
At 28 June 2015	30,997	134,621	63,636	229,254

The notes on pages 9 to 19 form part of these financial statements.

**Notes to the financial statements
For the year ended 3 July 2016**

1. Accounting policies

1.1 General information

News Corp Investments UK & Ireland is an unlimited liability company incorporated in the United Kingdom under the Companies Act. The address of the registered office is 1 London Bridge Street, London, SE1 9GF. The nature of the company's operations and its principal activities are set out in the Strategic report on page 1.

1.2 Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

1.3 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention, modified to include certain items at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The financial statements are made up to the Sunday closest to 30 June each year. Consequently, the financial statements for the current period cover 53 weeks ended 3 July 2016. The financial statements are presented in pounds sterling which is the functional currency of the company, rounded to the nearest £'000.

The company transitioned from previously extant UK GAAP to FRS 102 as at 30 June 2014. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 17.

1.4 FRS 102 reduced disclosure exemptions

FRS 102 paragraph 1.12 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with including notification of and no objection to the use of exemptions by the company's shareholders. The equivalent disclosures are included in the consolidated financial statements of News Corporation, the ultimate parent undertaking.

The company has taken advantage of the following exemptions:

- (a) From preparing a statement of cash flows and related notes as required by Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- (b) From the financial instruments disclosures as required by FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, including:
 - Categories of financial instruments,
 - Items of income, expenses, gains or losses relating to financial instruments, and
 - Exposure to and management of financial risks.
- (c) From disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

1.5 Going concern

The company is an investment company and therefore does not actively trade.

After making enquires, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

**Notes to the financial statements
For the year ended 3 July 2016**

1. Accounting policies (continued)

1.6 Consolidated financial statements

Under Section 401 of the Companies Act 2006 the company is exempt from the requirement to prepare and deliver group financial statements since it is a wholly owned subsidiary of News Corporation which is incorporated in the United States of America and prepares consolidated financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

1.7 Interest payable

Interest payable is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.11 Taxation

Taxation expense for the reporting period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax, including UK corporation tax and foreign tax, is the amount payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are considered as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits or deferred tax liabilities in the foreseeable future against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.12 Related party transactions

As a wholly owned subsidiary undertaking of News Corporation whose financial statements are publicly available, the company has taken advantage of the exemption in FRS 102 Section 33 'Related Party Disclosures' not to disclose transactions with other wholly owned members of the group headed by News Corporation.

Notes to the financial statements
For the year ended 3 July 2016

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

2.1 Critical judgements in applying the company's accounting policies

No critical judgements in applying the company's accounting policies have been identified in the current or preceding year.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.2.1 Impairment of investments

Determining whether investments are impaired requires an estimation of the value in use of the cash generating unit (CGU) to which the investment has been allocated versus a calculation of the fair value less cost to sell. The recoverable amount is the higher of the two calculations. Key areas of judgement in the value in use calculation include the estimation of future cash flows expected to arise from the CGU, the long-term growth rates and a suitable discount rate to apply to cash flows in order to calculate present value. An impairment loss of £162,960,000 was recognised for the year ended 3 July 2016 (28 June 2015 - £210,171,000). Details of the impairment reviews that the company performs are provided in note 9.

2.2.2 Recoverability of deferred tax assets

The company makes estimates regarding the recoverability of deferred tax assets relating to short term timing differences based on forecasts of future taxable profits which are, by their nature, uncertain. The company has not recognised a deferred tax asset in respect of certain short term timing differences totalling £30,694,000 (2015 - £20,389,000).

3. Auditor's remuneration

	2016 £000	2015 £000
Audit of financial statements	25	35

Auditor's remuneration is borne by another group undertaking.

4. Employees

The company has no employees (2015 - None).

5. Directors' remuneration

	2016 £000	2015 £000
Remuneration receivable	7,612	2,867
Value of company pension contributions to money purchase schemes	50	40
Total	7,662	2,907

**Notes to the financial statements
For the year ended 3 July 2016**

5. Directors' remuneration (continued)

The number of directors who through participating in News Corporation's long term incentive plan were remunerated in News Corporation Common A stock were as follows:

	2016 No	2015 No
Long term incentive plan	2	2

The highest paid director received remuneration (excluding pension contributions) of £3,581,000 (2015 - £2,148,000).

The directors of the company are also directors of fellow UK subsidiaries. The directors received total remuneration for the year, as shown above, all of which was paid by a fellow News UK group company. The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the holding company or subsidiary companies.

During the year £2,682,000 was paid to former directors as compensation for loss of office (2015 - £1,121,000).

6. Amounts written off investments

	2016 £000	2015 £000
Amounts written off investments	162,960	210,171
	<u>162,960</u>	<u>210,171</u>

The company tests investments annually for impairment or more frequently if there are indicators that investments may be impaired. The recoverable amounts for the company's investments are measured through review of the investee's net asset position and a value in use calculation or through a fair value less cost of sale model. Value in use is determined by discounting future expected cash flows, based on management approved budgets and 3 year projections. These reflect management's current experience and future expectations of the markets in which the investments operate.

In the year the pre-tax discount rate used by the company in its impairment test was 12.5% (2015 - 12.5%). The growth rates used in the projections that are extrapolated beyond the formally approved budgets and forecasts prepared by management are 2% and therefore do not exceed the long term average growth rate. This resulted in an impairment charge of £162,960,000 (2015 - £210,171,000).

News Corp Investments UK & Ireland

Notes to the financial statements For the year ended 3 July 2016

7. Interest payable

	2016 £000	2015 £000
On loans from group undertakings	20,611	20,225

8. Tax on loss on ordinary activities

	2016 £000	2015 £000
Deferred tax		
Origination and reversal of timing differences	-	38
Total deferred tax	-	38
Taxation on loss on ordinary activities	-	38

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.75%). The differences are explained below:

	2016 £000	2015 £000
Loss on ordinary activities before tax	(183,571)	(230,396)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.75%)	(36,714)	(47,807)
Effects of:		
Expenses not deductible for tax	32,592	43,610
Group relief	2,061	-
Short term timing differences for which deferred tax not recognised	2,061	4,235
Total tax charge for the year	-	38

Notes to the financial statements
For the year ended 3 July 2016

8. Taxation (continued)

Factors that may affect future tax charges

The standard rate of UK corporation tax reduced from 21% to 20% on 1 April 2015. The 2015 summer budget stated that the rate of corporation tax will be reduced from 20% to 19% from 1 April 2017, and 18% from 1 April 2020. This change received Royal Assent on 18 November 2015. Subsequently the 2016 Budget stated that from 1 April 2020 the rate will instead reduce to 17%. This change received Royal Assent on 15 September 2016.

The company has not recognised a deferred tax asset in respect of certain short term timing differences totalling £30,694,000 (2015 - £20,389,000) due to the uncertainty over whether these will be deductible when the underlying timing differences reverse.

9. Fixed asset investments

	Shares in subsidiary undertakings £000
Cost	
At 29 June 2015 and 3 July 2016	2,190,532
	<hr/>
Impairment	
At 29 June 2015	1,440,889
Charge for the year	162,960
	<hr/>
At 3 July 2016	1,603,849
	<hr/>
Net book value	
At 3 July 2016	586,683
	<hr/>
At 28 June 2015	749,643
	<hr/>

The company owns 100% of the issued share capital of News Corp Holdings UK & Ireland, an investment company incorporated in England and Wales. A full list of indirect subsidiary undertakings is presented in note 18.

The company tests investments annually for impairment or more frequently if there are indicators that investments may be impaired. The recoverable amounts for the company's investments are measured through review of the investee's net asset position and a value in use calculation. Value in use is determined by discounting future expected cash flows, based on management approved budgets and 3 year projections. These reflect management's current experience and future expectations of the markets in which the investments operate. See note 6 above for details of the current year impairment test.

News Corp Investments UK & Ireland

Notes to the financial statements For the year ended 3 July 2016

10. Debtors

	2016 £000	2015 £000
Amounts owed by group undertakings	34,044	-
	<u>34,044</u>	<u>-</u>

11. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	64,794	-
	<u>64,794</u>	<u>-</u>

12. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Amounts owed to group undertakings	98,838	-
	<u>98,838</u>	<u>-</u>

13. Creditors: Amounts falling due after more than one year

	2016 £000	2015 £000
Amounts owed to group undertakings	541,000	520,389
	<u>541,000</u>	<u>520,389</u>

On 26 June 2014 the company entered into loan notes with a value of £500,000,000 with a fellow subsidiary of News Corporation. The loan notes are due for repayment on 26 June 2019 and are subject to interest of 4%. Interest can be paid throughout the term of the loan or on the repayment date.

News Corp Investments UK & Ireland

Notes to the financial statements For the year ended 3 July 2016

14. Share capital

	2016 £000	2015 £000
Authorised, allotted, called up and fully paid		
3,099,745,398 Ordinary shares of £0.01 each	30,997	30,997

15. Post balance sheet events

On 6 July 2016, the company issued Eurobonds of £98,838,000 to NC Finance Limited to repay the intercompany payable. On 13 July 2016 the company subscribed for 1 ordinary share in News Corp Holdings UK & Ireland, in exchange for £34,044,000 of intercompany receivable and £64,794,000 of cash.

On 12 August 2016, the company issued a further £23,162,000 of Eurobonds in exchange for cash to NC Finance Limited. The company subsequently subscribed for 1 ordinary share in News Corp Holdings UK & Ireland for consideration of £23,162,000 of cash.

On 14 September 2016, the company issued a further £39,000,000 of Eurobonds in exchange for cash to NC Finance Limited. The company subsequently subscribed for 1 ordinary share in News Corp Holdings UK & Ireland for consideration of £39,000,000 of cash.

On 26 September 2016, the company indirectly acquired 100% ownership of the Wireless Group plc for cash consideration of £221,000,000.

16. Ultimate parent company

The ultimate parent company is News Corporation, a company incorporated in Delaware in the United States.

The company's immediate parent company is News Preferred Holdings Inc., a company incorporated in the United States.

The largest and smallest group in which the results of the company are consolidated are is that headed by News Corporation, whose principal place of business is at 1211 Avenue of the Americas, New York, NY 10036. The consolidated financial statements of this Group are available to the public and may be obtained from 1 London Bridge Street, London, SE1 9GF.

17. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 28 June 2015.

The date of transition to FRS 102 was 30 June 2014.

The transition had no impact on the profit or loss for the financial year ended 28 June 2015 and the total equity as at 30 June 2014 and 28 June 2015, hence no reconciliation between UK GAAP as previously reported and FRS 102 is presented.

News Corp Investments UK & Ireland

Notes to the financial statements For the year ended 3 July 2016

18. Subsidiary undertakings

News Corp Holdings UK & Ireland is the only direct shareholding of News Corp Investments UK & Ireland (see note 9). All other companies are indirect shareholdings of News Corp Investments UK & Ireland.

Indirect subsidiary undertakings:

Name	Country of incorporation	Class of shares	Holding	Principal activity
News Corp UK & Ireland Limited	England	Ordinary	100%	Holding Company and finance
News Group Newspapers Limited	England	Ordinary	100 %	Publisher of The Sun and Sun on Sunday
Times Newspapers Holdings Limited	England	Ordinary	100 %	Holding company
The Times Literary Supplement Limited	England	Ordinary	100 %	Publisher of The Times Literary Supplement
News Solutions Limited	England	Ordinary	100 %	Provision of production and related personnel resources
Unruly Holdings Limited	England	Ordinary	100 %	Provision of advertising and other media services
News UK & Ireland Direct Limited	England	Ordinary	100 %	Provision of distribution services to retail outlets
News Promotions Limited	England	Ordinary	100 %	Newspaper promotions
News UK & Ireland Limited	England	Ordinary	100 %	Provision of related personnel resources and shared service functions
News UK & Ireland Trading Limited	England	Ordinary	100 %	Provision of related personnel resources and shared service functions
News UK & Ireland Recruitment Holdings Limited	England	Ordinary	100 %	Holding company
Admacroft Limited	England	Ordinary	100 %	Finance company
News Property Three Limited	England	Ordinary	100 %	Asset holding company
News Collins Limited	England	Ordinary	100 %	Holding and finance company
Handpicked Companies Limited	England	Ordinary	100 %	eCommerce (ceased trading June 2016)
Times Newspapers Limited	England	Ordinary	100 %	Publisher of The Times and The Sunday Times

**Notes to the financial statements
For the year ended 3 July 2016**

18. Subsidiary undertakings (continued)

Indirect subsidiary undertakings (continued):

Name	Country of incorporation	Class of shares	Holding	Principal activity
Newsprinters (Broxbourne) Limited	England	Ordinary	100 %	Provision of production and related personnel resources
Newsprinters (Eurocentral) Limited	England	Ordinary	100 %	Provision of production and related personnel resources
Newsprinters (Knowsley) Limited	England	Ordinary	100 %	Provision of production and related personnel resources
KIP Limited	England	Ordinary	100 %	Provision of production and related personnel resources
Muse Recruitment Holdings Limited	England	Ordinary	100 %	Holding company
Milkround Online Limited*	England	Ordinary	100 %	Recruitment company
HarperCollins (UK)	England	Ordinary	100 %	Holding company
HarperCollins Publishers Limited	England	Ordinary	100 %	Book publishing
HarperCollins Publishers (Australia) PTY Limited	Australia	Ordinary	100 %	Book publishing
HarperCollins Publishers (New Zealand) Limited	New Zealand	Ordinary	100 %	Book publishing
HarperCollins Canada Limited	Canada	Ordinary	100 %	Book publishing
HarperCollins Publishers India Pvt	India	Ordinary	100 %	Book publishing
Unruly Group Limited	England	Ordinary	100 %	Provision of advertising and other media services
Unruly Media AB	Sweden	Ordinary	100 %	Provision of advertising and other media services
Unruly Media AS	Norway	Ordinary	100 %	Provision of advertising and other media services
Unruly Media GmbH	Germany	Ordinary	100 %	Provision of advertising and other media services
Unruly Media Sarl	France	Ordinary	100 %	Provision of advertising and other media services
Unruly Media Pte.Limited	Singapore	Ordinary	100 %	Provision of advertising and other media services

News Corp Investments UK & Ireland

Notes to the financial statements For the year ended 3 July 2016

18. Subsidiary undertakings (continued)

Indirect subsidiary undertakings (continued):

Name	Country of incorporation	Class of shares	Holding	Principal activity
Unruly Media PTY Limited	Australia	Ordinary	100 %	Provision of advertising and other media services
Unruly Media KK	Japan	Ordinary	100 %	Provision of advertising and other media services

*Sold 16 June 2016