

BAUER RADIO (HOLDINGS) LIMITED

Company number 4327363

SOLVENCY STATEMENT

On the 1st day of September 2011

We, the undersigned, the directors of the Company, pursuant to Sections 642 and 643 of the Companies Act 2006 hereby have each formed the opinion that

- a) as regards the Company's situation at the date of this statement, there is no ground on which the company could then be found to be unable to pay (or otherwise discharge) its debts, and
- b) the Company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the date of this statement

Signed Max Beppard. Date 1st Sept 2011

Max Beppard (Director)

Signed David Goodchild Date 1st SEPT 2011

David Goodchild (Director)





Bauer Radio (Holdings) Limited

1 September 2011

MEDIA

Rationale for signature of Solvency Statement to support Share Premium reduction

- 1 Bauer Radio (Holdings) Limited (BRHL) is the holding company for Bauer's Radio Division
- 2 The underlying Bauer Radio business is profitable – the latest management accounts for the 7 months ending 31 July 2011 show trading profits of £18.3m
- 3 The latest forecasts show that the full year trading profits to 31 December 2011 are expected to be £35.7m
- 4 The Radio business has a positive cash balance of £10.9m at 24 August 2011
- 5 The Radio business's significant creditors are amounts due to fellow group companies (£4.9m due to Bauer Consumer Media Limited and £1.2m due to Bauer Corporate Services LP)

Conclusion

The business generates cash and is profitable. No changes to the business are expected over the next 12 months.

Based on this

- a There is no ground on which Bauer Radio (Holdings) Limited could be found to be unable to pay (or otherwise discharge) its debts
- b The company will be able to pay (or otherwise discharge) its debts as they fall due during the year immediately following the date of the statement

The directors are able to sign the Statement of Solvency on 1 September 2011