

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

DIRECTORS' REPORT

The directors present their directors' report and financial statements for the period ended 31 March 2008.

Principal Activities and Review of the Business

Maltby Acquisitions Limited (the "Company") was incorporated on 25 April 2007. Consequently, these financial statements are presented with no comparative information. The Company is a wholly owned subsidiary of Maltby Capital Limited. On 17 August 2007 the Company acquired 100% of the issued share capital of EMI Group Limited, (formally EMI Group plc), for a consideration of £2,206 million (including acquisition fees of £28 million). The Company did not trade in the period between its incorporation and the date of acquisition of EMI. TFCP Holdings Limited became the ultimate parent undertaking on 17 August 2007.

The principal activity of the Company is that of a holding company. There has not been any change to the principal activity of the Company during the period ended 31 March 2008 or subsequently. The directors do not anticipate any change to the principal activity of the Company during the next year.

The Company operates as part of the Maltby Capital Limited group (the "Group") and all of its transactions are with fellow Group undertakings. As such its activities are dependent on the activities of the Group as a whole.

As stated in the profit and loss account on page 6 the Company made a loss after tax of £197,701,000 in the period to 31 March 2008. This is made up of exchange losses on unhedged foreign currency borrowings interest on bank term loans and financial derivatives, offset by interest receivable on bank and intercompany deposits.

On the balance sheet on page 8 total debtors includes the investment in EMI Group Limited of £2,469,862,000 and intercompany loans to Group undertakings of £1,475,325,000. The financial liabilities comprise bank term loans.

Principal Risks and Uncertainties

The Company operates as part of the Group and all of its transactions are with fellow Group undertakings and external banks. As such its activities are dependent on the activities of the Group as a whole.

The risks and uncertainties facing the Company are linked to those of the Group. A detailed discussion of the Group risks and uncertainties is contained in Maltby Capital Limited's annual report.



Directors' Report Continued

Dividends

The Directors do not recommend payment of a dividend.

Directors

The Directors during the period and since the period end were as follows:

A P Chadd	(appointed 18 September 2007)
Chris Kennedy	(appointed 17 December 2008)
F P Van Der Spuy	(appointed 16 May 2007) (resigned 17 December 2008)
R Punja	(appointed 16 May 2007) (resigned 17 December 2008)
T K Quigley	(appointed 23 May 2007) (resigned 9 November 2007)
WG&M Nominees Ltd	(appointed 25 April 2007) (resigned 16 May 2007)

Certain directors benefited from qualifying third party indemnity provisions in place during the financial period and at the date of this report.

Donations

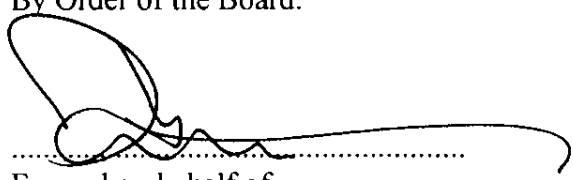
Grants and charitable donations made during the period amounted to £nil. There were no political contributions made during the period.

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the auditors are aware of that information.

During the period, following the resignation of Ernst & Young LLP, KPMG LLP were appointed as auditors to the Company.

By Order of the Board.



For and on behalf of
Mawlaw Secretaries Limited
Joint Secretary

Date: 29 January 2009

Registered Office
27 Wrights Lane
London
W8 5SW

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

trc

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALTBY ACQUISITIONS LIMITED (FORMERLY MALTBY LIMITED)

We have audited the financial statements of Maltby Acquisitions Limited for the period ended 31 March 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

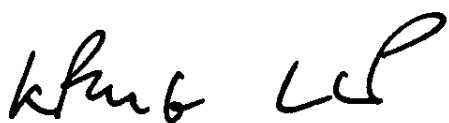
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MALTBY ACQUISITIONS LIMITED (FORMERLY MALTBY LIMITED) (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



KPMG LLP
Chartered Accountants
Register Auditor
29 January 2009

8 Salisbury Square
London
EC4Y 8BB

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2008

	Notes	2008 £000
Administration expenses		(582)
Other operating income	2	61,114
OPERATING PROFIT		<u>60,532</u>
Interest receivable	3	66,477
Interest payable	4	(324,710)
		<u>(258,233)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(197,701)</u>
Taxation	5	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(197,701)</u>

All operating profit is from continuing operations

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses in the period attributable to the shareholders of the Company other than the loss of £197,701,000

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

BALANCE SHEET - 31 MARCH 2008

	Notes	2008 £000
FIXED ASSETS		
Investments	6	2,469,862
CURRENT ASSETS		
Debtors: Amounts falling due within one year	8	1,475,325
Cash at bank and in hand and cash deposits		10,310
		<hr/>
		1,485,635
		<hr/>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Amounts due to Group undertakings		(1,085,961)
Other creditors		(3,348)
		<hr/>
		(1,089,309)
NET CURRENT ASSETS		396,326
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/>
		2,866,188
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Financial liabilities	9	(2,467,379)
PROVISIONS FOR LIABILITIES		(510)
		<hr/>
NET ASSETS		398,299
		<hr/>
CAPITAL AND RESERVES		
Called up share capital	10	596,000
Profit and loss account	11	(197,701)
		<hr/>
SHAREHOLDERS' FUNDS		398,299
		<hr/>

These financial statements were approved for issue by the Board of Directors on 29 January 2009 and were signed on its behalf by:

A P Chadd
Director



MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements are prepared under the historical cost convention.

The financial statements are prepared in accordance with applicable accounting standards.

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward currency contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account with the exception of differences on foreign currency borrowings, to the extent that they are used to finance or provide a hedge against foreign equity investments, which are taken directly to reserves together with the exchange difference on the carrying amount of the related investments. Tax charges and credits attributable to exchange differences on these borrowings are also dealt with in reserves.

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Cash Flow statement

The Company has taken advantage of the exemption in FRS1 (revised) not to prepare a cash flow statement as a parent undertaking prepares a consolidated cashflow statement, which includes the Company, in accordance with FRS1 (revised).

Related Parties

As the Company is a wholly owned subsidiary of Maltby Capital Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Group (or investees of the Group qualifying as related parties). The consolidated financial statements of Maltby Capital Limited, within which this Company is included, can be obtained from the address given in note 12.

Investments

Investments in subsidiary and associated undertakings are stated at cost less provision to reflect any impairment.

Taxation

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

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. OTHER OPERATING INCOME

	2008 £000
Exchange gain on foreign currency balances	61,114

3. INTEREST RECEIVABLE

	2008 £000
Interest receivable on:	
Bank deposits	1,731
Loans to fellow subsidiary undertakings	64,746
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	66,477

4. INTEREST PAYABLE

	2008 £000
Interest payable on:	
Bank loans and overdrafts repayable within five years	97,351
Loans from fellow Group undertakings	50,984
Exceptional finance charge*	161,802
Financial derivatives	14,573
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	324,710

* Exceptional finance charge relates to exchange loss on unhedged foreign currency borrowings

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. TAX

Tax on profit/(loss) on ordinary activities	2008 £000
UK corporation tax	
UK corporation tax on profits of the period	-
Foreign tax	
Current period	-
Total current tax charge	-
Deferred tax	-
Tax on profit/loss on ordinary activities	-

Factors affecting current tax charge

Profit/(loss) on ordinary activities before tax	(197,701)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 30.0%	(59,310)
<i>Effect of:</i>	
Group relief surrendered/(received) for nil payment - Current period	59,310
Total current tax charge	-

Factors affecting future tax charge

As part of the Group, the Company may receive or surrender losses by way of group relief. This receipt or surrender may be made with or without charge.

Deferred tax

At the balance sheet date the Company had unused tax losses of £nil available for offset against future profits.

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS

a) SHARES IN GROUP UNDERTAKINGS

	<u>Cost</u> £000	<u>Provisions</u> £000	<u>Net Book</u> <u>Value</u> £000
At the beginning of the period	-	-	-
Additions	2,469,862	-	2,469,862
	<hr/>	<hr/>	<hr/>
At 31 March 2008	2,469,862	-	2,469,862
	<hr/>	<hr/>	<hr/>

In the opinion of the Directors the value of the investments is at least equal to their carrying value.

b) PRINCIPAL SUBSIDIARY UNDERTAKINGS

The following were the principal subsidiary undertakings of Maltby Acquisitions Limited at 31 March 2008.

Subsidiary undertakings	Country of Incorporation	Class of shares	Proportion Held	Nature of business
EMI Group Limited	UK	Ordinary	100%	Holding Company

7. DIRECTORS' EMOLUMENTS AND STAFF COSTS

No Director received any remuneration during the period in respect of his/her services to the Company. The Company had no employees during the period.

MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. DEBTORS

	2008 £000
Amounts falling due within one year:	
Amounts due from fellow Group undertakings	1,474,123
Interest receivable from fellow Group undertakings	1,202
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Total Debtors	1,475,235
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9. FINANCIAL LIABILITIES

	2008 £000
Amounts falling due after more than one year:	
Bank term loan	2,467,379
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Total financial liabilities	2,467,379
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MALTBY ACQUISITIONS LIMITED
(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. FINANCIAL LIABILITIES continued

Bank term loans

In August 2007, the Group signed three new facility agreements. The new facilities comprise a £1,175 million senior debt facility, a £1,410 million securitised bridge facility and a £155 million mezzanine facility, all of which are repayable after more than 5 years. At 31 March 2008 the Company had drawn down £1056.9m on the senior debt facility and £1,472m on the securitised bridge facility. The loans are secured on certain assets and shares of certain group companies and are at varied interest rates.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 31 March 2008 were £1,472 million. At 31 March 2008, the fixed interest rates varied from 4.5268% to 5.4912% and the main floating rates were 3 month USD LIBOR, 3 month GBP LIBOR and 3 month EURIBOR. The fair value of the interest rate swaps were equal to the book value.

Interest rate caps

The notional principal amounts of the outstanding interest rate cap contracts at 31 March 2008 were £612 million. At 31 March 2008, the capped interest rates varied from 4.38% to 5.55%. The fair value of the interest rate caps were equal to the book value.

10. SHARE CAPITAL

	Authorised	Allotted, called up and fully paid
	2008 No.	2008 £000
Ordinary shares of £1 each	100,100	100
Preference shares of £1	595,900,000	595,900
	<hr/>	<hr/>
	596,000,100	596,000

During the period the Company passed a series of resolutions to increase authorised share capital and issue new shares.

All shares in issue have been allocated, called up and fully paid at par. The preference shares are non-voting and non-redeemable, and any distribution on the preference shares ranks before distributions on the ordinary shares.

MALTBY ACQUISITIONS LIMITED

(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	<u>Share Capital</u>	<u>Profit & Loss Account</u>	<u>Total</u>
	£000	£000	£000
At the beginning of the period	-	-	-
Loss for the period	-	(197,701)	(197,701)
Shares issued	596,000	-	596,000
	<hr/>	<hr/>	<hr/>
At 31 March 2008	596,000	(197,701)	398,299
	<hr/>	<hr/>	<hr/>

12. PARENT UNDERTAKING

The immediate parent undertaking of the Company is Maltby Investments Limited. The ultimate parent undertaking and controlling party is TFCP Holdings Limited, a company registered in Guernsey.

The parent undertaking of the largest group to consolidate these financial statements is Maltby Capital Limited and the parent undertaking of the smallest group to consolidate these financial statements is Maltby Investments Limited. Copies of the consolidated financial statements of both Maltby Capital Limited and Maltby Investments Limited for the period ended 31 March 2008 can be obtained from the Company's registered address, 27 Wrights Lane, London W8 5SW.

13. AUDITORS' REMUNERATION

The Auditors remuneration is borne by fellow Group undertaking EMI Group Ltd and is as follows:

	2008
	£
Audit of these financial statements	20,000

Amounts receivable by the Company's auditors and their associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required, instead, to be disclosed on a consolidated basis in the consolidated financial statements of Maltby Capital Limited, the Company's parent.

MALTBY ACQUISITIONS LIMITED

(Formerly MALTBY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. TERMS OF INTERCOMPANY BALANCES

Amounts to and from fellow Group undertakings and parent undertakings are repayable on demand, some attract interest at market rates and some are interest free.

15. CONTINGENT LIABILITIES

Maltby Acquisitions Limited acceded, on 30 August 2007, to a debenture dated 30 August 2007 (as amended, supplemented, novated, extended, restated or varied from time to time) and made between, amongst others, Maltby Acquisitions Limited (formerly known as Maltby Limited) and Citibank, N.A., London Branch as Security Agent, pursuant to which the company charged, by way of mortgage or fixed charge or assign by way of security (as appropriate) all of their right, title and interest in certain assets, charge all or substantially all of their present and future assets and undertaking by way of first floating charge in favour of the Security Agent to secure the repayment of the Secured Liabilities (as defined therein) and covenant that they will, on demand, pay and discharge the Secured Liabilities.