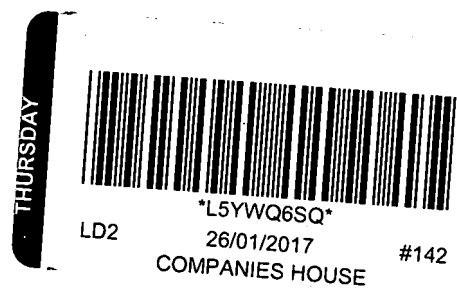


NEWSQUEST LIMITED
(Formerly Newsquest Plc)

Annual Report and Financial Statements
for the 52 weeks ended 27 December 2015



ANNUAL REPORT AND FINANCIAL STATEMENTS 2015

CONTENTS

| | Page |
|--|-------------|
| Strategic Report | 1 |
| Directors' Report | 2 |
| Independent Auditor's Report | 4 |
| Income Statement | 5 |
| Statement of Changes in Equity | 6 |
| Balance Sheet | 7 |
| Notes to the financial statements | 8 |

Country of incorporation:

A company incorporated in Great Britain and registered in England and Wales.

Registered address:

Loudwater Mill, Station Road, High Wycombe, Buckinghamshire, HP10 9TY

STRATEGIC REPORT

The directors present their strategic report for the 52 weeks ended 27 December 2015.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

Newsquest Limited ("the company") is a wholly owned subsidiary undertaking of Newsquest Media Group Limited (collectively with other subsidiaries "the group").

During the period the company transitioned from old extent UK GAAP to FRS 101 – Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard.

The directors are satisfied with the results and prospects of the company.

The company is a holding company and the directors do not believe there are any key performance indicators.

On 1 June 2015 the company's parent company, Gannett U.K. Ltd passed resolutions authorising the re-registering of the company as a Limited company. The company changed its name from Newsquest PLC to Newsquest Limited on 8 September 2015.

Key performance indicators

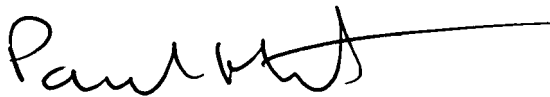
The company is a holding company and the directors do not believe there are any key performance indicators.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates as an intermediary holding company within the Gannett Co., Inc. group of companies. All of its material transactions are with fellow group undertakings and as such its activities are dependent on the activities of the Gannett Co., Inc. group of companies as a whole.

The risks and uncertainties facing the company are linked to those of the group. A discussion of the group risks and uncertainties is contained in the group's annual report.

This report was approved by the Board and signed on its behalf on 24 January 2017 by:



P Hunter
Secretary

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the 52 weeks ended 27 December 2015.

RESULTS, DIVIDENDS AND FUTURE PROSPECTS

The result on ordinary activities after taxation amounted to a loss of £173,000,000 (2014 - £nil) due to an impairment against the carrying value of investments in subsidiaries.

During the prior period all dividends from the company's subsidiary were waived and paid direct to Gannett U.K. Limited (2014 - £nil).

The directors do not recommend that a final dividend is paid (2014 - £nil).

The company's principal activity continues to be that of a holding company.

DIRECTORS

The following directors held office during the period and up to the date of signing the financial statements:

| | |
|----------------|--------------------------|
| P Davidson | (resigned 1 May 2015) |
| R Dickey | |
| A Engel | (appointed 29 June 2015) |
| B Wall | (appointed 29 June 2015) |
| H Faure Walker | |
| P Hunter | |
| V Harker | (resigned 29 June 2015) |
| G Martore | (resigned 29 June 2015) |
| T Mayman | (resigned 29 June 2015) |

DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The group maintains Director's and Officer's liability insurance for the directors during the course of their employment. The insurance will cover the directors' legal costs incurred in defending any proceedings brought by third parties. Such qualifying third party indemnity provision remains in place as at the date of approving the Strategic Report and Directors' Report

EMPLOYEE PARTICIPATION, DISABLED PERSONS AND THE ENVIRONMENT

The company is a holding company and has no employees. The policies of Newsquest Media Group Limited, the company's subsidiary, are set out in its accounts.

POLITICAL AND CHARITABLE CONTRIBUTIONS

Details of charitable contributions are contained in the accounts of Gannett U.K. Limited. The company made no political donations during the period.

DIRECTORS' RESPONSIBILITIES

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

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' RESPONSIBILITIES (CONTINUED)

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development and position, are set out above in the Strategic Report under the sections principal activities, review of the business and principal risks and uncertainties in the Directors Report under future prospects.

The company participates in the group's centralised treasury arrangements and so shares banking arrangements with Newsquest Media Group Limited and fellow subsidiaries. The Newsquest group continues to generate significant free cash flow. The company also relies on the ongoing support of its US based parent company.

On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were members of the Board at the time of approving the Strategic Report and Directors' Report are listed on page 2. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirm that:

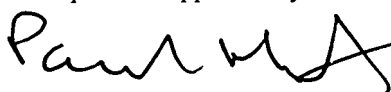
- to the best of each directors' knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AUDITORS

Ernst & Young LLP are deemed to be reappointed in accordance with an elective resolution made under Section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006.

This report was approved by the Board and signed on its behalf on 24 January 2017 by:



P Hunter
Director

Independent auditor's report

to the members of Newsquest Limited

We have audited the financial statements of Newsquest Limited for the period ended 27 December 2015 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 13. The 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 Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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 Statement of Directors' Responsibilities set out on page 3, 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 Practices 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 Annual Report and Financial Statements 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 27 December 2015 and its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; 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 period for which the financial statements are prepared is consistent with the financial statements.

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.



Philip Young (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

25 January 2017

INCOME STATEMENT

For the 52 weeks ended 27 December 2015 (note 1)

| | Notes | 2015 £'000 | Restated 2014 £'000 |
|--|-------|------------------|---------------------------|
| Income from shares in group undertakings | 3 | - | - |
| Impairment of investment in subsidiary undertakings | | (173,000) | - |
| OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | | (173,000) | - |
| Income tax (charge)/credit | 4 | - | - |
| LOSS FOR THE FINANCIAL PERIOD | | (173,000) | - |

All the above transactions relate to continuing operations.

There were no recognised gains or losses for the period or the preceding period other than those included in the income statement above and therefore no separate Statement of Comprehensive Income has been presented.

The notes on pages 8 to 16 form part of the financial statements.

STATEMENT OF CHANGES IN EQUITY
52 weeks ended 27 December 2015

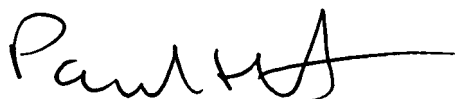
| | Share capital £'000 | Share premium £'000 | Revaluation reserves £'000 | Retained earnings £'000 | Total £'000 |
|------------------------|---------------------------|---------------------------|----------------------------------|-------------------------------|----------------|
| As at 29 December 2013 | 1,965 | 250,225 | 831 | 188,994 | 442,015 |
| Result for the period | - | - | - | - | - |
| As at 28 December 2014 | 1,965 | 250,225 | 831 | 188,994 | 442,015 |
| (Loss) for the period | - | - | - | (173,000) | (173,000) |
| At 27 December 2015 | 1,965 | 250,225 | 831 | 15,994 | 269,015 |

BALANCE SHEET
52 weeks ended 27 December 2015

| | Note | £'000 | 2015 £'000 | £'000 | Restated 2014 £'000 |
|-----------------------------|------|--------|---------------|--------|---------------------------|
| FIXED ASSETS | | | | | |
| Investments | 5 | | 219,000 | | 387,000 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 50,015 | | 55,015 | |
| NET CURRENT ASSETS | | | 50,015 | | 55,015 |
| NET ASSETS | | | 269,015 | | 442,015 |
| CAPITAL AND RESERVES | | | | | |
| Share capital | 7 | | 1,965 | | 1,965 |
| Share premium | | | 250,225 | | 250,225 |
| Capital redemption reserve | | | 831 | | 831 |
| Retained earnings | 8 | | 15,994 | | 188,994 |
| TOTAL EQUITY | | | 269,015 | | 442,015 |

The notes on pages 8 to 16 form part of the financial statements.

The financial statements on pages 5 to 16 were approved by the Board of Directors and signed on its behalf on 24 January 2017 by:



P Hunter

Director

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The company meets the definition of a qualifying entity for the purpose of FRS 101 (Financial Reporting Standard 101) accordingly, in the 52 week ended 27 December 2015 the company has undergone transition from reporting under United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) to FRS 101 as issued by the Financial Reporting Council and the Companies Act 2006.

The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework'. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to: presentation of financial statements, business combinations, share-based payment, accounting policies, changes in accounting estimates and errors; non-current assets held for sale, financial instruments, fair value measurements, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, impairment of assets, related party transactions and standards not yet effective.

The company is exempt from preparing group financial statements under Section 401 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking. Accordingly, these financial statements present information about the company and not its Group. Gannett Co. Inc., the ultimate parent company publishes consolidated financial statements which includes the cash flows of the company. The company has therefore taken advantage of the exemption granted by Financial Reporting Standard 101 – 'Reduced Disclosure Framework', to not present a cash flow statement.

The principal accounting policies adopted are set out under the notes below.

New and amended standards and interpretations

The financial statements of the company do not comply with all the requirements of IFRS's and do not therefore contain the unreserved statement of compliance set out in paragraph 16 of IAS 1 "presentation of financial statements".

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not effective as at the balance sheet date:

- Amendment to IAS 1, 'Presentation of financial statements' on the disclosure initiative, is effective from 1 January 2016.
- Amendments to IAS 16, 'Property, plant and equipment', and IAS 38, 'Intangible assets', on depreciation and amortisation, are effective from 1 January 2016.
- IFRS 9, 'Financial Instruments', is effective from 1 January 2018.
- IFRS 14, 'Regulatory deferral accounts', is effective from 1 January 2016.
- IFRS 15, 'Revenue from contracts with customers', is effective from 1 January 2017.
- IFRS 16*, 'Lease arrangements and their treatment in the financial statements', is effective from 1 January 2019.
- Annual improvements to IFRS 2014, are effective from 1 January 2016.

* Not yet endorsed by the EU.

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the company.

Accounting period

The income statements cover the 52 weeks from 29 December 2014 to 27 December 2015 and 52 weeks from 30 December 2013 to 28 December 2014. The balance sheets for 2015 and 2014 have been drawn up at 27 December 2015 and 28 December 2014 respectively.

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

1. ACCOUNTING POLICIES (CONTINUED)

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Significant accounting policies

Interest income

Interest income is recognised as the interest accrues using the effective interest method.

Operating loss

Operating loss is stated after charging restructuring or other exceptional costs but before investment income, other finance income and finance costs.

Exceptional items

The company presents as exceptional items those material items of income and expense which, because of the nature and expected frequency of the events giving rise to them, merit separate presentation to explain the elements of financial performance in the period and to facilitate comparison with prior periods.

Investments

Investments held as fixed assets are stated at cost, less provision, if appropriate, for any impairment in value other than a temporary impairment in value. The carrying value of investments is reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

The tax expense represents the sum of the tax currently payable.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the period end date.

2. EMPLOYEES, DIRECTORS AND AUDITORS

The company had no employees in the period (2014 – nil).

The directors receive no remuneration for their qualifying services to the company (2014 - £nil). All emoluments and pension payments made by related companies to directors are dealt with in the accounts of Newsquest Media Group Limited.

Fees for audit services for the entire Gannett U.K. Limited group totalling £328,270 (2014 - £278,000) were borne by Newsquest Media Group Limited in the current and prior period.

3. INCOME FROM FIXED ASSET INVESTMENTS

| | 2015 £'000 | 2014 £'000 |
|-----------------------------------|---------------|---------------|
| Dividends from group undertakings | - | - |

During the period and prior period all dividends from the company's subsidiary were paid on the directors' approval direct to Gannett U.K. Limited.

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

4. TAXATION

| (a) Tax (charged)/credited in the income statement | 2015 £'000 | 2014 £'000 |
|--|-----------------------|-----------------------|
| Current income tax (charge)/credit: | | |
| UK corporation tax at 20.25% (2014 – 21.50%) | - | - |
| Adjustment in respect of current income tax in prior period | - | - |
| Total Income tax (charge)/credit reported in the income statement all relating to continuing operations | - | - |
| (b) Reconciliation of the total tax (charge)/credit: | 2015 £'000 | 2014 £'000 |
| Loss from continuing activities before taxation | (173,000) | - |
| Tax on the losses on ordinary activities at the standard UK rate of corporation tax of 20.25% (2014: 21.50%) | 35,033 | - |
| Tax effect of amounts which are not (taxable)/deductible in calculating taxable income: | | |
| Tax effect of items that are not deductible or not taxable in determining taxable loss | (35,033) | - |
| Transfer pricing adjustments | (1,033) | (946) |
| Group relief claimed for Nil payment | 1,033 | 946 |
| Total income tax (charge)/credit reported in the income statement | - | - |

The entity does not have any deferred tax.

5. INVESTMENTS

| | Investments in subsidiary undertakings £'000 |
|---|---|
| Cost | |
| At 29 December 2014 | 639,377 |
| Capital contribution | 5,000 |
| At 27 December 2015 | 644,377 |
| Provisions | |
| At 29 December 2014 | 252,377 |
| Impairment of investment in subsidiary undertakings | 173,000 |
| At 27 December 2015 | 425,377 |
| Carrying amount | |
| At 27 December 2015 | 219,000 |
| At 28 December 2014 | 387,000 |

On the 15 May 2015 the company received a loan repayment from Gannett UK Limited and made a capital contribution of £5,000,000 to its subsidiary, Newsquest Capital Limited, to fund the Romanes Media Group acquisition.

During the period the investments in subsidiary undertakings were written down by £173,000,000 to the Directors' estimate of their recoverable amount.

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

5. INVESTMENTS (CONTINUED)

The wholly owned trading subsidiary companies of Newsquest Limited (all of which are incorporated in Great Britain and registered in England and Wales except for those marked with an asterisk which are registered in Scotland) at 27 December 2015 are as follows:

| Name of company | Nature of business |
|--|-----------------------------------|
| Newsquest Limited | Holding company |
| Newsquest Capital Limited ¹ | Holding company |
| Newsquest Media Group Limited | Holding company |
| Newsquest (Yorkshire & North East) Limited | Publishing |
| Newsquest (Essex) Limited (dormant from August 2015) | Publishing |
| Newsquest Specialist Media Limited | Publishing |
| Newsquest (Herald & Times) Limited* | Printing and publishing |
| Newsquest (North West) Limited | Publishing |
| Newsquest (London & Essex) Limited | Publishing |
| Newsquest (Midlands South) Limited | Printing and publishing |
| Newsquest (North East) Limited | Publishing |
| Newsquest (Oxfordshire & Wiltshire) Limited | Printing and publishing |
| Newsquest (Sussex) Limited | Publishing |
| Newsquest (York) Limited | Publishing |
| Newsquest Media (Southern) Limited | Printing and publishing |
| Sopress Investments Limited | Investment holding company |
| Newsquest (Clyde & Forth Press) Limited* | Publishing |
| Newsquest (Berkshire) Limited* | Publishing |
| Your Radio FM Limited* (dormant from October 2015) | Dormant holding company |
| Romanes Media Limited* | Holding company |
| Romanes Media Group Limited* | Holding company |
| Romanes Media Group EBT Limited* | Trustee of employee benefit trust |

¹ Owned directly by the company.

The dormant subsidiary companies the Company (all of which are wholly owned indirectly and incorporated in Great Britain and registered in England and Wales except those marked with an asterisk which are registered in Scotland) at 27 December 2015 are as follows:

| Name of Company | Name of Company |
|--|--|
| Advertiser Series Limited | Bury Times Limited |
| Advertising Distribution Services Limited | C.H. Peacock Limited |
| Asherclose Limited | Campaign Free Newspapers Limited |
| Bailey Newspaper Group Limited | Cleadon Press Limited |
| Bailey Print Limited | Csonco Limited |
| Bailey Web Limited | Daily News Group Limited |
| Barry Printing and Publishing Co. Limited | Devobrook Limited ¹ |
| Beck & Partridge Limited | Essex County Newspapers Limited ¹ |
| Berrows West Midlands Limited ¹ | Evesham Admag Limited ¹ |
| Billington & Wright Limited ¹ | Exchange Enterprises Limited |
| Bird Brothers Limited | Extonbase Limited |
| Brighton & District Property News Limited | Fossilcove Limited |
| Bromsgrove Observer Limited ¹ | Gloucestershire Independent Limited |

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

5. INVESTMENTS (CONTINUED)

| Name of company | Name of company |
|--|--|
| H. Dawson & Co. (Printers) Limited | Newsquest Printing (Glasgow) Limited* |
| Hampshire Newspapers Limited | Newsquest Printing (Lancashire) Limited |
| Helston Printers Limited | North of England Newspaper Company Limited |
| Henry Pease & Company Limited | Northern Counties Newspapers (Tyneside) Limited ¹ |
| Independent Media Limited ¹ | Nursing Spectrum UK Limited |
| J.H.Lake & Co.Limited | Orpheus Publications Limited ^{1*} |
| Jaxman Limited | Packet Newspapers (Cornwall) Limited ² |
| John. H. Burrows & Sons Limited | Partridge Printers Limited |
| Kinsman Reeds Limited | Property Weekly Limited |
| Lettercatch Limited | Pythondeck Limited |
| London & Kent Newspapers Limited ¹ | Rawlings & Walsh Limited |
| Mega Suburban Printing Limited ¹ | Redditch Observer Limited ¹ |
| Morgan Truman Publications Limited ¹ | Regional Letterbox Services Limited ¹ |
| Msomn Limited | Richmond & Twickenham Times Limited ¹ |
| New Forest Post Limited | Rusholmes Printers Limited |
| News Shopper Limited ¹ | Salisbury Journal Newspapers Limited |
| Newsquest (Basildon) Limited ¹ | Sawp Limited |
| Newsquest (Blackburn) Limited ¹ | Sellix Limited |
| Newsquest (Bolton) Limited ¹ | Slough Newspaper Printers Limited |
| Newsquest (Buckinghamshire & West London) Limited | South London Guardian Limited ¹ |
| Newsquest (Basildon) Limited ¹ | |
| Newsquest (Blackburn) Limited ¹ | South Wales Argus Limited |
| Newsquest (Bolton) Limited ¹ | South West Counties Newspapers Limited |
| Newsquest (Buckinghamshire & West London) Limited | South West Wales Newspapers Limited |
| Newsquest (Cheshire) Limited ¹ | Southern Newspapers Limited |
| Newsquest (Cheshire/Merseyside) Limited ¹ | |
| Newsquest (East London & West Essex) Limited ¹ | South Wales Argus Limited |
| Newsquest (Hereford) Limited ¹ | South West Counties Newspapers Limited |
| Newsquest (Herefordshire & Middlesex) Limited ¹ | South West Wales Newspapers Limited |
| Newsquest (Herts & Bucks) Limited | Southern Newspapers Limited |
| Newsquest (Kendal) ¹ | Spiceford Limited |
| Newsquest (Investments) Limited | Stelert Limited |
| Newsquest (Lancs Free) Limited ¹ | Stone Square Newsagency Limited |
| Newsquest (Leeds) Limited | Stour Valley News Limited |
| Newsquest (Merseyside) Limited ^{1*} | Surfield Limited ¹ |
| Newsquest (North West London) Limited ¹ | Swallowdove Limited |
| Newsquest (Stourbridge) Limited ¹ | T.A.S. Publishing Limited ^{1*} |
| Newsquest (Wiltshire) Limited ¹ | Teddington & Hampton Times Limited |
| | The Avon Advertiser Limited |
| Newsquest (Worcester) Limited ¹ | The Bedfordshire Times Publishing Company Limited |
| | The Bradford & District Newspaper Company Limited |
| Newsquest Direct Limited ¹ | The Craven Herald Limited |
| Newsquest Financial Media Limited ¹ | The Croydon Property News Limited ¹ |
| Newsquest Media (Berrows) Limited ¹ | The Ludlow Advertiser Limited ¹ |
| Newsquest Media (Midland) Limited | The National Press Agency Limited |
| Newsquest Media (North East) Limited ¹ | The Oxford Mail & Times Limited |
| Newsquest Financial Media Limited ¹ | The Redditch & Bromsgrove Observer Limited ¹ |
| Newsquest Media (Berrows) Limited ¹ | The Tenbury Advertiser Company Limited ¹ |
| Newsquest Media (Midland) Limited | The Yorkshire Herald Newspaper Company Limited |
| Newsquest Media (North East) Limited ¹ | Two's Company (Dating) Limited |
| Newsquest Media (Northern) Limited ¹ | |
| Newsquest Media (South) Limited ¹ | |
| Newsquest Printing (Colchester) Limited | |

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

5. INVESTMENTS (CONTINUED)

| Name of company | Name of company |
|------------------------------------|--|
| Warden & Company Limited | Wroughton Press Limited |
| West Country Magazines Limited | Wxan Limited |
| West of England Newspapers Limited | Yeoman Developments (Winton) Limited |
| Westminster Press Limited | Newsquest Printing (Glasgow) Limited* |
| Westmorland Gazette Limited | Newsquest Magazines Limited ¹ |
| Wiltshire Newspapers Limited | Newsquest (Sunday Herald) Limited* |
| WM Dresser & Sons Limited | S1Now Limited* |
| WP Publishing | |

¹ Struck off in 2016

| Joint ventures: | Class of shares held | Proportion | Nature of Business | Year end |
|---------------------------------|----------------------|------------|--------------------|--------------|
| Classified Periodicals Limited^ | Ordinary | 50% | Non-trading | 27 December |
| This is Essex Limited | Ordinary | 50% | Non-trading | 30 September |

^Struck off in 2016

6. DEBTORS

| | 2015 £'000 | 2014 £'000 |
|---|---------------|---------------|
| Amounts falling due within one year: | | |
| Amounts owed by group undertakings | 50,015 | 55,015 |

7. CALLED UP SHARE CAPITAL

| | 2015 £ | 2014 £ |
|--|-----------|-----------|
| Authorised: | | |
| 270,000,000 ordinary shares of 1p each | 2,700,000 | 2,700,000 |
| Allotted, called up and fully paid: | | |
| 196,538,206 ordinary shares of 1p each | 1,965,382 | 1,965,382 |

On 18 March 2016, a resolution was passed to increase the share capital by £187,372,000 through a bonus issue of 18,737,200,000 1p ordinary shares.

Following the completion of the above transactions, it was subsequently resolved on 22 March 2016 to reduce the share capital of the company by the cancellation of £189,337,382.05 from the 1p ordinary shares and to transfer this amount to the profit and loss reserve.

8. RESERVES

| | Share capital £'000 | Share premium £'000 | Revaluation reserves £'000 | Retained earnings £'000 | Total £'000 |
|------------------------|------------------------|------------------------|-------------------------------|----------------------------|----------------|
| As at 29 December 2013 | 1,965 | 250,225 | 831 | 188,994 | 442,015 |
| Result for the period | - | - | - | - | - |
| As at 28 December 2014 | 1,965 | 250,225 | 831 | 188,994 | 442,015 |
| (Loss) for the period | - | - | - | (173,000) | (173,000) |
| At 27 December 2015 | 1,965 | 250,225 | 831 | 15,994 | 269,015 |

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

8. RESERVES (CONTINUED)

On 14 March 2016, it was resolved to undertake a capital reduction and cancel £250,224,854 from the share premium account and £831,350 from the capital redemption reserve and to transfer these amounts to the profit and loss reserve. The capital reductions were legally effected on 17 March 2016 when the documentation was registered at Companies House.

Subsequently, on 18 March 2016, a special resolution was passed to increase the share capital by a £187,372,000 through a bonus issue of 18,737,200,000 1p ordinary shares.

Following the completion of the above transactions, it was subsequently resolved on 22 March 2016 to reduce the share capital of the company by the cancellation of £189,337,382.05 from the 1p ordinary shares and to transfer this amount to the profit and loss reserve. The capital reductions were legally effected on 29 March 2016 when the documentation was registered at Companies House.

On 1 April 2016 it was resolved that a dividend of £50 million be paid by Newsquest Limited to Gannett UK Limited, to be satisfied by Newsquest Limited entering into a deed of set-off with Gannett UK Limited under which Newsquest Limited's obligation to pay the dividend be set-off against Gannett UK Limited's obligation to pay to Newsquest Limited a capital contribution of £50 million.

9. POST BALANCE SHEET EVENTS

In March and April 2016 the company's capital structure was amended as set out in notes 7 and 8 above.

10. OTHER COMMITMENTS

At 27 December 2015 the company had no annual commitments under non-cancellable operating leases or capital commitments (2014 - £nil).

11. RELATED PARTIES

The company is a wholly owned subsidiary included in the consolidated financial statements of its ultimate parent company. These financial statements are publicly available, therefore, the company has taken advantage of the exemption under paragraph 8 (k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

12. ULTIMATE PARENT COMPANY

The company's ultimate parent and controlling company is Gannett Co., Inc., a company incorporated in the United States of America. The intermediate parent and controlling company in the United Kingdom is Gannett U.K. Limited, a company incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Gannett Co., Inc. comprise the largest group of which the company is a member that prepare consolidated financial statements. The annual report and consolidated financial statements of Gannett Co., Inc. can be obtained from the Secretary, Gannett Co., Inc., 7950 Jones Branch Drive, McLean, Virginia 22107 or online at www.gannett.com investor relations. The annual report and financial statements of Newsquest Media Group Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ or online at www.beta.companieshouse.gov.uk.

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

13. EXPLANATION OF TRANSITION TO FRS 101

This is the financial first period that the group has presented its financial statements under FRS 101. The following disclosures are required in the period of transition. The last financial statements under UK GAAP were for the period ended 28 December 2014 and the date of transition to FRS 101 was 29 December 2014.

Differences between FRS 101 and Old extant UK GAAP

There were no key differences identified.

Reconciliation of profit for the period ended 28 December 2014

| | UK GAAP in FRS 101 format £'000 | Effect of transition to FRS 101 £'000 | FRS 101 £'000 |
|--|--|--|------------------|
| TURNOVER | - | - | - |
| Cost of sales | - | - | - |
| GROSS PROFIT | - | - | - |
| Operating expenses | - | - | - |
| OPERATING PROFIT | - | - | - |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | - | - | - |
| Income tax credit | - | - | - |
| RESULT FOR THE FINANCIAL PERIOD | - | - | - |

NOTES TO THE ACCOUNTS
52 weeks ended 27 December 2015

13. EXPLANATION OF TRANSITION TO FRS 101 (CONTINUED)

Reconciliation of equity at 30 December 2013 (date of transition to FRS 101)

| | UK GAAP in FRS 101 format £'000 | Effect of transition to FRS 101 £'000 | FRS 101 £'000 |
|--|--|--|--------------------------|
| FIXED ASSETS | | | |
| Investments | 387,000 | - | 387,000 |
| CURRENT ASSETS | | | |
| Debtors | 55,015 | - | 55,015 |
| NET CURRENT ASSETS | 55,015 | - | 55,015 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 442,015 | - | 442,015 |
| NET ASSETS | 442,015 | - | 442,015 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 1,965 | - | 1,965 |
| Share premium account | 250,225 | - | 250,225 |
| Other reserve | 831 | - | 831 |
| Retained earnings | 188,994 | - | 188,994 |
| TOTAL EQUITY | 442,015 | - | 442,015 |

Reconciliation of equity at 28 December 2014

| | UK GAAP in FRS 101 format £'000 | Effect of transition to FRS 101 £'000 | FRS 101 £'000 |
|--|--|--|--------------------------|
| FIXED ASSETS | | | |
| Investments | 387,000 | - | 387,000 |
| CURRENT ASSETS | | | |
| Debtors | 55,015 | - | 55,015 |
| NET CURRENT ASSETS | 55,015 | - | 55,015 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 442,015 | - | 442,015 |
| NET ASSETS | 442,015 | - | 442,015 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 1,965 | - | 1,965 |
| Share premium account | 250,225 | - | 250,225 |
| Other reserve | 831 | - | 831 |
| Retained earnings | 188,994 | - | 188,994 |
| TOTAL EQUITY | 442,015 | - | 442,015 |