

**Bauer Radio (Holdings) Limited
(formerly Emap Radio
(Holdings) Limited)**

Financial Statements

For the year ended 31 March 2007

Company Registered No. 4327363

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Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

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Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Directors, officers and auditors

Directors	David Goodchild (appointed 29 January 2008) Gary Max Beddard (appointed 29 January 2008)
Company Secretary	SISEC Limited
Registered Office	21 Holborn Viaduct London EC1A 2DY
Company Number	4327363
Auditors	PricewaterhouseCoopers LLP 1 Embankment Place LONDON WC2N 6RH

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Directors' Report For the year ended 31 March 2007

The directors submit their report and accounts for year ended 31 March 2007.

Business review and principal activities

The Company's principal activity is, and it is intended will continue to be, an investment holding Company.

The loss for the year after taxation amounted to £107,215,000 (six months ended 31 March 2006: £614,000 profit).

No interim dividend was paid in the year (six months ended 31 March 2006: £nil). The directors do not recommend the payment of a final dividend (six months ended 31 March 2006: £nil).

The results of the Company were driven by the impairment of the company's investment, and the performance of the Radio Division of Emap plc (now known as Emap International Limited, "Emap"), as discussed on page 34 of the Emap annual report for 31 March 2007, which does not form part of this report.

Post Balance Sheet Events

On 7 December 2007, Emap announced the sale of the Company, to Heinrich Bauer Verlag KG for a cash consideration of £338,707,000. This disposal was completed on 29 January 2008.

On 20 February 2008, the Company changed its name to Bauer Radio (Holdings) Ltd and registered office to 21 Holborn Viaduct, London EC1A 2DY.

Principal risks and uncertainties

For the period subsequent to the year end, the directors of the Company managed its risk at a Group level, rather than at an individual business unit level. The principal risks and uncertainties of the Company for the period subsequent to these financial statements, are discussed on page 23 of the Emap annual report for the year ended 31 March 2007 which does not form part of this report.

Key performance indicators ("KPIs")

The performance of the Company is measured as part of the performance of the Radio Group. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance and position of the business of the Company. The development, performance and position of the Radio business, which includes the Company is discussed on page 34 of the Emap annual report for the year ended 31 March 2007 which does not form part of this report.

Accounting period

These accounts have been prepared as at, and for the year ended, 31 March 2007.

Directors

The current directors are shown on page 1. The directors who served during the year were:

N Folland	(Resigned 30 March 2007)
J Lavelli	(Appointed 13 July 2006, resigned 29 January 2008)
K Elsdon	(Appointed 30 March 2007, resigned 28 September 2007)
A Phillips	(Resigned 13 July 2006)
N Bhakta-Jones	(Appointed 28 September 2007, resigned 29 January 2008)

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Directors' Report

For the year ended 31 March 2007

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 March 2007 and that applicable accounting standards have been followed.

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 financial statements 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.

Statement of directors' responsibilities (continued)

Each of the directors at the date of approval of this report confirms that (1) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware and, (2) the director has taken all the steps s/he ought to have taken as a director in order to make him/herself aware of any 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 s234ZA of the Companies Act 1985 (as amended).

Insurance of directors

Throughout the period Directors' and Officers' liability insurance was maintained by the ultimate parent Company, Emap.

Signed on behalf of the Board of Directors:



D P Goodchild

Approved by the Board on 16 December 2008

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Independent Auditors' Report For the year ended 31 March 2007

Independent auditors' report to the members of Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

We have audited the financial statements of Bauer Radio (Holdings) Limited for the year ended 31 March 2007 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland). 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 report to you whether, in our opinion, the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 March 2007 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London

18th December 2008

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Profit and Loss Account For the year ended 31 March 2007

	Notes	Year ended 31 March 2007 £'000	Six months ended 31 March 2006 £'000
Impairment of fixed asset investment	4	(108,293)	-
Loss on ordinary activities before interest and taxation		(108,293)	-
Interest receivable and similar income		1,540	877
(Loss)/profit on ordinary activities before taxation	2	(106,753)	877
Tax on (loss)/profit on ordinary activities	3	(462)	(263)
(Loss)/retained profit for the period	9	(107,215)	614

(i) There are no recognised gains and losses or historical cost profits and losses other than those stated above.

(ii) All activities relate to continuing operations.

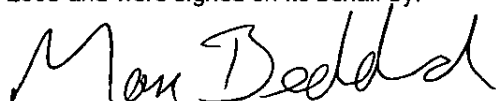
(iii) The notes on pages 7 to 10 form part of the financial statements.

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Balance Sheet At 31 March 2007

	Notes	31 March 2007 £'000	31 March 2006 £'000
Fixed assets			
Investments in subsidiary undertakings	4	338,707	447,000
Current assets			
Debtors	5	29,870	28,593
Creditors: amounts falling due within one year	6	(462)	(263)
Net current assets		29,408	28,330
Net assets		368,115	475,330
Capital and reserves			
Called up share capital	7	251,774	251,774
Share premium account	8	233,788	233,788
Profit and loss account	8	(117,447)	(10,232)
Total shareholders' funds	9	368,115	475,330

The financial statements on pages 5 to 10 were approved by the board of directors on 16 December 2008 and were signed on its behalf by:



M Beddard
Director

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Notes to the accounts

For the year ended 31 March 2007

1 Accounting policies

Accounting convention

These accounts have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. The directors, in accordance with the Financial Reporting Standard 18, "Accounting Policies" ("FRS 18"), confirm that the accounting policies used by the Company are the most appropriate, consistently applied and adequately disclosed. A summary of the more important accounting policies is set out below.

Group accounts

Group accounts have not been prepared as permitted by section 228(1) of the Companies Act 1985.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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 have occurred at the balance sheet date.

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

Fixed asset investments

Investments in Group undertakings are stated at cost less provision for permanent diminution in value.

Cash flow statement and related party disclosures

For the year ended 31 March 2007, the Company was a wholly owned subsidiary of Emap and is included in the consolidated financial statements of Emap, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 "Cashflow Statements" (revised 1996). The Company is also exempt under the terms of Financial Reporting Standard 8 "Related Party Transactions" from disclosing related party transactions with entities that were part of the Emap Group or investees of the Emap Group.

2 Profit on ordinary activities before taxation

Fees for the audit of the Company borne by other Group undertakings were £8,000 (2006: £7,000). These fees have not been recharged.

Fees paid to the Company's auditor, PricewaterhouseCoopers LLP, for services other than the statutory audit of the Company are not disclosed in Bauer Radio (Holdings) Limited's accounts since the consolidated accounts of Bauer Radio (Holdings) Limited's parent at 31 March 2007, Emap, disclosed non-audit fees on a consolidated basis.

The Company employed no staff during the period other than the directors (six months ended 31 March 2006: nil). None of the directors received any payment for their services as directors of the Company.

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)

Notes to the accounts

For the year ended 31 March 2007

3 Tax on profit on ordinary activities

Year ended 31 March 2007 £'000	Six months ended 31 March 2006 £'000
--------------------------------------	--

UK corporation tax on the taxable (loss)/profit for the year
at 30% (6 months ended 31 March 2006: 30%)

(462)	(263)
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The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference between the tax as per the financial statements and tax at the UK nominal rate is disclosed below:

Year ended 31 March 2007 £'000	Six months ended 31 March 2006 £'000
--------------------------------------	--

(Loss)/profit before tax

(106,753)	877
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Tax charge/(credit) at 30%

32,026	(263)
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Non-deductible expenses (impairment of investments)

(32,488)	-
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Current tax charge for the period

(462)	(263)
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The anticipated future effective rate of tax for the Company will be around 28% (six months ended 31 March 2006: 30-31%). This represents a current year tax charge plus ordinary permanently disallowed items of income and expense.

There is no provided or unprovided deferred tax.

4 Fixed asset investments

Subsidiaries £'000

At 1 April 2006

447,000

Provision for permanent diminution

(108,293)

At 31 March 2007

338,707

Fixed asset investments represent the Company's 100% holding in the ordinary share capital of Bauer Radio Limited (formerly Emap Radio Limited), a Company registered in England and Wales.

The provision for diminution in value relates to the Company's holding in Bauer Radio Ltd. The value of the investment has been written down to its net realisable value, as supported by the disposal of Bauer Radio (Holdings) and its subsidiaries to Heinrich Bauer Verlag KG on 29 January 2008 for £338,707,000.

Bauer Radio (Holdings) Limited (formerly Emap Radio (Holdings) Limited)
Notes to the accounts
For the year ended 31 March 2007

5 Debtors

	31 March 2007 £'000	31 March 2006 £'000
Amounts owed by ultimate parent undertaking	29,870	28,593
	<u>29,870</u>	<u>28,593</u>

Amounts owed by the ultimate parent undertaking are unsecured, bearing interest at the LIBOR rate and have no fixed date of repayment.

The intercompany indebtedness position, as at 29 January 2008, of the ultimate parent company with companies acquired by Bauer UK Radio GmbH was novated at that date to Bauer UK Radio GmbH.

6 Creditors: amounts falling due within one year

	31 March 2007 £'000	31 March 2006 £'000
Amounts owed to other group undertakings	462	-
Corporation Tax	-	263
	<u>462</u>	<u>263</u>

Amounts due to other Group undertakings are unsecured, bearing interest at the LIBOR rate and are repayable on demand.

7 Called up share capital - equity

The Company's share capital comprised:	31 March 2007 £'000	31 March 2006 £'000
Authorised		
100,000 ordinary shares at £1 each	100	100
260,000,000 preference shares at £1 each	260,000	260,000
	<u>260,100</u>	<u>260,100</u>
Allotted, issued and fully paid		
9,999 Ordinary shares of £1 each	10	10
251,764,705 Preference shares of £1 each	251,764	251,764
	<u>251,774</u>	<u>251,774</u>

The preference shares rank pari passu with the ordinary shares on any distribution of income. On any form of return of capital the holders of the preference shares are entitled in priority to any payment to the holders of any other class of share, the repayment of £1 per preference share together with any accrued but unpaid preference dividend only. Voting rights are not available to the preference shareholders except to vary the rights attached to that class.

**Bauer Radio (Holdings) Limited (formerly Emap Radio
(Holdings) Limited)**
Notes to the accounts
For the year ended 31 March 2007

8 Reserves

	Share Premium £'000	Profit & Loss account £'000
At 1 April 2006	233,788	(10,232)
(Loss)/retained profit for the year	-	(107,215)
At 31 March 2007	233,788	(117,447)

9 Reconciliation of movement on shareholders' funds

	2007 £'000	2006 £'000
Opening shareholders' funds	475,330	474,716
(Loss)/retained profit for the year	(107,215)	614
Closing shareholders' funds	368,115	475,330

10 Related party transactions

Transactions with other companies within the Group are not disclosed as the Company has taken advantage of the exemption available under FRS 8 "Related Party Disclosures".

11 Ultimate parent Company at 31 March 2007

The immediate parent company at 31 March 2007 was Emap Holdings Limited.

The ultimate parent company and controlling party as at 31 March 2007 was Emap, which is the parent undertaking of the smallest and largest Group to consolidate these financial statements. Copies of Emap's consolidated financial statements can be obtained from the Registered Office at Greater London House, Hampstead Road, London NW1 7EJ.

Following the post balance sheet event described in note 12, the directors consider that, as at the date of issue of these financial statements, the ultimate parent company and controlling party had changed to Heinrich Bauer Verlag KG, a company incorporated in Germany.

12 Post Balance Sheet Events

On 7 December 2007, Emap announced the sale of the Company, to Heinrich Bauer Verlag KG for a consideration of £338,707,000. This disposal was completed on 29 January 2008.

On 20 February 2008, the Company changed its name to Bauer Radio (Holdings) Ltd and registered office to 21 Holborn Viaduct, London EC1A 2DY.