

Alliance Medical Leasing Limited

Report and Financial Statements

31 March 2011

Registered No. 6049443

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COMPANIES HOUSE

Alliance Medical Leasing Limited

Registered No 6049443

DIRECTORS

P J Greensmith
H A D Marsh

SECRETARY

I K Cattermole

AUDITORS

Ernst & Young LLP
No 1 Colmore Square
Birmingham
B4 6HQ

BANKERS

NatWest Bank plc
1 Town Hall Building
Banbury, Oxon
OX16 8JS

SOLICITORS

Simmons & Simmons
Citypoint
One Ropemaker Street
London
EC2Y 9SS

REGISTERED OFFICE

Icen Centre
Warwick Technology Park
Warwick
CV34 6DA

Alliance Medical Leasing Limited

DIRECTORS' REPORT

The directors present their report and audited financial statements for the year ended 31 March 2011

RESULTS AND DIVIDENDS

The Company's result for the period on ordinary activities before and after taxation was £nil (2010 - £nil) The Directors do not recommend the payment of a dividend (2010 - £nil)

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company intends to lease diagnostic medical imaging equipment, but has not yet commenced trading and has made neither a profit nor a loss in the year (2010 - £nil)

On the 15 November 2010, AM Old Midco Limited (formerly Alliance Medical Midco Limited), an intermediary holding company of the Company, agreed to sell Alliance Medical Acquisitionco Limited (a further holding company of the Company, which also holds the external bank debt) for nominal consideration to a new UK parent undertaking, Alliance Medical Group Limited (formerly Honeyspring Limited), together with its subsidiaries ("the Group") The Group is controlled by a syndicate of the Group's existing banks, led by Lloyds Banking Group Plc, Commerzbank AG, M&G Limited and Qatar National Bank

As part of the associated refinancing, which completed on 16 February 2011, the Group's bank loans, which amounted to £569.3m at 31 March 2010, were modified to a £250m Senior facility In addition, a £60m super-senior facility was provided Both facilities are repayable in three years time

Following the refinancing, AM Old Topco Limited (formerly Alliance Medical Group Limited) and AM Old Midco Limited (formerly Alliance Medical Midco Limited), the holder of the Group's Eurobond loan notes and Management shareholder loan notes, which amounted to £375.9m at 31 March 2010, are no longer part of the new Alliance Medical Group As a result, the syndicate of the Group's existing banks, led by Lloyds Banking Group Plc, Commerzbank AG, M&G Limited and Qatar National Bank, has replaced DIC Investment Capital LLP as the ultimate controlling party Also, the ultimate UK parent undertaking of the Company has changed from AM Old Topco Limited (formerly Alliance Medical Group Limited) to Alliance Medical Group Limited (formerly Honeyspring Limited)

DIRECTORS AND THEIR INTERESTS

The current directors who served during the year were as follows

P J Greensmith

H A D Marsh (appointed 4 August 2010)

The following director resigned during the year

A J T Pilgrim (resigned 4 August 2010)

No director is beneficially interested in the share capital of the Company The directors' interests in the share capital of the ultimate parent Company are disclosed in the financial statements of that company

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are related to counterparty risk across the Alliance Medical group of companies, being the risk that a fellow subsidiary undertaking will not satisfy its contractual obligations in meeting its inter-company liabilities

MANAGEMENT OF RISK

Counterparty risk is mitigated by ensuring that loans to fellow subsidiaries contribute to the long term success of the Company

Alliance Medical Leasing Limited

DIRECTORS' REPORT

AUDITORS

Ernst & Young LLP are deemed to be reappointed as auditors under section 487 (2) of the Companies Act 2006

DISCLOSURE OF INFORMATION TO THE AUDITORS

The directors believe that they have taken reasonable steps in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. Further, they believe that there is no relevant audit information of which the Company's auditors are unaware.

Approved by the Board on 29 September 2011 and signed on its behalf by



P J Greensmith
Director

Alliance Medical Leasing Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Alliance Medical Leasing Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIANCE MEDICAL LEASING LIMITED

We have audited the financial statements of Alliance Medical Leasing Limited for the year ended 31 March 2011 which comprise the Balance Sheet and the related notes 1 to 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Ernst & Young LLP

Christopher Voogd (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

30 SEPTEMBER 2011

Alliance Medical Leasing Limited

BALANCE SHEET

At 31 March 2011

Company registered number: 6049443

	Notes	2011 £	2010 £
CURRENT ASSETS			
Debtors			
Amounts due from group undertakings		<u>1</u>	<u>1</u>
NET ASSETS		<u>1</u>	<u>1</u>
CAPITAL AND RESERVES			
Called up share capital	3	<u>1</u>	<u>1</u>
SHAREHOLDERS' FUNDS		<u>1</u>	<u>1</u>

These financial statements were approved by the Board of directors on 29 September 2011 and were signed on its behalf by



P J Greensmith
Director

Alliance Medical Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS

At 31 March 2011

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

Basis of Preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom

Going Concern

As stated in the statement of directors' responsibilities on page 4 the financial statements are prepared on the going concern basis as the directors believe the trading results of the Company will generate sufficient operating cash flows to enable it to meet its liabilities as they fall due. The directors believe the trading results of its ultimate parent, Alliance Medical Group Limited, and subsidiaries will generate sufficient operating cash flows to enable the Group to meet its liabilities as they fall due, in which case the liability for the cross party guarantee (note 4) will not crystallize

In reaching this conclusion the Directors have considered the impact of the refinancing, as discussed in note 7 of the accounts. Immediately prior to this refinancing, the syndicate of banks also became the principal equity holders of the ultimate parent of the new Alliance Medical Group. With this refinancing having been successfully concluded, the Directors of the ultimate parent undertaking, Alliance Medical Group Limited (formerly Honeyspring Limited), have also completed discussions with the banks regarding the thresholds to be applied for covenant tests based on the 5 year business plan submitted. This business plan was developed, following extensive analysis (including the sensitivity analyses) and review by external advisors. The Directors are confident that the covenants, agreed on the basis of this plan, have been set at a level that the Group will be able to meet for the foreseeable future. On this basis, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Cash Flow Statement

The Company has taken advantage of the exemption provided in paragraph 5 of FRS 1 from preparing a Statement of Cash Flows. The cash flows of the Company are incorporated into the consolidated Statement of Cash Flows prepared in the Alliance Medical Group Limited's financial statements

Profit and loss account

The Company remained dormant during the current and prior year. Accordingly, no profit and loss account has been prepared

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Audit fees of £1,000 (2010: £1,000) were borne by another group company.

The directors have neither received nor waived any emoluments in respect of their services to the Company during the year (2010 – £Nil). The directors of the company are remunerated by a fellow subsidiary undertaking. The directors consider that the level of their qualifying services provided to this company are inconsequential in the context of their other roles within the group. The Company has no employees (2010 – Nil)

3. SHARE CAPITAL

<i>Authorised</i>	2011 No	2011 £	2010 No	2010 £
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
<i>Allotted, Called up and Fully Paid</i>	2011 No	2011 £	2010 No	2010 £
Ordinary shares of £1 each	1	1	1	1

Alliance Medical Leasing Limited

NOTES TO THE FINANCIAL STATEMENTS

At 31 March 2011

4. CROSS PARTY GUARANTEE

The Company, along with all other group companies, has committed to guarantee the bank loan facilities granted to Alliance Medical Acquisitionco Limited. At 31 March 2011, the bank loan amounted to £314.1m (2010 £569.3m). Following the modification of the debt to £310m as part of the restructuring referred to in note 7, this guarantee continues to remain in place.

As such the loans in Alliance Medical Acquisitionco Limited are secured by fixed and floating charges over the assets of the Company and certain other group companies. However, the directors believe that Alliance Medical Acquisitionco Limited, and subsidiaries will generate sufficient operating cash flows to enable it to meet its liabilities as they fall due, in which case the liability for the guarantee will not crystallize.

5. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in paragraph 3(c) of FRS 8 from disclosing transactions with related parties that are part of the Alliance Medical Group Limited group.

6. PARENT UNDERTAKING

a) Immediate parent undertaking

The immediate parent undertaking is Alliance Medical Limited, registered in England and Wales.

b) Ultimate parent undertaking

(i) From 15 November 2010 onwards

Due to the restructuring of the business referred to in note 7 below, the Company is controlled by a syndicate of banks led by Lloyds Banking Group Plc, Commerzbank AG, M&G Limited and Qatar National Bank. The largest group, for which group financial statements are drawn up is Alliance Medical Group Limited (formerly Honeyspring Limited), registered in England and Wales. The financial statements can be obtained by writing to the Secretary at Icen Centre, Warwick Technology Park, Warwick, CV34 6DA.

(ii) Prior to 15 November 2010

The largest group including the Company for which group financial statements were prepared was Dubai International Capital LLC, a company incorporated in the United Arab Emirates. The ultimate parent company was Dubai Holdings LLC. The directors regarded Dubai International Capital LLC, a company incorporated in the United Arab Emirates, as the ultimate controlling party.

7. RESTRUCTURING OF THE GROUP

On the 15 November 2010, AM Old Midco Limited (formerly Alliance Medical Midco Limited), an intermediary holding company of the Company, agreed to sell Alliance Medical Acquisitionco Limited (a further holding company of the Company, which also holds the external bank debt) for nominal consideration to a new UK parent undertaking, Alliance Medical Group Limited (formerly Honeyspring Limited), together with its subsidiaries ("the Group"). The Group is controlled by a syndicate of the Group's existing banks, led by Lloyds Banking Group Plc, Commerzbank AG, M&G Limited and Qatar National Bank.

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