

THIS DOCUMENT IS IMPORTANT. If you are in any doubt about the contents of this document you should consult a person authorised for the purposes of the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities immediately.

The Directors and Proposed Directors of the Company, whose names are set out on page 23 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and Proposed Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This document comprises a prospectus drawn up in accordance with the Public Offers of Securities Regulations 1995 (the "Regulations"). A copy of this document has been delivered for registration to the Registrar of Companies in England and Wales in accordance with Regulation 4(2) of the Regulations.

In connection with this document and/or the invitation contained within it, no person is authorised to give any information or make any representation other than is contained in this document.

It is emphasised that the share capital of the Company is not listed or dealt in on any stock exchange and no application is being made for admission of these securities to the Alternative Investment Market of the London Stock Exchange or to the Official List of the UK Listing Authority or to any other stock exchange.

An investment in New Fox plc, a company which has not commenced trading at the date of this document, is speculative and involves a higher degree of risk than an investment in an established and quoted company. **YOUR ATTENTION IS DRAWN TO THE RISK FACTORS IN PART II OF THIS DOCUMENT.**

NEW FOX PLC

(incorporated in England and Wales under the Companies Act 1985 with registered number 4593477)

Offer for Subscription

to raise £4,750,000 by the issue of

4,750,000 Ordinary Shares of £1 each

at £1 per share payable in full on application



Share capital following the Offer (assuming full subscription)

Authorised	Number		Issued	Number
£6,000,000	6,000,000	Ordinary Shares of £1 each	£4,999,999	4,999,999
-	-	Redeemable Ordinary Shares of £1 each	£1	1

The Ordinary Shares which are the subject of the Offer will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank pari passu in all respects with all other Ordinary Shares which will be in issue on completion of the Offer

The subscription list will open at 10.00am on 25 January 2003 and may be closed at any time thereafter or when the Minimum Subscription has been subscribed, but in any event no later than 3.00pm on 4 February 2003 (unless extended by the Directors). The procedure for application is set out in Part V of this document and in the Application Form which accompanies this document. The Offer has been partially underwritten. Further details of the underwriting arrangements are set out in Part I of this document.

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EXPECTED TIMETABLE OF EVENTS

Prospectus Published	22 January 2003
Subscription List opens	25 January 2003
Latest time and date for receipt of Application Form (unless Offer extended)	4 February 2003

DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“Acquisition”	the proposed acquisition by the Company of certain of the assets of the Old Companies on the terms of the Acquisition Agreement
“Acquisition Agreement”	the agreement proposed to be entered into between (1) the Old Companies, (2) the Administrators and (3) the Company, further details of which are set out in Part I of this document
“Act”	the Companies Act 1985, as amended
“Administrators”	NJ Dargan, AP Peters and DLZ Wong of Deloitte & Touche, being the joint administrators of each of the Old Companies
“Application Form”	the application form in respect of the Offer that accompanies this document
“Belvoir Drive”	the Club’s training ground and youth academy at Belvoir Drive, Leicester
“Closing Date”	3.00pm on 4 February 2003
“Club”	the football club known as Leicester City Football Club
“Company” or “New Fox”	New Fox plc
“Completion”	completion of the Acquisition
“Developments”	Leicester City Developments Limited (in administration)
“Directors”	the directors of the Company whose names are set out on page 23
“Enabling Development”	the freehold land known as land at Raw Dykes Road, Leicester
“LCFC PLC”	Leicester City Football Club PLC (in administration)
“Minimum Subscription”	£3,918,000
“Old Companies”	PLC, LCFC PLC and Developments
“Offer”	the offer for subscription of 4,750,000 Ordinary Shares as described in this document
“Offer Price”	£1 per Ordinary Share
“Offer Shares”	the Ordinary Shares to be issued pursuant to the Offer
“Ordinary Shares”	ordinary shares of £1 each in the capital of the Company
“PLC”	Leicester City PLC (in administration)
“Preferential Creditors Amount”	the amount owed to the preferential creditors of the Old Companies as of 27 December 2002, being approximately £6,875,000
“Proposed Directors”	the proposed directors of the Company whose names are set out on page 23
“Redeemable Shares”	redeemable ordinary shares of £1 each in the capital of the Company

"Season"	a period of 12 months beginning on 1 August in any year
"Shares"	Ordinary Shares and/or Redeemable Shares, as the context may require
"Sky"	British Sky Broadcasting Limited
"Stadium"	Walkers Stadium, Leicester
"Supporters Trust"	Leicester City Supporters Society Limited, an industrial and provident society, also known as The Foxes Trust
"The Football Association"	Football Association Limited
"The Football League"	The Football League Limited
"The Premier League"	The Football Association Premier League managed by the Football Association Premier League Limited
"TIAA"	Teachers Insurance and Annuity Association of America and its subsidiaries

PART I

LETTER FROM THE CHAIRMAN OF NEW FOX PLC

Directors:

Jonathan Roy Holmes
Gregory Allison Clarke
James Johnson
Timothy Bevan Davies

Registered Office:

Walkers Stadium
Filbert Way
Leicester
LE2 7FL

22 January 2003

Dear Potential Investor

Offer for Subscription to raise £4,750,000 to fund the acquisition of certain assets of Leicester City Football Club and to provide working capital

Introduction

I am pleased to be able to present to you an opportunity to invest in New Fox, a company formed for the purpose of acquiring certain of the assets of the Club that are owned by the Old Companies.

The Company is proposing to enter into the Acquisition Agreement with the Administrators. Pursuant to the Acquisition Agreement, the Company would agree to purchase the relevant assets, conditional, among other things, on the Minimum Subscription being raised pursuant to the Offer.

The assets to be acquired from the Administrators would not include the Stadium. Instead, the Company has agreed, in principle, with TIAA (who are presently mortgagee of the Stadium and who will, in accordance with arrangements to be made with the Administrators, become owners of the Stadium) that the Company will initially be granted a licence of the Stadium by TIAA. The licence will expire on 31 July 2003. However options will be granted to the Company by TIAA, and vice versa, which will, prior to 31 July 2003, give each of the Company and TIAA respectively the right, at a nominal exercise price, to require the other to enter into a lease of the Stadium. Neither option will be exercisable prior to 1 April 2003 but each will have an exercise period of at least one month with the option in favour of TIAA being exercisable after the date the option in favour of the Company is exercisable. The lease will have an initial term of 20 years (extendable at the Company's option to 50 years) and will give the Company the right to buy the Stadium on making payments of a specified amount. It is the current intention of the Directors that the Company will exercise its option to take a lease.

This document gives certain background information in relation to the Old Companies, and sets out the material details of the Acquisition, the lease arrangements with TIAA and the Offer.

Background

On 22 October 2002, administration orders were made in respect of each of the Old Companies under which the Administrators were appointed administrators of each of those companies. Since that date the Old Companies have been trading in administration.

However, on the basis of the actual and projected cashflows of those companies, the Administrators advised that they believed that without additional funding of at least £1,345,000 being made available, the Old Companies could not continue to trade beyond 5 February 2003.

In order to allow the Old Companies to continue trading and to allow New Fox to continue its negotiations for the purchase of the club, additional finance of £1,345,000 has been made available to the Administrators by way of aggregate payments of £1,095,000 by TIAA (being three separate payments of respectively, £263,000, £250,000 and £582,000) and a payment by the Company of an additional £250,000. The payment by the Company was made under the terms of an agreement, whereby, in return, the Administrators agreed to grant exclusivity to the Company, from 6 January 2003 up to midnight on 19 January 2003 (subsequently extended to 5 February 2003), to continue its negotiations in respect of the Acquisition. This exclusivity arrangement includes an undertaking not to sell any players of the Club without the consent of the Company during this period.

Funding to enable the Company to make this payment has been provided in the form of subscriptions for Ordinary Shares by Greg Clarke, Tim Davies, Gary Lineker, James Johnson, and myself.

The Acquisition

(i) The assets to be acquired

Under the terms of the Acquisition Agreement, the Company will acquire from the Administrators all the assets of LCFC PLC, Developments and PLC other than:

- the Club's former Filbert Street stadium;
- the Stadium;
- the Enabling Development;
- certain houses owned by LCFC PLC;
- the book debts of LCFC PLC and PLC;
- the credit balances on all bank accounts operated by LCFC PLC; and
- the shares in LCFC PLC owned by PLC.

The assets to be acquired include all player registrations and related contracts, Belvoir Drive, merchandising contracts, all intellectual property rights including the name "Leicester City Football Club" and, in the event that the Club is promoted to the Premier League, the benefit of any payments due in respect of broadcasting and sponsorship rights and various sponsorship agreements. The Administrators will also assist the Company with the transfer of the Club's membership of the Football League.

(ii) Consideration for the Acquisition

As consideration for the Acquisition, the Company has agreed to pay £1,250,000 on Completion. The Acquisition Agreement will also provide for the Company to pay additional consideration to the Administrators, as follows.

Additional consideration is only payable if the Club is playing in The Premier League for all or some of the Seasons 2003/4, 2004/5 and 2005/6.

In respect of each of those Seasons, if the Club is in The Premier League in such Season, an additional amount equal to £350,000 (being approximately 5 per cent. of the Preferential Creditors Amount) will be payable.

In addition, in respect of each of those Seasons, if the Club retains its Premier League status as at the end of that Season, a further amount equal to £350,000 will be payable. For the avoidance of doubt, this payment would be in addition to amounts payable in respect of the immediately succeeding Season.

Thus, the maximum additional consideration which would be payable would be £2,100,000 (being 6 times £350,000).

(iii) Conditions to the Acquisition

The Acquisition will, among other things, be conditional upon:

- (a) execution of the Acquisition Agreement on terms satisfactory to the Directors;
- (b) the Offer raising proceeds of not less than £3,918,000 (including any amount subscribed for by TIAA as underwriter (see below));
- (c) New Fox receiving confirmation from The Football League that The Football League will give grants to New Fox in an aggregate amount of £640,000, of which £300,000 would be receivable on Completion and £340,000 would be receivable on or before 31 August 2003;
- (d) approval of the Acquisition by The Football League and The Football Association;

- (e) the Directors obtaining Directors' and Officers' indemnity insurance on terms satisfactory to them;
- (f) the agreement of the players of the Club to a deferral of salary as set out below under "Wage Deferral";
- (g) execution of a licence of the Stadium and options to lease the Stadium, in each case with TIAA reflecting the terms set out below under "TIAA Arrangements" and otherwise on terms satisfactory to the Directors; and
- (h) execution of an agreement between LCFC PLC, the Administrators and the Company for the purchase by the Company of Belvoir Drive on terms satisfactory to the Directors.

In addition to the above, in order to obtain the approval of The Football League to the Acquisition, the Administrators required that in respect of LCFC PLC a company voluntary arrangement (the "CVA") was made under Part I of the Insolvency Act 1986. The Administrators convened the requisite meetings of LCFC PLC's creditors and member on 15 January 2003 to approve the CVA proposals. The creditors of LCFC PLC approved the CVA at that meeting and therefore that particular requirement of The Football League was satisfied on 15 January 2003.

(iv) Other terms of the Acquisition

The other terms of the Acquisition will be as usual for transactions of this type and as may be agreed by the Directors. In particular it should be noted that as the Acquisition is from the administrators of the Old Companies, very few, if any, representations and warranties will be given to New Fox in respect of the assets to be acquired.

Funding

In order to complete the Acquisition and to fund the working capital of the Club going forward, the Company needs to receive funding in an amount of £5,390,000. It is proposed that the funding is as follows:

- (a) £4,750,000 to be raised from subscriptions to the Offer. As part of the arrangements with TIAA (see "TIAA Arrangements" below), TIAA has agreed, in principle, to underwrite the issue of Offer Shares up to an aggregate value at the Offer Price of £168,000 to the extent that the aggregate value of the Offer Shares in respect of which valid applications have been received by the Closing Date multiplied by the Offer Price falls short of the Minimum Subscription by up to £168,000. If the proceeds of the Offer exceed the Minimum Subscription, then the first £831,999 of such excess will be applied in paying the option fee payable in respect of the Stadium (see further below).
- (b) £640,000 to be raised from grants from The Football League. In this respect, The Football League has verbally confirmed to New Fox that conditional on the Acquisition completing on the terms set out herein, such grants will be made available by The Football League on the basis that £300,000 of such grants is payable on Completion and the other £340,000 is payable by 31 August 2003.

In addition, to provide New Fox with additional working capital, Barclays Bank PLC has offered, in principle, to make available a loan facility of £500,000 on the security of Belvoir Drive.

TIAA Arrangements

(i) General

TIAA is currently the major creditor of the Old Companies. It has, among other security, a mortgage of the Stadium and an assignment of certain specified income streams (including television revenues) of the Old Companies.

As part of the arrangements to be made in connection with the Acquisition, on, and subject to, Completion occurring, TIAA will become the owner of the Stadium and will release its assignment over the relevant income streams of the Old Companies.

On 17 January 2003, TIAA and New Fox signed outline heads of terms under which, following a subsequent variation, each agreed, in principle, the arrangements set out in sub-sections (ii) to (vi) below inclusive.

(ii) **Licence and option to Lease**

On, and subject to, Completion occurring, TIAA (as licensor) and the Company (as licensee) will enter into a licence of the Stadium. The licence will expire on 31 July 2003. Under the licence the Company will pay TIAA a nominal licence fee for the use of the Stadium.

In addition, on, and subject to, Completion occurring, TIAA and the Company will enter into two option agreements under which respectively the Company shall have the option to lease the Stadium from TIAA on the terms set out below and TIAA shall have the right to require the Company to lease the Stadium on those terms. Neither option is exercisable prior to 1 April 2003 but each option is exercisable at a nominal exercise price and will have an option exercise period of at least one month. The option in favour of TIAA will be exercisable after the date upon which the option in favour of the Company is exercisable. It is the current intention of the Directors that the Company will exercise its option.

As consideration for the option to lease the Stadium granted to it by TIAA, the Company has agreed to pay an option fee (the "**Option Fee**") of up to £6,095,000. However, TIAA has agreed to make a loan (the "**Loan**") of £5,000,000 for the purpose of paying part of the Option Fee. The Loan will have an initial term of 5 years although it may be pre-payable after 3 years on the Company making certain aggregate payments under the Loan and the Lease referred to below. The Company is under no obligation to make any payment in respect of the Loan prior to 31 July 2003.

Of the remaining part of the Option Fee a minimum of £263,000 thereof will be payable in cash in five equal instalments in February 2003 to June 2003 (inclusive), with the balance of £832,000 to be satisfied by the allotment of 832,000 Shares to TIAA at par, credited as paid up in full. However, it has been agreed that to the extent that the Offer is successful in raising in excess of the Minimum Subscription, such excess cash proceeds of the Offer will be applied towards payment of the Option Fee on a £1 of cash for £1 of Option Fee basis, in substitution for the allotment of shares, up to a maximum additional cash payment of £831,999. Consequently, TIAA will be allotted a minimum of 1 Share. The obligations to allot Shares and pay additional cash to TIAA will be satisfied on terms to be agreed with TIAA.

The Company is to grant a floating charge in favour of TIAA securing the Loan. However, that charge will only be enforceable on certain restricted events of insolvency occurring in respect of the Company or the Company failing to pay amounts to TIAA when due (in respect of which, while the floating charge is outstanding, a 180 day grace period will apply in respect of payments due under the lease and the Loan). While the floating charge is outstanding, the Company may only have other secured debts ranking ahead of the sum secured by the floating charge up to a maximum of £1,000,000.

(iii) **Lease**

In summary, the lease of the Stadium (the "**Lease**") and the Loan will together have the economic characteristics of a 20 year £18 million amortising mortgage at a rate of interest of 7 per cent per annum. The phrase "**Notional Principal Amount**" when used below means the amount of £18 million as reduced by amortisation and/or as increased by non-payment of interest. The principal terms are as follows (with references in 2-5 below to "annual payments" being the annual payments under the Lease and the Loan taken together):

1. The initial term of the Lease will be 20 years commencing on 1 August 2003.
2. If the Club is in The Football League, the Company will pay an annual payment per Season of:
 - (a) in the case of Season 2003/4, 3 per cent. of the Company's gross income;
 - (b) in the case of Seasons 2004/5 and 2005/6, 4 per cent. of the Company's gross income; and
 - (c) in the case of any Season thereafter, the greater of £1,000,000 and 5 per cent. of the Company's gross income.
3. If the Club is in the Premier League, the Company will pay an annual payment per Season of
 - (a) in the case of Seasons 2003/4, 2004/2005 and 2005/6, 7 per cent. of the Company's gross income; and

(b) in the case of any Season thereafter, the greater of £2,500,000 and 6 per cent. of the Company's gross income.

4. For the purposes of computing the annual payment, player sales will be excluded when calculating gross income unless the relevant sale is made when the Club is playing in The Football League, in which case the net profit of the relevant sale will be included when calculating gross income.
5. Unless the Company requests payments to be on a monthly basis, annual payments are paid up front in August of the relevant Season. If the Company requests that, for a Season, rental payments are made monthly, such payments shall be made monthly so long as the Company procures that TIAA receives a bank guarantee for all of the rental payments payable in such Season.
6. The Company shall have the option, at any time (including at the end of the term of the lease), to purchase the Stadium for the Notional Principal Amount together with accrued interest.
7. To the extent that interest payments are not made they are added to the Notional Principal Amount.
8. In the event that by the end of the initial term the Company has not repaid the Notional Principal Amount it shall have the option to extend the Lease for a further term of 30 years on the same terms.
9. Should TIAA wish to sell the Stadium, the Company has a right of pre-emption subject to matching the sale price.
10. TIAA will be entitled to additional one-off payments up to an aggregate maximum amount of £5,350,000. Such payments shall only be due if, and to the extent that, there are agreed increases in broadcasting revenues received by the Company. The obligation to pay such additional payments will fall away on the Company exercising its option to purchase the Stadium.
11. There will be no ground sharing of the Stadium without TIAA's consent.
12. All naming rights, sponsorship rights and marketing rights in respect of the Stadium shall belong to the Company for so long as it occupies the Stadium.
13. At the end of the term of the Lease, the Company will have no obligation to repay the Notional Principal Amount.

All other terms of the Lease, the Loan and the related documentation will be as agreed by the Directors.

(iv) Underwriting

As stated previously, TIAA has agreed to underwrite the issue of Offer Shares up to an aggregate amount of £168,000 to the extent that the aggregate value of the Offer Shares in respect of which valid applications have been received by the closing date multiplied by the Offer Price falls short of the Minimum Subscription by up to £168,000.

(v) Shares allotted to TIAA

Any shares allotted to TIAA either in part payment of the option fee referred to in paragraph (ii) above or pursuant to the underwriting arrangements referred to in paragraph (iv) above will be allotted as Redeemable Shares. In the event that the Company exercises its option to lease the Stadium from TIAA and subsequently exercises its option to purchase the Stadium, all shares then owned by TIAA shall be redeemed by the Company at a value to be determined, as provided in the Company's Articles of Association (see below).

(vi) Director

For so long as it is a shareholder TIAA shall have the right to appoint a director of New Fox.

Wage Deferral

As a condition to completing the Acquisition, New Fox requires that the players of the Club agree to defer 20 per cent. of their salary for the Season 2002/3 until, if the Club is promoted to The Premier League in the Season 2002/3, August 2003 but otherwise until August 2004 provided that in the event of a player leaving the Club, the deferred payment will be payable on the earlier of August 2003 and his leaving the Club.

In principle and subject to Completion occurring, the players have verbally agreed to such deferral.

Supporters Trust

The Supporters Trust has been set up by certain individuals with the aim of promoting, and assisting, the continuance of the Club. The Supporters Trust have been invited to subscribe for shares in New Fox.

In the event that the Supporters Trust subscribes for shares in New Fox in an amount of at least £500,000 (or such lesser sum as the directors of New Fox agree), the Supporters Trust will be entitled to appoint as a director of New Fox an individual who meets certain criteria set by the other directors of New Fox.

Representatives of the Supporters Trust have verbally indicated to the Directors that they will subscribe for Shares in New Fox by the time of Completion in a sum of at least £100,000.

Directors and corporate governance

The Articles of Association of New Fox provide that New Fox may have up to 10 directors of which 2 will be executive directors.

As previously noted, as part of the arrangements with TIAA described above, for so long as TIAA is a shareholder it shall have the right to appoint one director. In the event that the Supporters Trust subscribes for shares in New Fox in an amount at least equal to £500,000 (or such lesser sum as the Directors of New Fox may agree), it shall have the right, subject to the relevant individual meeting the set criteria, to appoint one director.

As regards the executive directors, it is proposed that Tim Davies be appointed chief executive and that one other person be appointed chief operations officer. Tim Davies, who is a chartered accountant, has agreed to accept the post of chief executive with effect from Completion. At the outset, the role of chief executive will also include the functions of finance director. The Directors are in advanced negotiations with a particular person to be appointed chief operating officer. That person has indicated his willingness to accept that position subject to Completion occurring. An executive director will hold that office for as long as their service contract for the relevant position continues.

As regards a chairperson, I have assumed that role in a non-executive capacity.

The current directors of New Fox are Greg Clarke, Tim Davies, James Johnson and myself. Subject to them subscribing for Offer Shares in accordance with the Offer, it is proposed that within 1 month of Completion, each of Martin George, Peter Hockenhull, Tony Wheeler and Tony Lander will be appointed as additional non-executive directors. In addition it is also proposed that within the same timescale Martin Glenn, Chief Executive of Walkers Snack Foods Ltd, be appointed a non-executive director.

The Articles of Association of the Company currently provide that non-executive directors not appointed by TIAA and the Supporters Trust will hold office for an initial term of 3 years but on the basis that in each year at least one-third of those directors will be subject to re-election. In respect of the initial directors the order in which they have to seek re-election will be determined by the drawing of lots. However, it is intended that as soon as practicable following Completion an extraordinary general meeting of the Company will be convened in order to determine the number of Directors to be appointed to the Board and the arrangements for their retirement by rotation, commencing in the summer of 2003.

Name of the Company

It should be noted that as soon as practicable after Completion, the Company will be renamed "Leicester City Football Club PLC".

The Offer

The Company is inviting investors to subscribe for up to 4,750,000 Offer Shares at £1 each per Share payable in full on application. If fully subscribed, this will raise £4,750,000 gross (approximately £4,620,000 net of expenses) for the Company. This document and the accompanying Application Form contain the formal terms and conditions under which potential Investors may subscribe for Offer Shares.

As previously mentioned, as part of the arrangements agreed with TIAA, TIAA has agreed to underwrite the issue of Offer Shares up to an aggregate value at the Offer Price of £168,000 to the extent that the aggregate value of the Offer Shares in respect of which valid applications have been received by the Closing Date multiplied by the Offer Price falls

short of the Minimum Subscription by up to £168,000. In accordance with the Articles of Association of the Company, any shares allotted to TIAA will be designated as Redeemable Shares. The Redeemable Shares are redeemable by the Company at a value to be determined in the event that the Company exercises its option to lease the Stadium and subsequently exercises its option to purchase the Stadium.

The Offer is conditional, among other things, upon valid applications being received for the raising of a minimum of £3,918,000 and upon Completion. If applications for this amount are not received or if the Acquisition does not proceed, cheques or bankers' drafts received from applicants will be returned, or a cheque in favour of the applicant (or, in the case of joint applications, the first-named applicant) will be despatched to the address of the applicant. No shares will be issued in connection with the Offer unless valid applications are received for such number of Offer Shares multiplied by the Offer Price as is equal to the Minimum Subscription. For these purposes, any shares subscribed by TIAA pursuant to the underwriting arrangements summarised above, will be treated as part of the Minimum Subscription.

In the event of an over-subscription, the Company may, at its option, elect to accept applications for Offer Shares with an aggregate value at the Offer Price of up to £5,750,000.

The latest time and date for receipt of Application Forms is 3.00pm on 4 February 2003, unless the Offer is extended by the Directors. However, because the Acquisition Agreement will be conditional upon the Minimum Subscription being raised pursuant to the Offer and Completion cannot therefore occur until the Minimum Subscription has been raised, you are urged to complete and return your Application Form as soon as possible.

Applicants under the Offer may apply for a minimum of 25,000 Shares and thereafter in multiples of 5,000 Shares.

The Offer Price is payable in full on application. Applications must be made on the Application Form accompanied by a cheque or bankers' draft. Details of the procedure for application are set out in Part V of this document.

Enterprise Investment Scheme

The Directors have applied for confirmation from the Inland Revenue that the issue of the Offer Shares in the Company will rank as a qualifying investment for the purposes of the Enterprise Investment Scheme ("EIS").

If the Inland Revenue confirm that EIS relief is available, such relief will remain conditional, *inter alia*, on the Company continuing to satisfy the requirements for a qualifying company throughout the period of three years from the date of the Investor making his investment.

The EIS allows the following tax reliefs for individual Investors who are UK tax payers provided investments are held for three years:

- Initial income tax relief of 20 per cent.; and
- Exemption from capital gains tax ("CGT") on gains made on a sale of those shares.

The EIS allows CGT payable on chargeable gains realised by individuals and certain trustees to be deferred. To qualify for CGT deferral, a sum up to the amount of the chargeable gain before taper relief must be subscribed (usually not more than one year before nor more than three years after the date on which the chargeable gain arises) in new ordinary shares of a qualifying trading company or an unquoted company which is the parent of a qualifying trading group. The Directors have sought confirmation from the Inland Revenue that the Company will rank as a "qualifying trading company" for these purposes

A claim for CGT deferral relief is made by the individual Investors and/or trustees claiming the relief.

Investors considering taking advantage of any of the reliefs under the EIS, should, if the Inland Revenue confirm its availability, seek their own professional advice in order that they may fully understand how the rules apply in their individual circumstances.

Please note that, at the date of this document, we cannot guarantee that the issue of the Offer Shares will qualify for EIS relief. Our discussions with the Inland Revenue are ongoing.

Marketability of Shares

It is emphasised that no application has been or is being made for admission of the Ordinary Shares to the Official List of the UK Listing Authority or to trading on the Alternative Investment Market of the London Stock Exchange. Investments in unquoted shares carry higher risks than investments in quoted shares and may be difficult to realise. Proper information for determining their current value may not be available. It should also be noted that the Articles of Association of the Company provide that the Shares may only be transferred in tranches of £5,000 in nominal value or multiples thereof. Prospective Investors should consider an investment in Ordinary Shares in New Fox as a long term investment.

Use of Funds

Subject to raising the Minimum Subscription, the net proceeds of the Offer will be used to fund the initial consideration for the Acquisition at Completion and to provide working capital for the Club.

Illustrative Financial Projections

The attention of potential Investors is drawn to the illustrative financial projections set out in the Appendix to this document. It is emphasised that the illustrative financial projections do not, and are not intended to, constitute a profit forecast. No representation or warranty is given or is to be implied by or on behalf of the Company, the Directors or any other person that these projections will be or are likely to be achieved.

Dividend Policy

It is the intention that the Company pays dividends as soon as it is lawfully able to do so and to the extent it is able to do so having regard to its future cashflow commitments. No dividends are foreseen as being payable within the immediate future and will only be paid once initial financial forecasts have been met. Subject to the foregoing, it is the intention of the Directors that once initial forecasts have been met and provided that the relevant payment is consistent with the prudent management of the business of the Company, to pay an annual dividend of at least 10 per cent. of the nominal share capital of the Company.

Privileges

Provided the Acquisition completes, the Directors propose that Investors will be entitled, while they are shareholders in the Company, to receive a limited number of season tickets for matches at the Stadium and to use a shareholders' lounge and hospitality facility on match days. It is possible that these privileges may prejudice, to a limited extent, individual Investors entitlement to EIS relief. Discussions with the Inland Revenue are continuing but the Directors intend to write to Investors following Completion to set out further details of the privileges (if any) to be offered to Investors.

Risk Factors

An investment in the Company may be regarded as speculative and carries a degree of risk in common with investment in other professional football clubs. The attention of potential Investors is drawn to Part II of this document entitled "Risk Factors".

Additional Information

Your attention is also drawn to the accountants' report on New Fox contained in Part III, the additional information contained in Part IV, including the summary of the Memorandum and Articles of Association of the Company and the terms and conditions of application in Part V of this document.

Action to be taken

If, having read the whole of this document, you wish to subscribe for Shares under the Offer, you are requested to complete the Application Form that accompanies this document and return it, together with your cheque or bankers' draft, to the address shown thereon as soon as possible and in any event so as to be received by no later than 3.00pm on 4 February 2003.

Yours faithfully,

Jon Holmes
Chairman

PART II

RISK FACTORS

Potential Investors should be aware of the risks associated with an investment in the Company. In particular the following factors should be considered:

Dividends

Particularly having regard to the recent financial history of the Club and the background against which the Acquisition is being made, the Company is unlikely to be able to pay a dividend in respect of the first three financial years following Completion.

Status of Club

The Club is currently playing in the Nationwide League First Division. The Directors consider it to be highly desirable for the Club to be in the Premier League in order for the Club to maximise its income. There is no guarantee that the Club will secure promotion to the Premier League or, in the event that the Club is promoted, that it will be able to retain its place in that league. Equally there is no guarantee that the Club will remain in the Nationwide League First Division and the Club could be relegated from that Division.

Team Performance/Supporter Dependence

A significant amount of the Company's income will be derived from admission fees paid by supporters of the Club and others who attend football matches played by the Club at the Stadium and elsewhere, and from the Club's other commercial activities such as merchandising. Accordingly, the income of the Company will be dependant on the continuing attendance at matches of supporters of the Club and the level of sales of the Club's merchandise. Admission levels at matches and the level of merchandising sales may fluctuate dependent upon the success or otherwise of the Club's first team.

Attraction and Retention of Key Employees

The Club is highly dependent on members of its management team and playing staff. The ability of the Club to attract and retain good quality coaching staff is critical to its prospects of success in league and cup competitions. Equally, if the Club's first team is not successful, this may adversely affect the Club's ability to attract and retain such coaches and players. Accordingly, whilst the Club has entered into employment arrangements with each of its key personnel with the aim of securing their services, the retention of their services cannot be guaranteed.

Transfer Receipts

In the event that the Club remains in the Nationwide League beyond the current Season, the Business Plan assumes that certain levels of income will need to be generated by the transfer of player registrations. There is no guarantee that such levels of transfer income will be achieved. The Directors believe that the values placed on players in the transfer market have reduced significantly over the last 12 months.

Enterprise Investment Scheme

If either the Investors or the Company does not comply with the EIS legislation, the EIS tax relief will not be given or may subsequently be withdrawn. The Directors will endeavour to ensure that the Company is and remains a qualifying company for the purposes of EIS legislation but no guarantees are given that EIS relief is or will remain available to investors. In particular, unforeseen circumstances may arise which may result in the failure to obtain or the subsequent loss of EIS qualifying status.

Investors are advised that:

- (a) in order to obtain EIS relief, a qualifying individual must retain his or her shares for at least three years. The Shares may not, therefore be suitable as a medium or short-term investment. Investors will suffer a withdrawal of tax relief(s) if the investment is sold within three years; and
- (b) the relevant tax legislation, its interpretation and rates of tax may change. Any such changes are considered unlikely to be retrospective but no guarantees can be given in this regard.

Please note that as at the date of this document we cannot guarantee that the issue of the Offer Shares will qualify for EIS relief.

Premier League Basic Award and Royalties

The Business Plan assumes a 20 per cent. reduction in the amount of the basic award and royalties receivable by virtue of the TV contract with Sky, with effect from the expiry of the existing contract at the end of the 2003/4 Season. There is no guarantee that the amounts of the basic award and royalties receivable under any subsequent TV contract will not represent a greater reduction than that assumed in the Business Plan.

PART III

ACCOUNTANTS' REPORT



MILSTED LANGDON

Winchester House, Deane Gate Avenue, Taunton, TA1 2UH

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DX 97181 TAUNTON BLACKBROOK

e-mail: advice@milsted-langdon.co.uk

Website: www.milsted-langdon.co.uk

The Directors
New Fox plc
200 Aldersgate Street
London
EC1A 4JJ

22 January 2003

Dear Sirs

NEW FOX plc ("the Company")

We report that Whisperway plc was incorporated in England on 18 November 2002 as a public limited company number 04593477.

On 24 December 2002 Whisperway plc (the Company) changed its name by special resolution to New Fox plc.

We report on the financial information set out below. This financial information has been prepared for inclusion in the Prospectus dated 22 January 2003 to be issued by the Company concerning the proposed issue by the Company of up to 4,750,000 Ordinary Shares of £1 each at a price of £1 per share:-

Basis of Preparation

The financial information set out below is based on the information provided by the directors of the Company from incorporation on 18 November 2002 to 22 January 2003.

Responsibility

The financial information is the responsibility of the directors of the Company.

The directors of the Company are responsible for the contents of the Prospectus dated 22 January 2003 in which this report is included.

It is our responsibility to compile the financial information set out in our report from the accounting records, to form an opinion on the financial information and to report our opinion to you.

Basis of Opinion

We conducted our work in accordance with the Statements of Investment Circular Reporting Standards issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

Partners : Jonathan Langdon , Simon Milsted , Timothy Close , Stephen Horton , Nigel Fry , Gary Salter , Tony Setter , Roger Isaacs
Principal Managers : Nigel Moysey , Jon Stocker
Also at **YEOVIL**

Milsted Langdon is registered to carry on audit work and regulated for a range of investment business activities by the Institute of Chartered Accountants in England & Wales.

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We planned and performed our work 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 information is free from material mis-statement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information set out below gives, for the purposes of the Prospectus dated 22 January 2003 a true and fair view of the state of affairs and profits and losses of the Company.

Consent

We consent to the inclusion of this report in the Prospectus dated 22 January 2003 and accept responsibility for this report for the purposes of paragraph 45(8)(b) of Schedule 1 to the Public Offers of Securities Regulations 1995.

Financial information

The Company has remained dormant since incorporation on 18 November 2002, except for the following transactions:

- a) The issue of two ordinary shares of £1 each on 18 November 2002 and the issue of 249,998 ordinary shares of £1 each on 8 January 2003. The share capital was fully paid up on 8 January 2003.
- b) The payment of £250,000 to the Administrators of Leicester City Football Club plc in return for a grant of exclusivity to the Company to continue its negotiations in respect of the proposed Acquisition. The grant of exclusivity which has been treated as an asset in the records of the company constitutes a contingent loss of the Company, should the proposed Acquisition not take place.
- c) The transaction costs relating to the issue of the Prospectus dated 22 January 2003 and costs in negotiating with the Administrators of Leicester City Football Club plc, these costs amounting to a sum in the order of £130,000 excluding value added tax where appropriate, represent a liability of the Company should the proposed Acquisition take place.

The Company has not incurred any profits or losses since the date of incorporation.

Yours faithfully



MILSTED LANGDON

PART IV
ADDITIONAL INFORMATION

1 Incorporation

- 1.1 The Company was incorporated and registered in England and Wales on 18 November 2002 with registered number 4593477 under the Act as a public limited company.
- 1.2 The registered office is situated at Walkers Stadium, Filbert Way, Leicestershire LE2 7FL.
- 1.3 The liability of the members of the Company is limited.
- 1.4 The principal legislation under which the Company operates is the Act.
- 1.5 On 10 January 2003 the Company was granted a certificate pursuant to the provisions of section 117(1) of the Act entitling it to do business and borrow.

2 Share Capital

- 2.1 The authorised share capital of the Company on incorporation was £50,000 divided into 50,000 ordinary shares of £1 each, of which two shares were issued to the subscribers to the Memorandum of Association.
- 2.2 By a special resolution passed on 8 January 2003, the authorised share capital of the Company was increased to £6,000,000 by the creation of 5,950,000 ordinary shares of £1 each ranking pari passu in all respects with the existing ordinary shares of the Company. On the same date, the two subscriber shares were paid up as to £1 per share and a further 249,998 Ordinary Shares were issued at a price of £1 per share (paid in full on issue).
- 2.3 At the date of this document the authorised share capital of the Company is £6,000,000 divided into 6,000,000 ordinary shares of £1 each, of which 250,000 are issued fully paid.
- 2.4 On 22 January 2003 the members of the Company passed a special resolution, inter alia, that:
 - (a) generally and unconditionally authorised, the Directors in substitution for all subsisting authorities, to allot relevant securities (within the meaning of section 80 of the Act) up to an aggregate nominal amount of £5,750,000, such authority to expire on the earlier of the conclusion of the next Annual General Meeting of the Company or on the date falling 15 months after the passing of this Resolution except that the Company may before such expiry make offers or agreements which would or might require relevant securities to be allotted after such expiry and notwithstanding such expiry the Directors may allot relevant securities in pursuance of such offers or agreements; and
 - (b) empowered the Directors pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) for cash pursuant to and for the period of the authority referred to in paragraph 2.4(a) above as if the rights of pre-emption contained in the Articles of Association which were adopted pursuant to the same resolution and section 89(1) of the Act did not apply to any such allotment, but this power shall be limited to the allotment of equity securities:
 - (i) pursuant to valid applications for shares of the Company received pursuant to the Offer;
 - (ii) to the Supporters Trust; and
 - (iii) to TIAA.
- 2.5 The Company has not issued any listed or unlisted convertible securities.

3 Memorandum and Articles of Association

- 3.1 It should be noted that the Articles of Association may be subject to further amendment following ongoing discussions with TIAA.

3.2 The Memorandum of Association of the Company provides that the Company's principal objects shall include carrying on business as a general commercial company and in particular carrying on business as an association football club. The objects of the Company are set out in full in clause 4 of the Memorandum of Association.

3.3 The Articles of Association of the Company adopted pursuant to a special resolution of the Company passed on 13 January 2003 contain provisions, *inter alia*, to the following effect:

(a) *Football Association Rules*

The Rules and Regulations of The Football Association Limited for the time being shall be deemed to be incorporated in the Articles of Association of the Company and shall prevail in the event of any conflict with the provisions set out in the Articles.

(b) *Share Capital*

The share capital of the Company is currently divided into Ordinary Shares of £1 each. If any Shares are allotted to the Supporters Trust they will be designated as "B" Shares. If any Shares are allotted to TIAA they will be designated as Redeemable Shares.

Save as described below the Ordinary Shares, the "B" Shares and the Redeemable Shares carry the same rights and privileges and rank *pari passu* in all respects.

The holders of the Ordinary Shares have the right to appoint the Chairman at all general meetings of the Company and all board meetings, such Chairman in either case having the casting vote in the event of an equality of votes.

To the extent the "B" Shares have a nominal value of at least £500,000 (or such lesser figure as the Directors may agree) the holders of the "B" Shares have the right to appoint one person to be a non-executive director of the Company (the "Supporters Trust Director"). The holders of the "B" Shares have preferential voting rights on any resolution of shareholders in general meeting to remove a director so appointed or to amend or alter the rights attaching to the "B" Shares.

The holders of the Redeemable Shares have the right to appoint one person to be a non-executive director of the Company (the "TIAA Director"). The holders of the Redeemable Shares have preferential voting rights on any resolution of shareholders in general meeting to remove a director so appointed or to amend or alter the rights attaching to the Redeemable Shares.

The rights attaching to "B" Shares only attach thereto so long as such shares are held by the Supporters Trust. Any "B" Share that ceases to be so held shall automatically convert into an Ordinary Share. If as the result of a transfer or at any time after 5.00pm on 31 March 2003 the aggregate number of "B" shares in issue is less than £500,000 (or such lesser figure as the Directors may agree) in nominal amount the special rights attaching to the "B" Shares shall cease to attach to the "B" Shares and any "B" Shares then in issue shall immediately convert into Ordinary Shares and shall rank *pari passu* in all respects with the existing Ordinary Shares from the date of conversion.

The rights attaching to Redeemable Shares only attach thereto so long as such shares are held by TIAA. Any Redeemable Share that ceases to be so held shall automatically convert into an Ordinary Share.

If at any time TIAA transfers the beneficial ownership of the Stadium to the Company, then any Director appointed by TIAA shall resign immediately and any "C" Shares then held by TIAA shall be redeemed by the Company at a value to be determined in accordance with the Articles of Association of the Company. At the date of this document, the valuation mechanism has not been agreed.

(c) *Voting Rights*

On a show of hands every holder of Ordinary Shares or "B" Shares who is present in person or being a corporation is represented by a duly authorised representative and in each case is entitled to vote shall have one vote and upon a poll every holder of Ordinary Shares or "B" Shares present in person or by proxy and entitled to vote shall have one vote for every share held by him. Holders of Redeemable Shares shall have no right to receive notice of or to attend or vote at any general meeting of the Company except in the circumstances described in paragraph (b) above.

(d) *Dividends*

Subject to the provisions of the Companies Act 1985, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors. The Redeemable Shares shall not confer any right to dividends.

Subject to the provisions of the Companies Act 1985, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution.

If the Directors so agree, any holder of shares (other than Redeemable Shares) may elect to receive shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the board) of all or any dividend payable in respect of a share.

Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

(e) *Distribution of Assets on a Winding-up*

On the winding up of the Company, the "B" Shares and the Redeemable Shares will rank pari passu with the Ordinary Shares. On the winding-up of the Company the surplus assets shall be applied, first, in repaying the members the amount of their shares respectively. If such assets are insufficient to repay the said amount in full, they shall be applied rateably, so that the loss shall fall upon the members in proportion to the amount called up on their shares respectively.

If the surplus assets shall be more than sufficient to pay to the members the whole amount paid up on their shares, the balance shall be given by the members of the Company, at or before the time of dissolution as they direct, to The Football Association Benevolent Fund, or to some Club or Institute in Leicestershire with objects similar to those set out in the Memorandum of Association of the Company or to any local charity, or charitable or benevolent institution situate within Leicestershire.

Alternatively such balance may be disposed of in such other manner as the members of the Company with the consent of the Council of The Football Association Limited, as then existing, shall determine.

(f) *Pre-emption Rights on the Issue of Shares*

Any shares to be issued shall be offered for subscription first to the existing members of the Company in proportion to their existing holding. At the expiration of the time limit specified by such offer, the balances of any shares offered to the holders of shares of a class but not so accepted shall be offered for subscription to the holders of the shares of the class who accepted all the shares to which they were respectively entitled and who shall, if more than one, be entitled to subscribe for such balances of shares in proportion to the number of shares of the class in question then held (including any shares accepted pursuant to the first offer) by each of them respectively.

Any shares allotted to a person who is already a holder of Ordinary Shares shall be designated as Ordinary Shares and shall accordingly be subject to such of the provisions of the Articles as are applicable to the Ordinary Shares; any shares allotted to a person who is already a holder of "B" Shares shall be designated as "B" Shares and shall accordingly be subject to such of the provisions of the Articles as are applicable to the "B" Shares; and any shares allotted to a person who is already a holder of Redeemable Shares shall be designated as Redeemable Shares and shall accordingly be subject to such of the provisions of the Articles as are applicable to the Redeemable Shares.

Without the prior written consent of the holders of all the Ordinary Shares, no new shares shall be allotted, and no existing shares transferred, to any person to the extent that such allotment or transfer would result in that person holding 30 per cent. or more of the shares in the Company then in issue.

(g) *Transfer of Shares*

Shares may only be transferred in tranches of £5,000 nominal or multiples thereof.

Any member who wishes to transfer any of his shares shall serve a transfer notice on the directors, who shall offer those shares first to the existing holders of the Shares in proportion to their existing holding at a price determined in accordance with the Articles ("Sale Price"). The price at which such shares must be offered for sale (if none is specified in the transfer notice) is the fair value per share agreed between the seller and the Directors, or failing such agreement, determined by the auditors of the Company as the fair value of the shares on the open market having regard to the fair value of the business of the Company as a going concern and on the basis of an arm's length transaction between a willing seller and willing buyer, but disregarding any difference in the rights attributable to the different classes of shares in issue and the fact that the shares may represent a minority interest.

At the expiration of the offer period the balance of any shares offered but not accepted shall be offered to the holders of the Shares who accepted all the shares to which they were respectively entitled in proportion to their existing holding (including any accepted pursuant to the first offer).

If by the end of the applicable period the directors have not found purchasers for all the shares, the member may sell and transfer all or any of the shares for which no purchasers have been found at any time within the following 6 months to any person or persons in pursuance of a bona fide sale at any price not being less than Sale Price.

The Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any Share (whether or not fully paid), which is not transferred to an existing holder of Shares.

The above restrictions do not apply to:

- (i) any transfer by a member to a privileged relation of such member;
- (ii) any transfer to trustees to be held on the trusts of a family settlement;
- (iii) in the case of a member being a body corporate, any transfer to a member of the same group.

(h) *Variation of Rights*

The rights for the time being attached to any class of shares may be varied or abrogated at any time with the consent of the holders of three quarters of the shares of that class together with the consent of the holders of three quarters of the shares of each other class.

(i) *Directors*

The Directors shall be not less than two or more than ten in number. While it is a shareholder TIAA shall have the right to appoint a Director.

Subject to the requirement to retire by rotation and unless otherwise determined by ordinary resolution, the non-executive directors (if any) other than the Supporters Trust Director and the TIAA Director shall hold office for a period of three years.

The Directors may appoint one or more of their number to an executive office for such period and upon such terms as shall be thought fit and, subject to the provisions of any agreement entered into in any particular case, may revoke such appointment.

The executive directors and the Supporters Trust Director and the TIAA Director shall not be subject to retirement by rotation.

At every annual general meeting one-third of the directors who are subject to retirement by rotation, or, if the number of directors who are subject to retirement by rotation is not three or a multiple of three, the number nearest to but not less than one-third, shall retire from office. If the number of directors who are subject to retirement by rotation is less than one-third, all of them shall retire.

If at the first annual general meeting of the Company the number of directors subject to retirement by rotation is more than three, the directors to retire by rotation shall, in default of agreement between them, be determined by lot. If at any subsequent annual general meeting of the Company the number of directors subject to retirement by rotation is more than three, the directors to retire by rotation shall

be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day those to retire shall, in default of agreement between them, be determined by lot.

If the Company, at the meeting at which a director retires by rotation, does not fill the vacancy the retiring director shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the director is put to the meeting and lost.

No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless:

- (i) he is recommended by the Directors; or
- (ii) not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the Company of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the company's register of directors together with notice executed by that person of his willingness to be appointed or reappointed.

The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director and may also determine the rotation in which any additional directors are to retire.

The Directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed the maximum. Except in the case of directors appointed before the first annual general meeting, a director so appointed shall hold office only until the next following annual general meeting and shall not be taken into account in determining the directors who are to retire by rotation at the meeting. If not reappointed at such annual general meeting, he shall vacate office at the conclusion thereof.

A director who retires at an annual general meeting may, if willing to act, be reappointed. If he is not reappointed, he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

The office of a director shall be vacated if such person is subject to a decision of The Football Association that such person be suspended from holding office or from taking part in any football activity relating to the administration or management of a football club.

(j) *Interests of Directors*

Subject to the provisions of the Companies Act 1985, a director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the Company or with any other company in which the Company may be interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any such other company and he or any firm of which he is a member may act in a professional capacity for the Company or any such other company and be remunerated therefor. Notwithstanding his interest a director may vote on any matter in which he is interested and be included for the purpose of a quorum at any meeting at which the same is considered and he may retain for his own benefit all profits and advantages accruing to him.

(k) *Shareholder Approval of Certain Transactions*

Any transaction or series of related transactions (other than the disposal or acquisition of the registration of a football player) that would require shareholder approval in circumstances where any of the Company's shares were admitted to the Official List of the UK Listing Authority or admitted to trading on a Recognised Investment Exchange (for the purposes of the Financial Services and Markets Act 2000) shall only be entered into by the Company with the prior by ordinary resolution of the shareholders.

4 Directors' and Other Interests

4.1 The Directors of the Company, their proposed functions and their business addresses are as follows:

Director	Business Address	Function
Gregory Allison Clarke	23 Kingsway London WC2B 6UJ	Non-Executive Director
Timothy Bevan Davies	Old Sarum House 49 Princes Street Yeovil Somerset BA20 1EG	Chief Executive Officer
Jonathan Roy Holmes	35/36 Grosvenor Street London W1K 4QX	Non-Executive Chairman
James Johnson	200 Aldersgate Street London EC1A 4JJ	Non-Executive Director

4.2 The Proposed Directors of the Company, their proposed functions and their business addresses are as follows:

Proposed Director	Business Address	Function
Martin Francis George	Victoria Mills Wellingborough Northampton NN8 2DT	Non-Executive Director
Martin Richard Glenn	1600 Arlington Business Park Theale Reading Berkshire RG7 4SA	Non-Executive Director
Peter Eugene Hockenhull	White Sashes Main Street Great Glen Leicester LE8 9GG	Non-Executive Director
Anthony Wayne Lander	1 Branston House West Avenue Wigston Leicester LE18 2FB	Non-Executive Director
Anthony James Carpendale Wheeler	7 Carisbrooke Road Mountsorrel Loughborough Leicestershire LE12 7BR	Non-Executive Director

4.3 At the date of this document, and immediately following the Offer, the interests (all of which are beneficial) of the Directors (including persons connected with them within the meaning of Section 346 of the Act), in the issued share capital of the Company which have been and will have been notified to the Company pursuant to

Sections 324 to 328 of the Act and which are and will be shown in the Register of Directors' interests maintained under Section 325 of the Act, are and will be as follows:

Director	<u>At the date of this document</u>		<u>Immediately following the Offer</u>	
	Number of Ordinary Shares	% of Issued Shares	Number of Ordinary Shares	*% of Issued Shares
Greg Clarke	50,000	20	250,000	5
Jon Holmes	50,000	20	100,000	2
Tim Davies	50,000	20	100,000	2
James Johnson	50,000	20	125,000	2.5

*Assuming full subscription.

4.4 Save as disclosed above, none of the Directors (or persons connected with them within the meaning of Section 346 of the Act) has any interest in the share capital of the Company.

4.5 The Directors are not aware of any person who exercises, or could following the Offer exercise, control over the Company.

5 Directors' Service Contracts and Emoluments

5.1 Service Contracts

- (a) Tim Davies was appointed a director on 19 December 2002 and upon Completion will be appointed as Chief Executive under the terms of a service agreement to be entered into with the Company. The terms of the service agreement will provide that his appointment will be for an initial term of 6 months terminable at any time thereafter by either party on 6 months' notice. A salary of £110,000 per annum, inclusive of Directors' fees, will be payable in respect of the services of Mr Davies. Mr Davies' salary will be reviewed annually. Mr Davies will also be entitled to be a member of a pension scheme which will be contributory for Mr Davies and will also be entitled to a car and petrol allowance, private health insurance and a mobile telephone. Mr Davies will also participate in an annual bonus scheme as prescribed by the board of directors. In addition, Mr Davies will, in his capacity as a shareholder, be entitled to participate in any privileges offered to Investors as described in Part I of this document.
- (b) Greg Clarke was appointed as a director on 27 December 2002. No fees are payable in respect of the services of Mr Clarke, although Mr Clarke will, in his capacity as a shareholder, be entitled to participate in any privileges offered to Investors as described in Part I of this document.
- (c) Jon Holmes was appointed as a director on 27 December 2002 and as non-executive Chairman on 8 January 2003. No fees are payable in respect of the services of Mr Holmes, although Mr Holmes will, in his capacity as a shareholder, be entitled to participate in any privileges offered to Investors as described in Part I of this document.
- (d) James Johnson was appointed as a director on 19 December 2002. No fees are payable in respect of the services of Mr Johnson, although Mr Johnson will, in his capacity as a shareholder, be entitled to participate in any privileges offered to Investors as described in Part I of this Document.

5.2 Emoluments

- (a) The Director to be appointed by TIAA as referred to on page 9 of this document will be entitled to be reimbursed his or her costs and expenses up to a maximum annual limit of £10,000, which will increase in line with the Retail Prices Index from the fifth anniversary of the date of his appointment.
- (b) Greg Clarke, Jon Holmes, James Johnson, Martin George, Martin Glenn, Peter Hockenhull, Tony Lander and Tony Wheeler will not receive any payments or benefits in kind for any financial year

save that such directors will, in their capacity as shareholders, be entitled to participate in any privileges offered to Investors as described in Part I of this document.

- (c) The aggregate amount of remuneration and benefits in kind receivable by the Directors in the current financial year under the arrangements in force at the date of the Offer is estimated to be £60,000.

6 Minimum Subscription

- 6.1 The minimum amount which in the opinion of the Directors must be raised by the Offer in order to provide the sums required in respect of the matters specified in Schedule 1 of the Regulations is £3,918,000 divided as follows:

- (a) purchase price of assets: £1,250,000;
- (b) expenses and commissions: £Nil;
- (c) repayment of monies borrowed in respect of (a) and (b) above - £Nil; and
- (d) working capital: - £2,668,000.

7 Litigation

- 7.1 The Company is not engaged in any litigation or arbitration proceedings which are having or may have a significant effect on the Company's financial position and no such material litigation, arbitration or claim is known to be pending or threatened against the Company.

8 United Kingdom Taxation

The following paragraphs include advice received by the Directors about the tax position of shareholders who are resident or ordinarily resident in the UK for tax purposes and who hold their Ordinary Shares as investments. The statements below are intended only as a general guide and do not constitute advice to any shareholder on his or her personal tax position and may not apply to certain classes of investor (such as dealers or UK insurance companies). The comments are based on current legislation and Inland Revenue practice. Any investor who is in doubt as to his or her tax position should consult his or her professional adviser.

8.1 Taxation of the Company

The Company will be liable to UK corporation tax at current rates (depending on the level of its profits for each accounting period) between 20 per cent. and 30 per cent. of its taxable profits.

8.2 Taxation of Dividend Income for Shareholders

(a) Individual Shareholders

A UK resident shareholder who is an individual will be entitled on receipt of a dividend to a tax credit equal to one ninth of the net dividend (ie, one tenth of the aggregate of the net dividend and associated tax credit).

However, the rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and the associated tax credit, falls within the threshold for lower or basic rate tax, will be reduced to ten per cent (known as the "Schedule F ordinary rate"). Accordingly, the tax credit, will discharge such shareholder's liability to UK income tax on the dividend. To the extent that the tax credit exceeds that shareholder's liability to UK income tax, such shareholder will not be entitled to claim payment of the excess from the Inland Revenue.

The rate of income tax payable on such dividends by a UK individual shareholder whose total income, including the dividend and associated tax credit, falls above the threshold for higher tax, is 32.5 per cent (known as the "Schedule F upper rate"). Accordingly, a shareholder who is liable to tax at the higher rate will have an additional liability to tax in respect of the dividend and associated tax credit at 22.5 per cent., being the difference between the Schedule F ordinary rate and the Schedule F upper rate.

(b) **UK Corporate Shareholders**

A corporate shareholder resident (for tax purposes) in the United Kingdom will not normally be liable to United Kingdom corporation tax on any dividends received. Such a shareholder will generally be able to treat any dividend received and the related tax credit as franked investment income. The value of the tax credit in the hands of a United Kingdom resident corporate shareholder will be an amount equal to one quarter of the dividend.

Overseas Shareholders

Whether shareholders who are resident (for tax purposes) in countries other than the United Kingdom are entitled to payment from the Inland Revenue of a proportion of the tax credit in respect of any dividends received depends in general upon the provisions of any double taxation agreement or convention which exists between such countries and the United Kingdom. Individual shareholders who are resident (for tax purposes) in countries other than the United Kingdom but who are Commonwealth citizens, citizens of the Republic of Ireland, residents of the Isle of Man or the Channel Islands or within certain other categories contained in section 278(2) of the Income and Corporation Taxes Act 1988 are entitled to a tax credit which they may set off against their total United Kingdom income tax liability or, in appropriate cases, reclaim in cash. Shareholders who are resident (for tax purposes) in countries other than the United Kingdom should consult their own tax advisers concerning their tax liabilities on dividends received and as to whether they are entitled to reclaim any part of the tax credit in the country in which they are resident (for tax purposes). A shareholder outside the United Kingdom may also be subject to foreign taxation under local law.

8.3 Enterprise Investment Scheme Relief

Investors are referred to the section headed "Enterprise Investment Scheme" in Part I of this document.

8.4 Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

- (a) The allotment and issue of new Ordinary Shares by the Company pursuant to the Offer will not give rise to a charge to stamp duty or SDRT.
- (b) Transfers of Ordinary Shares will be liable to stamp duty at the rate of 50 pence per £100 (or part thereof) of the actual consideration paid, subject to a minimum of £5. An unconditional agreement to transfer such shares will be subject to SDRT at the rate of 0.5 per cent. of the consideration paid, payable at the end of the month following the date of the agreement or if the agreement was conditional at the end of the month following the date upon which the agreement becomes unconditional. However, when an instrument of transfer is executed and duly stamped before the expiry of a period of six years beginning with the date of that agreement, a claim can normally be made to cancel or obtain a repayment of the SDRT liability. The purchaser will normally assume the liability to pay the stamp duty and will be liable to pay the SDRT.
- (c) Special rules apply to the agreements made by market makers in the ordinary course of their business, broker-dealers and certain other persons. Agreements to the transfer of shares to charities will not give rise to SDRT or stamp duty.
- (d) Where Ordinary Shares are issued to or transferred to issuers of clearance services, or in certain circumstances, their nominees or agents, stamp duty will be payable at the higher rate of £1.50 per £100 (or part thereof) of the amount or value of the consideration provided, or SDRT will be payable at the higher rate of 1.5 per cent. of the consideration, or, in certain cases, the value of the shares transferred.

9 General Information

- 9.1 The expenses of or incidental to the Offer payable by the Company are estimated to amount to £130,000 (exclusive of value added tax where appropriate).
- 9.2 There is no fee or commission payable by the Company to any person in consideration of his agreeing to subscribe for Offer Shares or his procuring or agreeing to procure subscriptions for Offer Shares.

9.3 Milsted Langdon have given and have not withdrawn their written consent to the issue of this document with the inclusion herein of their report set out in Part III and references thereto and to their name in the form and context in which they appear.

9.4 The Company will be dependent upon the intellectual property rights including the name "Leicester City Football Club" that are to be acquired from the Administrators pursuant to the terms of the Acquisition Agreement, further details of the proposed terms of which are set out in Part I of this document.

Save as described in this document the Company is not dependent on patents or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Company.

9.5 Save for the Acquisition, there are no significant investments in progress by the Company.

10 Documents Available for Inspection

Copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted) at the offices of Wragge & Co, 55 Colmore Row, Birmingham, B3 2AS until 4 February 2003, or, if later, the date the Offer closes:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the report of Milsted Langdon set out in Part III;
- (c) the consent referred to in paragraph 9.3 above; and
- (d) this document.

22 January 2003.

PART V

TERMS AND CONDITIONS OF APPLICATION

- 1 The contract created by the acceptance of applications in the manner set out in this document will be conditional on valid applications being received for the raising of £3,918,000. For these purposes, any shares allotted to TIAA in accordance with the underwriting arrangements described in Part I of this document will count towards the Minimum Subscription. If any application is not accepted, or if any contract created by acceptance does not become unconditional, or if any application is accepted for fewer Ordinary Shares than the number applied for, the application moneys or the balance of the amount paid on application, as the case may be, will be returned without interest within 7 days of 4 February 2003 or (if applicable) within 7 days of such later date as the Directors have determined that the Offer should lapse, by post at the risk of the applicant. In the meantime, application moneys will be retained by Wragge & Co, the solicitors to the Company, in a separate bank account.
- 2 The Company reserves the right to present all cheques and bankers' drafts for payment on receipt and to retain definitive share certificates and surplus application moneys pending clearance of the successful applicants' cheques.
- 3 Overseas Investors

If you are resident in any jurisdiction other than the United Kingdom you are advised to consult a professional adviser immediately.

The offer of the Offer Shares pursuant to the Offer to persons who are resident in, or citizens of, countries other than the United Kingdom may be affected by the law of the relevant jurisdiction. No person receiving a copy of this document and/or the Application Form in any jurisdiction other than the United Kingdom may treat the same as constituting an invitation or offer to him, nor should he in any event use such Application Form, if, in the relevant jurisdiction, such an invitation or offer cannot lawfully be made to him or such Application Form cannot lawfully be used without contravention of any unfulfilled registration or other legal requirements. In such circumstances this document and/or any Application Form are sent for information only. It is the responsibility of any person receiving a copy of this document and/or Application Form outside the United Kingdom who wishes to make any application for any Offer Shares pursuant to the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction, including obtaining all necessary governmental or other consents which may be required and observing all other necessary formalities and paying any issue, transfer or other taxes due in such jurisdiction. Such person should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirements to enable them to apply for Offer Shares pursuant to the Offer.

The Company reserves the right, in its absolute discretion, to reject a purported application for Offer Shares in a particular case if it believes acceptance may violate applicable legal or regulatory requirements.

- 4 By completing and delivering an Application Form you agree with the Company that by doing so you (as the applicant(s)):
 - (a) offer to subscribe for the number of Ordinary Shares specified in your Application Form (which must be a minimum of 25,000 Ordinary Shares or a greater number that is a multiple of 5,000 Ordinary Shares) (or any smaller number for which such application is accepted) at £1 per Ordinary Share subject to this document, these terms and conditions and the Memorandum and Articles of Association of the Company;
 - (b) authorise the Company to send a definitive share certificate for the number of Ordinary Shares for which your application is accepted, and/or a crossed cheque for any moneys returnable, by post to your address (or that of the first named applicant) as set out in your Application Form and to procure that your name (together with the name(s) of any joint applicant(s)) is placed on the register of members of the Company in respect of such Ordinary Shares;
 - (c) warrant that your remittance will be honoured on first presentation;
 - (d) agree that any definitive share certificates and moneys returnable to you may be returned pending clearance of your remittance and that such moneys will not bear interest;

- (e) agree that all applications, acceptances of applications and contracts resulting therefrom will be governed by, and construed in accordance with, English law and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances and contracts in any other manner permitted by law or in any court of competent jurisdiction;
 - (f) warrant that, if you sign the Application Form on behalf of a corporation, you have due authority to do so;
 - (g) agree that all documents in connection with the Offer and any returned moneys will be sent at your risk and may be sent to you at your address (or, in the case of joint applicants, the address of the first named applicant) as set out in the Application Form;
 - (h) agree that (having had the opportunity to read this document) you shall be deemed to have had notice of all information concerning the Company contained therein and in particular that you have read and understood the information set out in Part II of this document entitled "Risk Factors";
 - (i) confirm that you have reviewed the restrictions contained in paragraph 3 above and warrant to comply with the provisions thereof; and
 - (j) confirm that in making such application you are not relying on any information or representation in relation to the Company other than those contained in this document in connection with the Offer and you accordingly agree that no person responsible solely or jointly for this document or any part thereof will have any liability for any such other information or representation.
- 5 The basis of allocation will be determined by the Company. The right is reserved, notwithstanding the basis so determined, to reject in whole or in part and/or scale down any application.
- 6 Application Forms must be posted or delivered by hand to the Company at the address shown so as to arrive no later than 3.00 pm on 4 February 2003, or any later time determined by the Directors if the Offer is extended by the Directors.
- 7 Definitive certificates representing Offer Shares are expected to be despatched within 10 days of completion of the Offer; or within 5 days of clearance of all application monies received pursuant to the Offer, whichever is the later; no temporary documents of title will be issued and pending such despatch, transfers will be certified against the register of members of the Company.

INSTRUCTIONS FOR COMPLETION OF THE APPLICATION FORM

The following notes should be read in conjunction with the Application Form.

- 1 **Insert your full name and address in BLOCK CAPITALS in Box 1.**
- 2 **Insert in Box 2 (in figures) the number of Ordinary Shares for which you are applying. You may apply for a minimum of 25,000 Ordinary Shares and thereafter in multiples of 5,000 Ordinary Shares.**
- 3 **Insert in Box 3 (in figures) the amount of your cheque or bankers' draft.**
- 4 **Sign and date the Application Form in Box 4.**
- 5 **Attach with a pin your cheque or bankers' draft to your completed Application Form at Box 5. Your cheque or bankers' draft must be made payable to "Wragge & Co Client re: New Fox plc" for the full amount payable on application as inserted in Box 3 and should be crossed "A/C Payee only".**

No receipt will be issued for this payment, which must be solely for this application.

Your cheque or bankers' draft must be drawn in sterling on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or CHAPS Clearing Company Limited or which has arranged for its cheques and bankers' drafts to be cleared through the clearing facilities provided for members of either of those companies, and must bear the appropriate sort code number in the top right hand corner.

6 **You may apply jointly with other persons**

You must arrange for the Application Form to be completed by or on behalf of each joint applicant (up to a maximum of three other persons). Their full names should be inserted in BLOCK CAPITALS in Box 6. Definitive share certificates and a cheque for any monies to be returned in the names of the joint applicants will be sent to the applicant named in Box 1.

Box 6 must be signed by or on behalf of each joint applicant (other than the first applicant who should sign in Box 4 and complete Box 1)

If anyone is signing on behalf of any joint applicant(s), the original power(s) of attorney or a duly certified copy thereof must be enclosed for inspection.

7 **Money Laundering Regulations**

To ensure compliance with Money Laundering Regulations 1993 (the "Regulations"), it is a term of the Offer that the Company may, at its absolute discretion, require verification of identity from any person completing an Application Form (the "Subscriber") and without prejudice to the generality of the foregoing, in particular any person who either (i) tenders payment by way of a cheque or bankers' draft drawn on an account in the name of any person or persons other than the Subscriber; or (ii) appears to the Company to be acting on behalf of some other person.

For subscribers resident in the United Kingdom this may involve verification of names and addresses through a reputable agency. For Subscribers who are not resident in the United Kingdom, verification of identity may be sought from the Subscriber's bankers or from other reputable institutions or professional advisers in the Subscriber's country of residence.

By lodging an Application Form, each Subscriber undertakes to provide such evidence of identity at the time of lodging an Application Form or, at the absolute discretion of the Company, within a reasonable time thereafter in each case to be determined at the absolute discretion of the Company) as may be required to ensure compliance with the Regulations.

If satisfactory evidence of identity has not been received by the Company within a reasonable period of time, then the Application Form in question may be rejected, in which event the application will not proceed any further and the application monies (without interest) will be returned to the bank account on which the cheque was drawn at the Subscriber's own risk.

Where possible Subscribers should make payment by their own cheque. If a third party cheque, bankers' draft or building society cheque is used, the Subscriber should:

- (a) write his/her name and address on the back of the draft or cheque and, in the case of an individual, record his/her date of birth against his/her name; and
- (b) ask the bank or building society (if relevant) to endorse on the reverse of the draft or cheque the full name and account number of the person whose account number is being debited and stamp such endorsement.

The above information is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting the Company's right to require verification of identity as indicated above).

APPENDIX

ILLUSTRATIVE FINANCIAL PROJECTIONS

The Illustrative Financial Projections set out below are being provided as a guide to Investors and to show the potential scale of the Company's business operations. They have been prepared on two alternatives bases, the first that the Club achieves promotion to The Premier League at the end of the current football season and remains in The Premier League until at least the end of season 2005/2006, and the second that the Club remains in the Nationwide League First Division at all times during the same period. They should be read in conjunction with the principal assumptions set out below.

The Illustrative Financial Projections set out below do not, and are not intended to, constitute a profit forecast. No representation or warranty is given or is to be implied by or on behalf of the Company, the Directors or any other person that these projections will be or are likely to be achieved.

NEW FOX PLC
Premiership Base Plan

PROFIT & LOSS FORECAST

	Aug 02 £	Sep 02 £	Oct 02 £	Nov 02 £	Dec 02 £	Jan 03 £	Feb 03 £	Mar 03 £	Apr 03 £	May 03 £	Jun 03 £	Jul 03 £	Total £
COMMERCIAL INCOME	-	-	-	-	-	336,107	488,748	530,620	545,985	323,208	336,534	231,533	2,792,735
FOOTBALL INCOME	-	-	-	-	-	386,280	841,510	700,957	921,957	65,900	263,200	188,200	3,368,004
COMMERCIAL COSTS	-	-	-	-	-	336,107	428,063	452,363	452,363	397,882	402,689	345,989	2,815,456
FOOTBALL COSTS	-	-	-	-	-	386,280	1,153,156	935,801	1,107,961	993,516	925,447	4,293,252	9,795,413
COMMERCIAL GROSS PROFIT	-	-	-	-	-	-	60,685	78,257	93,622	(74,674)	(66,155)	(114,456)	(22,721)
FOOTBALL GROSS PROFIT	-	-	-	-	-	-	(311,646)	(234,844)	(186,004)	(927,616)	(662,247)	(4,105,052)	(6,427,409)
GROSS PROFIT	-	-	-	-	-	-	(250,961)	(156,587)	(92,382)	(1,002,290)	(728,402)	(4,219,508)	(6,450,130)
OVERHEADS	-	-	-	-	-	-	134,166	34,166	34,166	34,166	34,166	34,166	304,996
FOOTBALL OVERHEADS	-	-	-	-	-	-	450,444	450,444	450,444	354,000	354,000	354,000	2,413,332
DEPRECIATION	-	-	-	-	-	45,833	68,073	70,813	73,552	76,291	76,292	293,792	704,646
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	80,555	224,555	80,555	180,555	124,555	1,080,555	1,771,330
OPERATING PROFIT	-	-	-	-	-	(45,833)	(823,089)	(487,455)	(569,989)	(1,286,192)	(1,068,305)	(3,820,911)	(8,101,774)
LOAN INTEREST	-	-	-	-	-	-	-	3,094	3,074	3,055	3,035	3,016	15,274
NET PROFIT	-	-	-	-	-	(45,833)	(823,089)	(490,549)	(573,063)	(1,289,247)	(1,071,340)	(3,823,927)	(8,117,048)
CUMULATIVE	-	-	-	-	-	(45,833)	(868,922)	(1,359,471)	(1,932,534)	(3,221,781)	(4,293,121)	(8,117,048)	(8,117,048)

NEW FOX PLC
Premiership Base Plan

CASH FLOW FORECAST

	Aug 02 £	Sep 02 £	Oct 02 £	Nov 02 £	Dec 02 £	Jan 03 £	Feb 03 £	Mar 03 £	Apr 03 £	May 03 £	Jun 03 £	Jul 03 £	Total £
RECEIPTS	-	-	-	-	-	1,686,701	5,781,490	1,525,517	1,791,011	1,429,680	6,150,081	20,562,048	38,926,528
PAYMENTS	-	-	-	-	-	1,686,701	2,573,712	2,177,804	2,375,922	2,159,692	1,827,047	23,377,126	36,178,004
NET CASH FLOW	-	-	-	-	-	-	3,207,778	(652,287)	(584,911)	(730,012)	4,323,034	(2,815,078)	2,748,524
OPENING BANK	-	-	-	-	-	-	-	3,207,778	2,555,491	1,970,580	1,240,568	5,563,602	-
CLOSING BANK	-	-	-	-	-	-	3,207,778	2,555,491	1,970,580	1,240,568	5,563,602	2,748,524	2,748,524

NEW FOX PLC
Premiership Base Plan

BALANCE SHEET FORECAST

	Opening £	Aug 02 £	Sep 02 £	Oct 02 £	Nov 02 £	Dec 02 £	Jan 03 £	Feb 03 £	Mar 03 £	Apr 03 £	May 03 £	Jun 03 £	Jul 03 £
FIXED ASSETS	-	-	-	-	-	-	1,054,167	2,301,844	2,296,781	2,288,979	2,278,438	2,202,146	24,408,354
CURRENT ASSETS	-	-	-	-	-	-	262,104	3,907,001	3,426,055	2,855,520	1,975,364	5,355,201	3,104,966
CREDITORS DUE WITHIN ONE YEAR	-	-	-	-	-	-	262,104	1,454,848	1,463,859	1,463,075	1,866,137	6,245,554	14,803,040
NET CURRENT ASSETS	-	-	-	-	-	-	-	2,452,153	1,962,196	1,392,445	109,227	(890,353)	(11,698,074)
CREDITORS DUE AFTER ONE YEAR	-	-	-	-	-	-	-	622,919	618,448	613,958	609,446	604,914	15,827,328
TOTAL NET ASSETS	-	-	-	-	-	-	1,054,167	4,131,078	3,640,529	3,067,466	1,778,219	706,879	(3,117,048)
CAPITAL & RESERVES	-	-	-	-	-	-	1,054,167	4,131,078	3,640,529	3,067,466	1,778,219	706,879	(3,117,048)

NEW FOX PLC
Partnership Base Plan

PROFIT & LOSS FORECAST

	Aug 03 £	Sep 03 £	Oct 03 £	Nov 03 £	Dec 03 £	Jan 04 £	Feb 04 £	Mar 04 £	Apr 04 £	May 04 £	Jun 04 £	Jul 04 £	Total £
COMMERCIAL INCOME	1,016,906	909,806	909,806	1,251,926	1,251,926	865,886	860,306	909,806	909,806	770,826	476,246	361,246	10,494,992
FOOTBALL INCOME	2,411,685	1,922,984	3,580,583	2,212,585	3,041,585	1,784,045	3,041,585	2,262,585	3,041,585	3,975,050	922,750	922,750	29,119,772
COMMERCIAL COSTS	503,512	515,510	515,509	654,028	654,028	491,180	488,779	515,509	515,510	454,716	437,204	374,834	6,120,319
FOOTBALL COSTS	3,257,647	1,257,647	1,257,647	1,257,647	1,257,647	1,336,487	1,257,647	1,257,647	1,257,647	1,213,203	1,213,203	1,213,203	17,037,272
COMMERCIAL GROSS PROFIT	513,394	394,296	394,297	597,898	597,898	374,706	371,527	394,297	394,296	316,110	39,542	(13,588)	4,374,673
FOOTBALL GROSS PROFIT	(845,962)	665,337	2,322,936	954,938	1,783,938	447,558	1,783,938	1,004,938	1,783,938	2,761,847	(290,453)	(290,453)	12,082,500
GROSS PROFIT	(332,568)	1,059,633	2,717,233	1,552,836	2,381,836	822,264	2,155,465	1,399,235	2,178,234	3,077,957	(250,911)	(304,041)	16,457,173
OVERHEADS	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	409,992
FOOTBALL OVERHEADS	805,337	455,437	455,337	455,337	455,337	455,337	455,337	455,337	455,337	356,000	356,000	356,000	5,516,133
DEPRECIATION	293,999	294,209	294,417	294,624	294,834	295,042	295,249	295,459	295,667	295,874	296,084	379,625	3,625,083
OTHER INCOME (EXPENSE)	700,000	300,000	-	100,000	44,000	350,000	-	600,000	-	100,000	-	2,000,000	4,194,000
OPERATING PROFIT	(766,070)	575,821	1,933,313	868,709	1,641,499	387,719	1,370,713	1,214,273	1,393,064	2,491,917	(937,161)	926,168	11,099,965
LOAN INTEREST	107,996	91,800	91,780	91,760	91,740	91,720	91,699	91,679	91,659	91,638	91,617	91,597	1,116,685
NET PROFIT	(874,066)	484,021	1,841,533	776,949	1,549,759	295,999	1,279,014	1,122,594	1,301,405	2,400,279	(1,028,778)	834,571	9,983,280
CUMULATIVE	(874,066)	(390,045)	1,451,488	2,228,437	3,778,196	4,074,195	5,353,209	6,475,803	7,777,208	10,177,487	9,148,709	9,983,280	9,983,280

NEW FOX PLC
Premiership Base Plan

CASH FLOW FORECAST

	Aug 03 £	Sep 03 £	Oct 03 £	Nov 03 £	Dec 03 £	Jan 04 £	Feb 04 £	Mar 04 £	Apr 04 £	May 04 £	Jun 04 £	Jul 04 £	Total £
RECEIPTS	14,242,506	1,322,439	2,649,984	2,142,386	3,021,221	2,713,037	3,062,030	2,574,786	3,020,111	4,537,959	7,703,525	5,100,790	52,090,774
PAYMENTS	8,127,568	4,431,809	5,055,019	2,394,583	2,557,342	4,138,792	2,458,632	2,363,175	3,718,968	2,361,251	2,161,984	6,469,498	46,238,621
NET CASH FLOW	6,114,938	(3,109,370)	(2,405,035)	(252,197)	463,879	(1,425,755)	603,398	211,611	(698,857)	2,176,708	5,541,541	(1,368,708)	5,852,153
OPENING BANK	2,748,524	8,863,462	5,754,092	3,349,057	3,096,860	3,560,739	2,134,984	2,738,382	2,949,993	2,251,136	4,427,844	9,969,385	2,748,524
CLOSING BANK	8,863,462	5,754,092	3,349,057	3,096,860	3,560,739	2,134,984	2,738,382	2,949,993	2,251,136	4,427,844	9,969,385	8,600,677	8,600,677

NEW FOX PLC
Premiership Base Plan

BALANCE SHEET FORECAST

	Opening £	Aug 03 £	Sep 03 £	Oct 03 £	Nov 03 £	Dec 03 £	Jan 04 £	Feb 04 £	Mar 04 £	Apr 04 £	May 04 £	Jun 04 £	Jul 04 £
FIXED ASSETS	24,408,354	24,124,355	23,840,146	23,555,729	23,271,105	22,986,271	22,701,229	22,415,980	22,130,521	21,844,854	21,558,980	21,272,896	22,903,271
CURRENT ASSETS	3,104,966	9,753,665	7,307,652	5,833,608	5,932,093	6,776,094	4,466,989	4,897,847	5,271,999	4,500,683	6,781,182	10,244,916	9,482,101
CREDITORS DUE WITHIN ONE YEAR	14,803,040	24,596,380	21,386,732	17,791,354	16,832,903	15,846,969	12,961,503	11,832,799	10,803,621	8,449,977	8,049,089	12,260,305	11,216,040
NET CURRENT ASSETS	(11,698,074)	(14,842,715)	(14,079,080)	(11,957,746)	(10,900,810)	(9,070,875)	(8,494,514)	(6,934,952)	(5,531,622)	(3,949,294)	(1,267,907)	(2,015,389)	(1,733,939)
CREDITORS DUE AFTER ONE YEAR	15,827,328	13,272,754	13,268,159	13,263,543	13,258,906	13,254,248	13,249,568	13,244,867	13,240,144	13,235,400	13,230,634	13,225,846	14,303,100
TOTAL NET ASSETS	(3,117,048)	(3,991,114)	(3,507,093)	(1,665,560)	(888,611)	661,148	957,147	2,236,161	3,358,755	4,660,160	7,060,439	6,031,661	6,866,232
CAPITAL & RESERVES	(3,117,048)	(3,991,114)	(3,507,093)	(1,665,560)	(888,611)	661,148	957,147	2,236,161	3,358,755	4,660,160	7,060,439	6,031,661	6,866,232

NEW FOX PLC
Premiership Base Plan

PROFIT & LOSS FORECAST

	Aug 04	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
COMMERCIAL INCOME	1,074,443	966,493	966,493	1,336,253	1,336,253	920,363	914,503	966,493	966,493	823,343	507,613	386,303	11,165,046
FOOTBALL INCOME	2,137,570	1,750,770	3,046,668	1,938,470	2,601,671	1,606,760	2,601,670	1,988,471	2,601,670	3,312,283	840,084	840,083	25,266,170
COMMERCIAL COSTS	526,445	539,044	539,044	687,869	687,868	513,490	510,970	539,044	539,045	475,593	456,169	390,662	6,405,243
FOOTBALL COSTS	3,934,238	1,334,238	1,334,238	1,334,238	1,334,238	1,415,443	1,334,238	1,334,238	1,334,238	1,289,794	1,289,794	1,289,794	18,538,729
COMMERCIAL GROSS PROFIT	547,998	427,449	427,449	648,385	648,385	406,873	403,533	427,449	427,448	347,750	51,444	(4,359)	4,759,803
FOOTBALL GROSS PROFIT	(1,796,668)	416,532	1,712,430	604,232	1,267,433	191,317	1,267,432	654,233	1,267,432	2,022,489	(449,710)	(449,711)	6,707,441
GROSS PROFIT	(1,248,670)	843,981	2,139,879	1,252,616	1,915,818	598,190	1,670,965	1,081,682	1,694,880	2,370,239	(398,266)	(454,070)	11,467,244
OVERHEADS	35,191	35,191	35,191	35,191	35,191	35,191	35,191	35,191	35,191	35,191	35,191	35,191	422,292
FOOTBALL OVERHEADS	1,168,997	469,100	468,997	468,997	468,997	468,997	468,997	468,997	468,997	366,680	366,680	366,680	6,021,116
DEPRECIATION	379,495	379,703	379,911	380,120	380,328	351,141	307,286	307,496	307,702	307,911	308,121	391,660	4,180,874
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	-	-	-	-	-	-	3,000,000
OPERATING PROFIT	(2,832,353)	(40,013)	1,255,780	368,308	1,031,302	(257,139)	859,491	269,998	882,990	1,660,457	(1,108,258)	1,752,399	3,842,962
LOAN INTEREST	97,887	82,992	82,970	82,950	82,928	82,907	82,885	82,864	82,843	82,820	82,799	82,776	1,009,621
NET PROFIT	(2,930,240)	(123,005)	1,172,810	285,358	948,374	(340,046)	776,606	187,134	800,147	1,577,637	(1,191,057)	1,669,623	2,833,341
CUMULATIVE	(2,930,240)	(3,053,245)	(1,880,435)	(1,595,077)	(646,703)	(986,749)	(210,143)	(23,009)	777,138	2,354,775	1,163,718	2,833,341	2,833,341

NEW FOX PLC
Premiership Base Plan

CASH FLOW FORECAST

	Aug 04 £	Sep 04 £	Oct 04 £	Nov 04 £	Dec 04 £	Jan 05 £	Feb 05 £	Mar 05 £	Apr 05 £	May 05 £	Jun 05 £	Jul 05 £	Total £
RECEIPTS	11,012,241	1,030,908	2,645,075	1,991,354	2,740,291	2,574,318	2,848,513	1,828,452	2,637,087	3,936,829	7,627,538	5,640,235	46,512,841
PAYMENTS	6,656,665	3,149,443	5,019,321	2,514,247	2,689,115	3,833,744	2,579,635	2,481,260	3,316,318	2,480,914	2,275,026	6,037,017	43,032,705
NET CASH FLOW	4,355,576	(2,118,535)	(2,374,246)	(522,893)	51,176	(1,259,426)	268,878	(652,808)	(679,231)	1,455,915	5,352,512	(396,782)	3,480,136
OPENING BANK	8,600,677	12,956,253	10,837,718	8,463,472	7,940,579	7,991,755	6,732,329	7,001,207	6,348,399	5,669,168	7,125,083	12,477,595	8,600,677
CLOSING BANK	12,956,253	10,837,718	8,463,472	7,940,579	7,991,755	6,732,329	7,001,207	6,348,399	5,669,168	7,125,083	12,477,595	12,080,813	12,080,813

NEW FOX PLC
Premiership Base Plan

BALANCE SHEET FORECAST

Opening £	Aug 04 £	Sep 04 £	Oct 04 £	Nov 04 £	Dec 04 £	Jan 05 £	Feb 05 £	Mar 05 £	Apr 05 £	May 05 £	Jun 05 £	Jul 05 £
22,903,271	22,533,776	22,164,073	21,794,162	21,424,042	21,053,714	20,712,573	20,415,287	20,117,791	19,820,089	19,522,178	19,224,057	20,842,397
9,482,101	14,523,653	13,091,094	11,311,339	11,168,993	11,631,039	9,290,766	9,366,736	8,881,659	8,282,034	9,846,930	13,255,981	13,876,385
11,216,040	21,441,686	19,767,282	16,449,683	15,656,757	14,805,023	12,468,598	11,475,643	10,510,924	8,818,463	8,512,845	12,819,890	12,491,472
(1,733,939)	(6,918,033)	(6,676,188)	(5,138,344)	(4,487,764)	(3,173,984)	(3,177,832)	(2,108,907)	(1,629,265)	(536,429)	1,334,085	436,091	1,384,913
14,303,100	11,679,751	11,674,898	11,670,021	11,665,123	11,660,201	11,655,258	11,650,291	11,645,303	11,640,290	11,635,256	11,630,198	12,527,737
6,866,232	3,935,992	3,812,987	4,985,797	5,271,155	6,219,529	5,879,483	6,656,089	6,843,223	7,643,370	9,221,007	8,029,950	9,699,573
6,866,232	3,935,992	3,812,987	4,985,797	5,271,155	6,219,529	5,879,483	6,656,089	6,843,223	7,643,370	9,221,007	8,029,950	9,699,573

FIXED ASSETS

CURRENT ASSETS

CREDITORS DUE WITHIN ONE YEAR

NET CURRENT ASSETS

CREDITORS DUE AFTER ONE YEAR

TOTAL NET ASSETS

CAPITAL & RESERVES

NEW FOX PLC
Partnership Base Plan

PROFIT & LOSS FORECAST

	Aug 05 £	Sep 05 £	Oct 05 £	Nov 05 £	Dec 05 £	Jan 06 £	Feb 06 £	Mar 06 £	Apr 06 £	May 06 £	Jun 06 £	Jul 06 £	Total £
COMMERCIAL INCOME	1,136,105	1,027,288	1,027,288	1,427,028	1,427,028	978,868	972,718	1,027,288	1,027,288	879,818	540,550	413,220	11,884,487
FOOTBALL INCOME	2,160,211	1,779,005	3,070,805	1,961,111	2,624,311	1,630,174	2,624,311	2,011,111	2,624,311	3,330,050	853,750	853,750	25,522,900
COMMERCIAL COSTS	550,716	563,938	563,940	723,870	723,870	537,116	534,470	563,940	563,938	497,739	476,057	407,299	6,706,893
FOOTBALL COSTS	4,438,187	1,338,187	1,338,187	1,338,187	1,338,187	1,421,829	1,338,187	1,338,187	1,338,187	1,293,743	1,293,743	1,293,743	19,108,554
COMMERCIAL GROSS PROFIT	585,389	463,350	463,348	703,158	703,158	441,752	438,248	463,348	463,350	382,079	64,493	5,921	5,177,594
FOOTBALL GROSS PROFIT	(2,277,976)	440,818	1,732,618	622,924	1,286,124	208,345	1,286,124	672,924	1,286,124	2,036,307	(439,993)	(439,993)	6,414,346
GROSS PROFIT	(1,692,587)	904,168	2,195,966	1,326,082	1,989,282	650,097	1,724,372	1,136,272	1,749,474	2,418,386	(375,500)	(434,072)	11,591,940
OVERHEADS	36,247	36,247	36,247	36,247	36,247	36,247	36,247	36,247	36,247	36,247	36,247	36,247	434,964
FOOTBALL OVERHEADS	1,183,068	483,174	483,068	483,068	483,068	483,068	483,068	483,068	483,068	377,681	377,681	377,681	6,180,761
DEPRECIATION	390,991	391,201	391,406	391,616	391,825	392,032	392,241	204,950	38,491	38,698	38,909	39,115	3,101,475
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	-	-	-	-	-	-	2,000,000
OPERATING PROFIT	(3,302,893)	(6,454)	1,285,245	415,151	1,078,142	(261,250)	812,816	412,007	1,191,668	1,965,760	(828,337)	1,112,885	3,874,740
LOAN INTEREST	88,020	72,724	72,700	72,679	72,656	72,633	72,611	72,588	72,565	72,543	72,519	72,496	886,734
NET PROFIT	(3,390,913)	(79,178)	1,212,545	342,472	1,005,486	(333,883)	740,205	339,419	1,119,103	1,893,217	(900,856)	1,040,389	2,988,006
CUMULATIVE	(3,390,913)	(3,470,091)	(2,257,546)	(1,915,074)	(909,588)	(1,243,471)	(503,266)	(163,847)	955,256	2,848,473	1,947,617	2,988,006	2,988,006

NEW FOX PLC
Premiership Base Plan

CASH FLOW FORECAST

	Aug 05 £	Sep 05 £	Oct 05 £	Nov 05 £	Dec 05 £	Jan 06 £	Feb 06 £	Mar 06 £	Apr 06 £	May 06 £	Jun 06 £	Jul 06 £	Total £
RECEIPTS	11,051,076	1,075,300	2,870,240	2,075,971	2,823,998	2,855,780	2,950,066	1,904,985	3,154,245	4,022,428	7,869,649	5,182,530	47,836,268
PAYMENTS	7,861,481	3,447,789	4,999,192	2,563,327	2,751,245	3,674,052	2,630,088	2,528,700	3,136,033	2,529,992	2,317,268	4,746,255	43,185,422
NET CASH FLOW	3,189,595	(2,372,489)	(2,128,952)	(487,356)	72,753	(818,272)	319,978	(623,715)	18,212	1,492,436	5,552,381	436,275	4,650,846
OPENING BANK	12,080,813	15,270,408	12,897,919	10,768,967	10,281,611	10,354,364	9,536,092	9,856,070	9,232,355	9,250,567	10,743,003	16,295,384	12,080,813
CLOSING BANK	15,270,408	12,897,919	10,768,967	10,281,611	10,354,364	9,536,092	9,856,070	9,232,355	9,250,567	10,743,003	16,295,384	16,731,659	16,731,659

NEW FOX PLC
Premiership Base Plan

BALANCE SHEET FORECAST

	Opening £	Aug 05 £	Sep 05 £	Oct 05 £	Nov 05 £	Dec 05 £	Jan 06 £	Feb 06 £	Mar 06 £	Apr 06 £	May 06 £	Jun 06 £	Jul 06 £
FIXED ASSETS	20,842,397	20,461,406	20,080,205	19,698,799	19,317,183	18,935,358	18,553,326	18,171,085	17,976,135	17,947,644	17,918,946	17,890,037	17,860,922
CURRENT ASSETS	13,876,385	17,796,120	16,153,771	14,477,884	14,403,666	14,920,790	12,820,408	12,924,875	12,474,340	12,136,982	13,743,848	17,288,452	17,975,917
CREDITORS DUE WITHIN ONE YEAR	12,491,472	19,426,234	17,486,989	14,222,303	13,429,171	12,564,184	10,420,875	9,408,142	8,428,508	6,948,851	6,639,122	11,061,016	9,901,795
NET CURRENT ASSETS	1,384,913	(1,630,114)	(1,333,218)	255,581	974,495	2,356,606	2,399,533	3,516,733	4,045,832	5,188,131	7,104,726	6,227,436	8,074,122
CREDITORS DUE AFTER ONE YEAR	12,527,737	12,522,632	12,517,505	12,512,353	12,507,179	12,501,979	12,496,757	12,491,511	12,486,241	12,480,946	12,475,626	12,470,283	13,247,465
TOTAL NET ASSETS	9,699,573	6,308,660	6,229,482	7,442,027	7,784,499	8,789,985	8,456,102	9,196,307	9,535,726	10,654,829	12,548,046	11,647,190	12,687,579
CAPITAL & RESERVES	9,699,573	6,308,660	6,229,482	7,442,027	7,784,499	8,789,985	8,456,102	9,196,307	9,535,726	10,654,829	12,548,046	11,647,190	12,687,579

**New Fox plc
Premiership Base Plan
Assumptions – Promotion 2002/03 and Premier League Retention**

FOOTBALL ACTIVITIES

1. Match Tickets and Season Tickets

	2002/03	2003/04	2004/05	2005/06
Average crowd	26,000	29,000	29,000	29,000
Season tickets	13,000	18,000	18,000	18,000
Complimentary tickets	1,000	1,000	1,000	1,000
Match ticket sales	12,000	10,000	10,000	10,000
Number of League games	23	19	19	19

Season ticket income is assumed to be received to the club's bank account in May (10%), June (70%) and July (20%).

2. FA Cup

Assumes Club loses third round tie.

3. League Cup

Assumes Club wins first round tie and loses in second round.

4. FAPL Basic Award and FAPL Royalties, Sponsorships, etc

	2002/03	2003/04	2004/05	2005/06
	£'000	£'000	£'000	£'000
Basic award	-	10,000	8,000	8,000
Merit award	-	2,400	1,920	1,920
Royalties	941	4,800	3,840	3,840
Cup sponsorships	75	75	75	75
	<u>1,016</u>	<u>17,275</u>	<u>13,835</u>	<u>13,835</u>

On basis of current Premier League payments. At end of current BskyB contract in 2003/04, a 20% reduction is projected. The merit award is on the basis of 17th place finishing position with potential upside in 2003/04 of £600k per place.

5. Nationwide League royalty payments and TV and Radio Facility Fees

	2002/03	2003/04	2004/05	2005/06
	£'000	£'000	£'000	£'000
Nationwide award, including highlights & grants	552	-	-	-
Radio fees	-	200	200	200
TV appearances	105	3,316	2,653	2,653
	<u>657</u>	<u>3,516</u>	<u>2,853</u>	<u>2,853</u>

6. Other

All relates to car park takings from Filbert Street and Walkers Stadium sites.

FOOTBALL EXPENDITURE

7. Player Wages

Players wages for 2002/03 reflect the cost of the current squad in cash terms. There is assumed to be a 30% deferral from 1st January 2003 until 30th July 2003 (20% for the whole season). This is repayable in August 2003 together with the wage deferral occurring during administration.

Player wages for 2003/04 onwards reflect a realistic sustainable level and provide for team strengthening that will be required to maintain a competitive squad in the Premier League.

Net transfer incomings included are £1,000,000 July 2003, £2,000,000 July 2004, £3,000,000 July 2005, £2,000,000 July 2006. Receipts are assumed to arise 50% in the month of sale and quarterly thereafter in four equal sums.

8. Manager's and Coaches Salaries

2002/03 on basis of current contracts with bonus payment following promotion. A Premier League salary including Premier League retention bonus is projected for 2003/04 increasing annually at 3% thereafter.

9. Other Salaries

2002/03 on basis of current contracts. Subsequent 3% annual increases also assumed together with Premier league bonuses.

10. Overhead Cost

2002/03 on basis of detailed budget. 3% cost increase per annum thereafter.

11. Youth Academy Costs

2002/03 costs on the basis of detailed budget. Increase in 2003/04 reflects the loss of the Nationwide League grant. Current structure remains in place and 3% increases in other costs are assumed in all years thereafter.

12. Football PR

2002/03 on basis of detailed budget. 3% cost increase in all years thereafter.

13. Training Ground Costs

2002/03 on basis of detailed budget. 3% cost increase in all years thereafter.

14. Indirect Football Expenditure on Salaries

2002/03 on basis of current salaries. Subsequent 3% annual increases assumed together with Premier League bonuses.

15. Indirect Football Other Costs

2002/03 on basis of detailed budget. 3% cost increase in all years thereafter.

COMMERCIAL ACTIVITIES

Key Assumptions

	2003/04	2004/05	2005/06
Corporate sales growth	Specific	5%	5%
Conference and banqueting sales growth	20%	10%	10%
Programmes	20%	0%	0%
Other sales growth	10%	5%	5%
Salary increase	6%	3%	3%
Other cost increase	3%	3%	3%

2002/03 on the basis of current budgets.

Specific Assumptions

17. Corporate Sales

Club sponsorship will increase 100% after promotion in 2003/04, reversing the fall of 50% on relegation to Nationwide League. Increase of 5% thereafter

Pouring rights, stadium and stand sponsorships on the basis of long-term contracts, which do not increase annually. Stadium sponsorship funds already received.

Executive box sales will increase by 75% in 2003/04 reflecting full occupancy and Premier League prices. Increase of 5% thereafter. Perimeter advertising will increase by 150% in 2003/04 reflecting the value of the Premier League centralized deal and reversing the fall on relegation to Nationwide League. Increase of 5% thereafter.

75% increase in matchday package sales reversing the fall on relegation and reflecting the increased size of facilities at the new stadium. Matchday related costs increase by 50% reflecting the increased sales of boxes and matchday packages.

18. Fox Leisure

10% sales increase from higher crowds in 2003/04 onwards. Gross margin fixed at 46% which reflect that currently being obtained.

19. Conference and Banqueting

A 20% increase in turnover after promotion in 2003/04 reflects the increased matchday trade in the Premier League and the demand for the increased size of facilities at the new stadium. Annual 10% increases are projected to continue thereafter until occupancy levels of the Filbert Street stadium are reached. Matchday kiosk sales increase by 10% in 2003/04 following promotion and 5% thereafter.

Gross margin remains constant at 68% for conference and banqueting and 57% for kiosk sales.

20. Depreciation

Depreciation is based upon 25% reducing balance for fixtures and fittings and 4% on cost for the training ground/dome, 50% straight line for goodwill and 2% straight line for the stadium.

21. Interest Payable

Loan interest is assumed to be paid at 1½ over base rate.

22. Fixed Assets/Loans

It is assumed that the training ground and dome will be purchased for £850,000 financed by a loan of £675,000 repayable over 10 years.

It is assumed that fixtures and fittings averaging £10,000 per month are purchased from 1st August 2003.

It is assumed that the stadium will be rented at a nominal value until 31 July 2003 when it will be acquired via a flexible loan represented by a capital sum of £18 million and an interest rate of 7%. Payments will be made at 6% of turnover or £2.5 million if higher except for during the 3 seasons 2003/04, 2004/05, 2005/06 where the floor is 7% of turnover.

23. Equity

Equity is assumed to be received £1,000,000 in January 2003 and £4 million in February 2003.

24. Other

Payments to the administrator have been included as follows:

£1,250,000 on completion followed by £350,000 on promotion to the premiership and £350,000 on staying up in the premiership for 3 seasons i.e. a total potential deferred payment of £2,100,000.

25. Loans

Please note no provision has been made for football loans totaling £200,000 that are expected to be received from the football league during the next nine months as the timing and terms of these loans are not available at the time of completing this plan.

NEW FOX PLC
Nationwide Base Plan Rent

PROFIT & LOSS FORECAST

	Aug 02 £	Sep 02 £	Oct 02 £	Nov 02 £	Dec 02 £	Jan 03 £	Feb 03 £	Mar 03 £	Apr 03 £	May 03 £	Jun 03 £	Jul 03 £	Total £
COMMERCIAL INCOME	-	-	-	-	-	336,373	489,016	530,886	546,251	323,476	336,666	231,667	2,794,335
FOOTBALL INCOME	-	-	-	-	-	386,280	841,957	700,957	921,957	65,900	263,200	188,200	3,368,451
COMMERCIAL COSTS	-	-	-	-	-	336,373	428,149	452,447	452,449	397,968	402,731	346,031	2,816,148
FOOTBALL COSTS	-	-	-	-	-	386,280	1,153,156	935,802	1,107,961	993,426	925,447	3,944,222	9,446,294
COMMERCIAL GROSS PROFIT	-	-	-	-	-	-	60,867	78,439	93,802	(74,492)	(66,065)	(114,364)	(21,813)
FOOTBALL GROSS PROFIT	-	-	-	-	-	-	(311,199)	(234,845)	(186,004)	(927,526)	(662,247)	(3,756,022)	(6,077,843)
GROSS PROFIT	-	-	-	-	-	-	(250,332)	(156,406)	(92,202)	(1,002,018)	(728,312)	(3,870,386)	(6,099,656)
OVERHEADS	-	-	-	-	-	-	129,166	29,166	29,166	29,166	29,166	29,166	274,996
FOOTBALL OVERHEADS	-	-	-	-	-	-	450,444	450,444	450,444	354,000	354,000	354,000	2,413,332
DEPRECIATION	-	-	-	-	-	45,833	68,073	70,813	73,552	76,291	76,292	106,292	517,146
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	80,555	224,555	80,555	180,555	124,555	3,080,555	3,771,330
OPERATING PROFIT/(LOSS)	-	-	-	-	-	(45,833)	(817,460)	(482,274)	(564,809)	(1,280,920)	(1,063,215)	(1,279,289)	(5,533,800)
LOAN INTEREST	-	-	-	-	-	-	-	3,094	3,074	3,055	3,035	3,016	15,274
NET PROFIT	-	-	-	-	-	(45,833)	(817,460)	(485,368)	(567,883)	(1,283,975)	(1,066,250)	(1,282,305)	(5,549,074)
CUMULATIVE	-	-	-	-	-	(45,833)	(863,293)	(1,348,661)	(1,916,544)	(3,200,519)	(4,266,769)	(5,549,074)	(5,549,074)

NEW FOX PLC
Nationwide Base Plan Rent

CASH FLOW FORECAST

	Aug 02 £	Sep 02 £	Oct 02 £	Nov 02 £	Dec 02 £	Jan 03 £	Feb 03 £	Mar 03 £	Apr 03 £	May 03 £	Jun 03 £	Jul 03 £	Total £
RECEIPTS	-	-	-	-	-	1,686,701	6,044,431	1,263,413	1,791,325	1,177,264	4,052,295	21,231,905	37,247,334
PAYMENTS	-	-	-	-	-	1,686,701	2,429,274	2,172,905	2,371,162	2,154,703	1,822,148	20,534,602	33,171,495
NET CASH FLOW	-	-	-	-	-	-	3,615,157	(909,492)	(579,837)	(977,439)	2,230,147	697,303	4,075,839
OPENING BANK	-	-	-	-	-	-	-	3,615,157	2,705,665	2,125,828	1,148,389	3,378,536	-
CLOSING BANK	-	-	-	-	-	-	3,615,157	2,705,665	2,125,828	1,148,389	3,378,536	4,075,839	4,075,839

NEW FOX PLC
Nationwide Base Plan Rent

BALANCE SHEET FORECAST

Opening £	Aug 02 £	Sep 02 £	Oct 02 £	Nov 02 £	Dec 02 £	Jan 03 £	Feb 03 £	Mar 03 £	Apr 03 £	May 03 £	Jun 03 £	Jul 03 £
-	-	-	-	-	-	1,054,167	2,301,844	2,296,781	2,288,979	2,278,438	2,202,146	20,095,854
-	-	-	-	-	-	262,416	4,052,590	3,576,855	3,011,392	1,883,811	3,499,605	5,807,000
-	-	-	-	-	-	262,416	1,594,808	1,603,849	1,602,957	1,753,322	4,363,606	8,532,014
-	-	-	-	-	-	-	2,457,782	1,973,006	1,408,435	130,489	(864,001)	(2,725,014)
-	-	-	-	-	-	-	622,919	618,448	613,958	609,446	604,914	17,919,914
-	-	-	-	-	-	1,054,167	4,136,707	3,651,339	3,083,456	1,799,481	733,231	(549,074)
-	-	-	-	-	-	1,054,167	4,136,707	3,651,339	3,083,456	1,799,481	733,231	(549,074)

FIXED ASSETS

CURRENT ASSETS

CREDITORS DUE WITHIN ONE YEAR

NET CURRENT ASSETS

CREDITORS DUE AFTER ONE YEAR

TOTAL NET ASSETS

CAPITAL & RESERVES

NEW FOX PLC
Nationwide Base Plan Rent

PROFIT & LOSS FORECAST

	Aug 03	Sep 03	Oct 03	Nov 03	Dec 03	Jan 04	Feb 04	Mar 04	Apr 04	May 04	Jun 04	Jul 04	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
COMMERCIAL INCOME	1,109,248	669,548	669,548	988,148	988,148	627,618	622,298	669,548	669,548	449,274	407,149	296,899	8,167,674
FOOTBALL INCOME	6,325,215	763,015	1,182,055	729,955	896,115	581,595	864,115	914,115	1,160,115	264,400	416,600	416,600	14,513,895
COMMERCIAL COSTS	443,895	455,334	455,334	585,005	585,006	432,106	429,819	455,333	455,334	396,753	397,509	337,974	5,429,402
FOOTBALL COSTS	2,093,347	868,399	868,399	868,399	868,399	937,759	868,399	868,399	868,399	823,955	823,955	823,955	11,581,764
COMMERCIAL GROSS PROFIT	666,053	214,214	214,214	403,143	403,142	195,512	192,479	214,215	214,214	52,521	9,640	(41,075)	2,738,272
FOOTBALL GROSS PROFIT	4,231,868	(105,384)	313,656	(138,444)	27,716	(356,164)	(4,284)	45,716	291,716	(559,555)	(407,355)	(407,355)	2,932,131
GROSS PROFIT	4,897,921	108,830	527,870	264,699	430,858	(160,652)	188,195	259,931	505,930	(507,034)	(397,715)	(448,430)	5,670,403
OVERHEADS	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	409,992
FOOTBALL OVERHEADS	417,173	417,173	417,173	417,173	417,173	417,173	417,173	417,173	417,173	323,729	323,729	323,729	4,725,744
DEPRECIATION	106,443	106,651	106,861	107,068	107,276	107,486	107,693	107,901	108,111	108,318	108,526	108,736	1,291,070
OTHER INCOME (EXPENSE)	700,000	300,000	-	100,000	44,000	350,000	-	600,000	-	100,000	-	2,000,000	4,194,000
OPERATING PROFIT	5,040,139	(149,160)	(30,330)	(193,708)	(83,757)	(369,477)	(370,837)	300,691	(53,520)	(873,247)	(864,136)	1,084,939	3,437,597
LOAN INTEREST	107,996	104,007	103,986	103,967	103,947	103,927	103,905	103,886	103,866	103,845	103,823	103,804	1,250,959
NET PROFIT	4,932,143	(253,167)	(134,316)	(297,675)	(187,704)	(473,404)	(474,742)	196,805	(157,386)	(977,092)	(967,959)	981,135	2,186,638
CUMULATIVE	4,932,143	4,678,976	4,544,660	4,246,985	4,059,281	3,585,877	3,111,135	3,307,940	3,150,554	2,173,462	1,205,503	2,186,638	2,186,638

NEW FOX PLC
Nationwide Base Plan Rent

CASH FLOW FORECAST

	Aug 03 £	Sep 03 £	Oct 03 £	Nov 03 £	Dec 03 £	Jan 04 £	Feb 04 £	Mar 04 £	Apr 04 £	May 04 £	Jun 04 £	Jul 04 £	Total £
RECEIPTS	8,218,799	1,756,771	2,433,939	1,551,400	1,651,394	2,404,814	1,643,711	2,102,663	2,261,286	1,124,428	4,006,662	3,763,035	32,918,902
PAYMENTS	3,837,485	2,824,783	3,466,818	1,899,748	2,052,110	2,525,987	1,953,951	1,869,767	2,350,879	1,866,415	1,676,672	3,549,293	29,873,908
NET CASH FLOW	4,381,314	(1,068,012)	(1,032,879)	(348,348)	(400,716)	(121,173)	(310,240)	232,896	(89,593)	(741,987)	2,329,990	213,742	3,044,994
OPENING BANK	4,075,839	8,457,153	7,389,141	6,356,262	6,007,914	5,607,198	5,486,025	5,175,785	5,408,681	5,319,088	4,577,101	6,907,091	4,075,839
CLOSING BANK	8,457,153	7,389,141	6,356,262	6,007,914	5,607,198	5,486,025	5,175,785	5,408,681	5,319,088	4,577,101	6,907,091	7,120,833	7,120,833

NEW FOX PLC
Nationwide Base Plan Rent

BALANCE SHEET FORECAST

	Operating £	Aug 03 £	Sep 03 £	Oct 03 £	Nov 03 £	Dec 03 £	Jan 04 £	Feb 04 £	Mar 04 £	Apr 04 £	May 04 £	Jun 04 £	Jul 04 £
FIXED ASSETS	20,095,854	19,999,411	19,902,760	19,805,899	19,708,831	19,611,555	19,514,069	19,416,376	19,318,475	19,220,364	19,122,046	19,023,520	18,924,784
CURRENT ASSETS	5,807,000	11,218,719	10,120,086	8,519,290	8,446,201	8,350,188	7,346,664	6,829,636	7,216,061	6,705,424	5,868,145	7,528,533	8,303,798
CREDITORS DUE WITHIN ONE YEAR	8,532,014	9,038,058	8,100,536	6,541,811	6,673,966	6,673,039	6,050,113	5,914,835	6,011,277	5,564,659	5,610,920	8,145,529	7,165,286
NET CURRENT ASSETS	(2,725,014)	2,180,661	2,019,550	1,977,479	1,772,235	1,677,149	1,296,551	914,801	1,204,784	1,140,765	257,225	(616,996)	1,138,512
CREDITORS DUE AFTER ONE YEAR	17,919,914	17,797,003	17,792,408	17,787,792	17,783,155	17,778,497	17,773,817	17,769,116	17,764,393	17,759,649	17,754,883	17,750,095	18,425,732
TOTAL NET ASSETS	(549,074)	4,383,069	4,129,902	3,995,586	3,697,911	3,510,207	3,036,803	2,562,061	2,758,866	2,601,480	1,624,388	656,429	1,637,564
CAPITAL & RESERVES	(549,074)	4,383,069	4,129,902	3,995,586	3,697,911	3,510,207	3,036,803	2,562,061	2,758,866	2,601,480	1,624,388	656,429	1,637,564

NEW FOX PLC
Nationwide Base Plan Rent

PROFIT & LOSS FORECAST

	Aug 04	Sep 04	Oct 04	Nov 04	Dec 04	Jan 05	Feb 05	Mar 05	Apr 05	May 05	Jun 05	Jul 05	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
COMMERCIAL INCOME	1,192,793	710,874	710,873	1,055,034	1,055,033	666,847	661,261	710,874	710,873	482,453	431,802	316,039	8,704,756
FOOTBALL INCOME	875,632	750,452	878,552	570,352	729,622	586,354	696,662	746,662	1,001,542	272,305	271,405	271,405	7,650,945
COMMERCIAL COSTS	464,430	476,440	476,440	615,678	615,677	452,051	449,649	476,441	476,440	415,318	414,863	352,350	5,685,777
FOOTBALL COSTS	1,282,622	682,622	682,622	682,622	682,622	754,063	682,622	682,622	682,622	638,178	638,178	638,178	8,729,573
COMMERCIAL GROSS PROFIT	728,363	234,434	234,433	439,356	439,356	214,796	211,612	234,433	234,433	67,135	16,939	(36,311)	3,018,979
FOOTBALL GROSS PROFIT	(406,990)	67,830	195,930	(112,270)	47,000	(167,709)	14,040	64,040	318,920	(365,873)	(366,773)	(366,773)	(1,078,628)
GROSS PROFIT	321,373	302,264	430,363	327,086	486,356	47,087	225,652	298,473	553,353	(298,738)	(349,834)	(403,084)	1,940,351
OVERHEADS	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	34,166	409,992
FOOTBALL OVERHEADS	426,107	426,107	426,107	426,107	426,107	426,107	426,107	426,107	426,107	333,441	333,441	333,441	4,835,286
OTHER COSTS	108,494	108,701	108,911	109,118	109,327	80,141	36,285	36,494	36,701	36,911	37,119	37,326	845,528
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	-	-	-	-	-	-	2,000,000
OPERATING PROFIT	(247,394)	(266,710)	(138,821)	(242,305)	(83,244)	(493,327)	(270,906)	(198,294)	56,379	(703,256)	(754,560)	1,191,983	(2,150,455)
INTEREST EXPENSE	107,751	107,041	107,018	106,999	106,977	106,955	106,934	106,913	106,892	106,868	106,848	106,825	1,284,021
NET PROFIT	(355,145)	(373,751)	(245,839)	(349,304)	(190,221)	(600,282)	(377,840)	(305,207)	(50,513)	(810,124)	(861,408)	1,085,158	(3,434,476)
CUMULATIVE	(355,145)	(728,896)	(974,735)	(1,324,039)	(1,514,260)	(2,114,542)	(2,492,382)	(2,797,589)	(2,848,102)	(3,658,226)	(4,519,634)	(3,434,476)	(3,434,476)

NEW FOX PLC
Nationwide Base Plan Rent

CASH FLOW FORECAST

	Aug 04 £	Sep 04 £	Oct 04 £	Nov 04 £	Dec 04 £	Jan 05 £	Feb 05 £	Mar 05 £	Apr 05 £	May 05 £	Jun 05 £	Jul 05 £	Total £
RECEIPTS	1,216,017	1,430,772	1,793,470	1,293,036	1,449,857	1,911,713	1,506,963	1,238,797	1,967,358	1,063,700	3,961,101	3,386,068	22,218,852
PAYMENTS	3,326,619	2,971,569	2,522,535	1,747,887	1,911,490	2,261,500	1,803,171	1,716,407	1,980,195	1,714,553	1,522,741	3,376,824	26,855,491
NET CASH FLOW	(2,110,602)	(1,540,797)	(729,065)	(454,851)	(461,633)	(349,787)	(296,208)	(477,610)	(12,837)	(650,853)	2,438,360	9,244	(4,636,639)
OPENING BANK	7,120,833	5,010,231	3,469,434	2,740,369	2,285,518	1,823,885	1,474,098	1,177,890	700,280	687,443	36,590	2,474,950	7,120,833
CLOSING BANK	5,010,231	3,469,434	2,740,369	2,285,518	1,823,885	1,474,098	1,177,890	700,280	687,443	36,590	2,474,950	2,484,194	2,484,194

NEW FOX PLC
Nationwide Base Plan Rent

BALANCE SHEET FORECAST

	Opening £	Aug 04 £	Sep 04 £	Oct 04 £	Nov 04 £	Dec 04 £	Jan 05 £	Feb 05 £	Mar 05 £	Apr 05 £	May 05 £	Jun 05 £	Jul 05 £
FIXED ASSETS	18,924,784	18,826,290	18,727,589	18,628,678	18,529,560	18,430,233	18,360,092	18,333,807	18,307,313	18,280,612	18,253,701	18,226,582	18,199,256
CURRENT ASSETS	8,303,798	7,088,677	5,515,266	4,541,405	4,384,446	4,251,025	3,143,135	2,616,623	2,293,921	2,006,913	1,254,472	2,998,299	3,697,306
CREDITORS DUE WITHIN ONE YEAR	7,165,286	6,211,648	4,918,140	4,096,084	4,194,209	4,156,604	3,583,798	3,413,808	3,374,807	3,116,624	3,152,430	5,735,604	4,761,066
NET CURRENT ASSETS	1,138,512	877,029	597,126	445,321	190,237	94,421	(440,663)	(797,185)	(1,080,886)	(1,109,711)	(1,897,958)	(2,737,305)	(1,063,760)
CREDITORS DUE AFTER ONE YEAR	18,425,732	18,420,900	18,416,047	18,411,170	18,406,272	18,401,350	18,396,407	18,391,440	18,386,452	18,381,439	18,376,405	18,371,347	18,932,408
TOTAL NET ASSETS	1,637,564	1,282,419	908,668	662,829	313,525	123,304	(476,978)	(854,818)	(1,160,025)	(1,210,538)	(2,020,662)	(2,882,070)	(1,796,912)
CAPITAL & RESERVES	1,637,564	1,282,419	908,668	662,829	313,525	123,304	(476,978)	(854,818)	(1,160,025)	(1,210,538)	(2,020,662)	(2,882,070)	(1,796,912)

NEW FOX PLC
Nationwide Base Plan Rent
PROFIT & LOSS FORECAST

	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06	Jul 06	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
COMMERCIAL INCOME													
	1,279,813	755,548	755,549	1,127,510	1,127,510	709,321	703,456	755,548	755,549	518,574	458,339	336,778	9,283,485
FOOTBALL INCOME													
	897,449	772,657	904,574	587,457	751,532	603,156	717,583	767,583	1,031,611	280,447	279,547	279,547	7,873,143
COMMERCIAL COSTS													
	486,231	498,841	498,841	648,430	648,431	473,233	470,711	498,840	498,841	435,060	433,153	367,514	5,958,126
FOOTBALL COSTS													
	1,070,987	470,987	470,987	470,987	470,987	544,571	470,987	470,987	470,987	426,543	426,543	426,543	6,192,096
COMMERCIAL GROSS PROFIT													
	793,582	256,707	256,708	479,080	479,079	236,088	232,745	256,708	256,708	83,514	25,176	(30,736)	3,325,359
FOOTBALL GROSS PROFIT													
	(173,538)	301,670	433,587	116,470	280,545	58,585	246,596	296,596	560,624	(146,096)	(146,996)	(146,996)	1,681,047
GROSS PROFIT													
	620,044	558,377	690,295	595,550	759,624	294,673	479,341	553,304	817,332	(62,582)	(121,820)	(177,732)	5,006,406
OVERHEADS													
	34,291	34,291	34,291	34,291	34,291	34,291	34,291	34,291	34,291	34,291	34,291	34,291	411,492
FOOTBALL OVERHEADS													
	438,889	438,889	438,889	438,889	438,889	438,889	438,889	438,889	438,889	343,445	343,445	343,445	4,980,336
DEPRECIATION													
	36,550	36,759	36,966	37,175	37,383	37,592	37,800	38,008	38,217	38,424	38,634	38,841	452,349
OTHER INCOME (EXPENSE)													
	-	-	-	-	-	-	-	-	-	-	-	-	1,500,000
OPERATING PROFIT													
	110,314	48,438	180,149	85,195	249,061	(216,099)	(31,639)	42,116	305,935	(478,742)	(538,190)	905,691	662,229
LOAN INTEREST													
	110,106	110,084	110,062	110,039	110,016	109,994	109,971	109,950	109,925	109,903	109,880	109,856	1,319,786
NET PROFIT													
	208	(61,646)	70,087	(24,844)	139,045	(326,093)	(141,610)	(67,834)	196,010	(588,645)	(648,070)	795,835	(657,557)
CUMULATIVE													
	208	(61,438)	8,649	(16,195)	122,850	(203,243)	(344,853)	(412,687)	(216,677)	(805,322)	(1,453,392)	(657,557)	(657,557)

NEW FOX PLC
Nationwide Base Plan Rent

CASH FLOW FORECAST

	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06	Jul 06	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
RECEIPTS	1,283,900	1,494,810	1,866,968	1,363,836	1,525,388	1,996,688	1,597,362	1,304,888	2,045,611	1,124,551	4,101,950	2,854,513	22,560,465
PAYMENTS	1,799,846	1,711,497	2,346,603	1,576,313	1,752,081	2,124,498	1,632,686	1,543,261	1,823,051	1,542,980	1,344,781	3,260,698	22,458,295
NET CASH FLOW	(515,946)	(216,687)	(479,635)	(212,477)	(226,693)	(127,810)	(35,324)	(238,373)	222,560	(418,429)	2,757,169	(406,185)	102,170
OPENING BANK	2,484,194	1,968,248	1,751,561	1,271,926	1,059,449	832,756	704,946	669,622	431,249	653,809	235,380	2,992,549	2,484,194
CLOSING BANK	1,968,248	1,751,561	1,271,926	1,059,449	832,756	704,946	669,622	431,249	653,809	235,380	2,992,549	2,586,364	2,586,364

NEW FOX PLC
Nationwide Base Plan Rent

BALANCE SHEET FORECAST

	Opening £	Aug 05 £	Sep 05 £	Oct 05 £	Nov 05 £	Dec 05 £	Jan 06 £	Feb 06 £	Mar 06 £	Apr 06 £	May 06 £	Jun 06 £	Jul 06 £
FIXED ASSETS	18,199,256	18,172,706	18,145,947	18,118,281	18,091,806	18,064,423	18,036,831	18,009,031	17,981,023	17,952,806	17,924,382	17,895,748	17,866,907
CURRENT ASSETS	3,697,306	4,127,275	3,882,951	3,158,524	3,268,830	3,396,157	2,485,351	2,193,919	2,111,870	2,060,264	1,533,663	3,569,396	3,538,906
CREDITORS DUE WITHIN ONE YEAR	4,761,066	5,169,382	4,965,072	4,148,744	4,261,893	4,227,992	3,620,909	3,448,533	3,411,580	3,141,042	3,179,982	5,840,494	4,730,696
NET CURRENT ASSETS	(1,063,760)	(1,042,107)	(1,082,121)	(990,220)	(993,063)	(831,835)	(1,135,558)	(1,254,614)	(1,299,710)	(1,080,778)	(1,646,319)	(2,271,098)	(1,191,790)
CREDITORS DUE AFTER ONE YEAR	18,932,408	18,927,303	18,922,176	18,917,024	18,911,850	18,906,650	18,901,428	18,896,182	18,890,912	18,885,617	18,880,297	18,874,954	19,129,586
TOTAL NET ASSETS	(1,796,912)	(1,796,704)	(1,858,350)	(1,788,263)	(1,813,107)	(1,674,062)	(2,000,155)	(2,141,765)	(2,209,599)	(2,013,589)	(2,602,234)	(3,250,304)	(2,454,469)
CAPITAL & RESERVES	(1,796,912)	(1,796,704)	(1,858,350)	(1,788,263)	(1,813,107)	(1,674,062)	(2,000,155)	(2,141,765)	(2,209,599)	(2,013,589)	(2,602,234)	(3,250,304)	(2,454,469)

NEW FOX PLC
Nationwide Base Plan Rent

PROFIT & LOSS FORECAST

	Aug 06	Sep 06	Oct 06	Nov 06	Dec 06	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
COMMERCIAL INCOME	1,346,347	803,872	803,870	1,206,083	1,206,082	755,332	749,174	803,871	803,870	557,914	486,889	359,260	9,882,564
FOOTBALL INCOME	919,898	795,834	931,689	605,059	774,077	620,455	739,108	789,109	1,062,556	288,834	287,933	287,934	8,102,486
COMMERCIAL COSTS	509,391	522,631	522,631	683,429	683,428	495,743	493,095	522,632	522,631	456,072	452,439	383,519	6,247,641
FOOTBALL COSTS	1,013,981	413,981	413,981	413,981	413,981	489,772	413,981	413,981	413,981	369,537	369,537	369,537	5,510,231
COMMERCIAL GROSS PROFIT	836,956	281,241	281,239	522,654	522,654	259,589	256,079	281,239	281,239	101,842	34,450	(24,259)	3,634,923
FOOTBALL GROSS PROFIT	(94,083)	381,853	517,708	191,078	360,096	130,683	325,127	375,128	648,575	(80,703)	(81,604)	(81,603)	2,592,255
GROSS PROFIT	742,873	663,094	798,947	713,732	882,750	390,272	581,206	656,367	929,814	21,139	(47,154)	(105,862)	6,227,178
OVERHEADS	35,320	35,320	35,320	35,320	35,320	35,320	35,320	35,320	35,320	35,320	35,320	35,320	423,840
FOOTBALL OVERHEADS	452,055	452,055	452,055	452,055	452,055	452,055	452,055	452,055	452,055	353,748	353,748	353,748	5,129,739
DEPRECIATION	37,456	37,454	37,455	37,455	37,455	37,455	37,455	37,455	37,455	37,455	37,455	37,455	449,460
OTHER INCOME (EXPENSE)	-	-	-	-	-	-	-	-	-	-	-	1,500,000	1,500,000
OPERATING PROFIT	218,042	138,265	274,117	188,902	357,920	(134,558)	56,376	131,537	404,984	(405,384)	(473,677)	967,615	1,724,139
LOAN INTEREST	111,350	111,327	111,303	111,280	111,255	111,232	111,208	111,184	111,160	111,135	111,111	111,087	1,334,632
NET PROFIT	106,692	26,938	162,814	77,622	246,665	(245,790)	(54,832)	20,353	293,824	(516,519)	(584,788)	856,528	389,507
CUMULATIVE	106,692	133,630	296,444	374,066	620,731	374,941	320,109	340,462	634,286	117,767	(467,021)	389,507	389,507

NEW FOX PLC
Nationwide Base Plan Rent

CASH FLOW FORECAST

	Aug 06 £	Sep 06 £	Oct 06 £	Nov 06 £	Dec 06 £	Jan 07 £	Feb 07 £	Mar 07 £	Apr 07 £	May 07 £	Jun 07 £	Jul 07 £	Total £
RECEIPTS	1,324,770	1,562,844	1,872,316	1,439,603	1,606,026	2,015,171	1,604,837	1,375,652	2,055,459	1,189,841	4,249,816	2,854,020	23,240,355
PAYMENTS	1,711,396	1,686,760	2,254,469	1,552,317	1,741,256	2,137,998	1,609,778	1,517,612	1,814,737	1,518,985	1,314,155	3,272,250	22,131,713
NET CASH FLOW	(386,626)	(123,916)	(382,153)	(112,714)	(135,230)	(122,827)	85,059	(141,960)	240,722	(329,144)	2,935,661	(418,230)	1,108,642
OPENING BANK	2,586,364	2,199,738	2,075,822	1,693,669	1,580,955	1,445,725	1,322,898	1,407,957	1,265,997	1,506,719	1,177,575	4,113,236	2,586,364
CLOSING BANK	2,199,738	2,075,822	1,693,669	1,580,955	1,445,725	1,322,898	1,407,957	1,265,997	1,506,719	1,177,575	4,113,236	3,695,006	3,695,006

NEW FOX PLC
Nationwide Base Plan Rent

BALANCE SHEET FORECAST

	Opening £	Aug 06 £	Sep 06 £	Oct 06 £	Nov 06 £	Dec 06 £	Jan 07 £	Feb 07 £	Mar 07 £	Apr 07 £	May 07 £	Jun 07 £	Jul 07 £
FIXED ASSETS	17,866,907	17,829,451	17,791,997	17,754,542	17,717,087	17,679,632	17,642,177	17,604,722	17,567,267	17,529,812	17,492,357	17,454,902	17,417,447
CURRENT ASSETS	3,538,906	4,152,026	4,006,600	3,453,092	3,690,547	3,937,656	3,077,886	2,878,519	2,894,337	2,934,330	2,490,130	4,675,306	4,684,040
CREDITORS DUE WITHIN ONE YEAR	4,730,696	5,205,060	5,000,659	4,252,324	4,380,169	4,348,649	3,702,732	3,526,284	3,489,862	3,204,169	3,244,652	5,982,805	4,843,227
NET CURRENT ASSETS	(1,191,790)	(1,053,034)	(994,059)	(799,232)	(689,622)	(410,993)	(624,846)	(647,765)	(595,525)	(269,839)	(754,522)	(1,307,499)	(159,187)
TOTAL NET ASSETS	(2,454,469)	(2,347,777)	(2,320,839)	(2,158,025)	(2,080,403)	(1,833,738)	(2,079,528)	(2,134,360)	(2,114,007)	(1,820,183)	(2,336,702)	(2,921,490)	(2,064,962)
CAPITAL & RESERVES	(2,454,469)	(2,347,777)	(2,320,839)	(2,158,025)	(2,080,403)	(1,833,738)	(2,079,528)	(2,134,360)	(2,114,007)	(1,820,183)	(2,336,702)	(2,921,490)	(2,064,962)

**New Fox plc
Nationwide Base Plan
Assumptions**

FOOTBALL ACTIVITIES

1. Match Tickets and Season Tickets

	2002/03	2003/04	2004/05	2005/06
Average crowd	26,000	25,000	24,000	24,000
Season tickets	13,000	13,000	13,000	13,000
Complimentary tickets	1,000	1,000	1,000	1,000
Match ticket sales	12,000	11,000	10,000	10,000
Number of League games	23	23	23	23

Season ticket income is assumed to be received to the club's bank account in May (10%), June (70%) and July (20%).

2. FA Cup

Assumes Club loses third round tie.

3. League Cup

Assumes Club wins first round tie and loses in second round.

4. FAPL Basic Award and FAPL Royalties, Sponsorships, etc

	2002/03	2003/04	2004/05	2005/06
	£'000	£'000	£'000	£'000
Basic award	-	5,000	-	-
Royalties	941	1,531	-	-
Cup sponsorships	75	75	75	75
	<u>1,016</u>	<u>6,531</u>	<u>75</u>	<u>75</u>

5. Nationwide League Royalty Payments and TV and Radio Facility Fees

	2002/03	2003/04	2004/05	2005/06
	£'000	£'000	£'000	£'000
Nationwide award, including highlights & grants	552	937	895	920
Radio fees	-	150	150	150
TV appearances	105	231	238	245
	<u>657</u>	<u>1,250</u>	<u>1,283</u>	<u>1,315</u>

6. Other

All relates to car park takings from Filbert Street and Walkers Stadium sites.

FOOTBALL EXPENDITURE

7. Player Wages

Players' wages for 2002/03 reflect the cost of the current squad in cash terms. There is assumed to be a 30% deferral from 1st January 2003 until 30th July 2003 (20% for the whole season). This is repayable, together with the wage deferral occurring during administration, in August 2003 for players whose contracts expire in the summer and August 2004 for the others. Wages for 2003/04 to 2006/07 reflect the known contractual cost of current players and the expected costs for future contracted players.

8. Manager's and Coaches Salary

2002/03 and 2003/04 on basis of current contract with 3% increases thereafter per annum.

9. Other Salaries

2002/03 on basis of current contracts. Salaries freeze for 2003/04. 3% cost increase per annum from 2004/05.

10. Overhead Cost

2002/03 on basis of detailed budget. 3% cost increase per annum from 2003/04.

11. Youth Academy Costs

2002/03 on basis of current costs. 3% cost increases thereafter.

12. Football PR

2002/03 on basis of detailed budget. 3% cost increase in all years thereafter.

13. Training Ground Costs

2002/03 on basis of detailed budget. 3% cost increase in all years thereafter.

14. Indirect Football Expenditure on Salaries

2002/03 on basis of current salaries. 0% cost increase in 2003/04. 3% cost increase from 2004/05 onwards.

15. Indirect Football Other Costs

2002/03 on basis of detailed budget. 3% cost increase in all years thereafter.

COMMERCIAL ACTIVITIES

Key Assumptions

	2003/04	2004/05	2005/06
Conference and banqueting sales growth	10%	10%	10%
Programmes	20%	0%	0%
Other sales growth	5%	5%	5%
Salary increase	0%	3%	3%
Other cost increase	3%	3%	3%

2002/03 on the basis of current budgets.

Specific Assumptions

16. Corporate Sales

Pouring rights, stadium and stand sponsorships on the basis of long-term contracts, which do not increase annually. Stadium sponsorship funds already received.

17. Fox Leisure

Gross margin fixed at 46%, reflecting current margin.

18. Conference and Banqueting

Annual 10% increases reflect the demand for the increased size of facilities at the new stadium and is projected to continue until occupancy levels of the Filbert Street stadium are reached. Matchday kiosk sales increase by 5% in each year.

Gross margin to remain constant at 68% for conference and banqueting and 57% for kiosk sales.

19. Depreciation

Depreciation is based upon 25% reducing balance for fixtures and fittings, 50% straight line for goodwill, 2% on cost for the stadium and 4% on cost for the training ground/dome.

20. Other Income

This consists mainly of old transfer fees due from sales up to 1st January 2003 and net new transfers (i.e. excess of sales over purchases of players). Cash is assumed to be received 50% in month of sale and the remaining 50% being received in equal quarterly tranches over the ensuing twelve months.

25. Interest Payable

Loan interest is assumed to be paid at 1½% over base rate.

26. Fixed Assets/Loans

It is assumed that the training ground and dome will be purchased for £850,000 financed by a loan of £675,000 repayable over 10 years.

It is assumed that fixtures and fittings averaging £10,000 per month are purchased from 1st August 2003.

It is assumed that the stadium will be rented at nominal value until 31st July 2003 when it will be acquired via a flexible loan. This loan will be represented by capital of £18 million and interest at 7%. Payments will be set at the higher of 5% of turnover and £1 million except for the first three years when payments will be set at 3%, 4% and 4% of turnover.

27. Equity

Equity is assumed to be received £1 million in January 2003 and £4 million in February 2003.

28. Loans

Please note that no provision has been made for loans totaling £200,000 that are expected to be received from the Football League during the next nine months as the timing and terms of these loans are not available at the time of completing this plan.