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CHFP025

**Declaration by the directors
of a holding company in
relation to assistance for the
acquisition of shares**

155(6)b

Please do not
write in this
margin

Pursuant to section 155(6) of the Companies Act 1985

**Please complete
legibly, preferably
in black type, or
bold block lettering**

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

[] [] [] [] [] [] [] []

3384487

Name of company

* Universal Music Leisure Limited

Note
Please read the notes
on page 3 before
completing this form

* insert full name
of company

☒ We ☐ Please see Schedule 1

Ø insert name(s) and
address(es) of all
the directors

† delete as
appropriate

~~XXXXXXXXXX~~ [all the directors]† of the above company (hereinafter called 'this company') do
solemnly and sincerely declare that:

§ delete whichever
is inappropriate

The business of this company is:

- (a) ~~that of a recognised bank, licensed institution or the clearing of cheques~~
- (b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom~~
- (c) something other than the above§

This company is ~~not~~ [a] holding company of* Universal Music Operations Limited
_____ which is
proposing to give financial assistance in connection with the acquisition of shares
in ~~XXXXXXXXXX~~ Centenary UK Limited
_____ the holding company of this company.]†

Presentor's name address and
reference (if any) :
Slaughter and May (ARFH/TP/PCG)
One Bunhill Row
London
EC1Y 8YY

For official Use
General Section

LD3 *LZCKW5EU* 0011
COMPANIES HOUSE 19/05/05

The assistance is for the purpose of ~~XXXXXXXXXXXX~~ [reducing or discharging a liability incurred for the purpose of that acquisition].† (note 1)

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

The number and class of the shares acquired or to be acquired is: 709,000,002 ordinary shares
of £0.50 each

The assistance is to be given to: (note 2) Centenary Music Holdings Limited
Registered number 5344517 of PO Box 1420, 1 Sussex Place, Hammersmith, London W6 9XS.

The assistance will take the form of:

Please see Schedule 2.

The person who ~~XXXXXXXXXX~~ [has acquired] [will acquire]† the shares is:
Centenary Music Holdings Limited

† delete as appropriate

The principal terms on which the assistance will be given are:

Please see Schedule 3.

The amount (if any) by which the net assets of the company which is giving the assistance will be reduced by giving it is Nil

The amount of cash to be transferred to the person assisted is £ Nil.

The value of any asset to be transferred to the person assisted is £ Nil.

The date on which the assistance is to be given is 17th May 2005

Please complete
legibly, preferably
in black type, or
bold block lettering

~~X~~We have formed the opinion, as regards this company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

(a) [I/We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)

* delete either (a) or
(b) as appropriate

~~(b) I/We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date, and I/We have formed the opinion that this company will be able to pay its debts as they fall due during the year immediately following that date.* (note 3)~~

And ~~X~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 8, St. James's Square,
London SW1

Declarants to sign below

Day Month Year
on

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 1 | 7 | 0 | 5 | 2 | 0 | 0 | 5 |
|---|---|---|---|---|---|---|---|

before me A. N. Robinson

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

ANDREW NICHOLAS ROBINSON
Notary Public of the City of London

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh
EH1 2EB

Schedule 1

Name

Address

Richard Michael Constant

6 Balniel Gate, London, SW1V 3SD

Boyd Johnston Muir

Old Rectory, The Street, Albury, Surrey, GU5
9AX

R.

Schedule 2


Entry by Universal Music Operations Limited ("**UMOL**"), a subsidiary of the Company, into the following documents (each, as amended, extended, novated or supplemented from time to time, together the "**Documents**");

1. a loan note (the "**Loan Note**") to be entered into on or about the date hereof between UMOL and Universal Music Treasury Group SAS ("**UMGT**") recognising £560,000,000 of intra-group receivables owed to UMOL by UMGT pursuant to a cash management agreement dated 1 July, 2002, as amended from time to time;
2. an assignment of receivables (the "**Assignment**") to be entered into between UMOL and UMGT under which the Loan Note (as representing £560,000,000 of intra-group receivables) will be assigned by UMOL to UMGT in consideration for the assignment by UMGT to UMOL of the right to receive a receivable of £560,000,000 under an intra-group loan agreement made between UMGT (as lender) and Centenary Music Holdings Limited ("**CMHL**") (as borrower) to be dated on or about the date hereof (the "**First Intra-Group Loan Agreement**");
3. a termination agreement (the "**Termination Deed**") to be entered into between UMOL, UMGT and CMHL in relation to the First Intra-Group Loan Agreement;
4. an intra-group loan agreement (the "**New Intra-Group Loan Agreement**") to be made between UMOL (as lender) and CMHL (as borrower) under which an interest-free facility of £560,000,000 will be provided by the Company to CMHL in substitution of the facility made available pursuant to the First Intra-Group Loan Agreement, and

any other financial assistance contemplated by the Documents, the amounts payable thereunder and/or the transactions contemplated thereby, and the exercise by UMOL and/or the Company of its rights and the performance of its obligations thereunder, which shall include, without limitation, any condition, undertaking, representation, warranty, guarantee, indemnity, loan, waiver, gift, security, agreement, novation, assignment or any other thing done or to be done in connection with the Documents which would constitute financial assistance.



Schedule 3

1. By entering into the Assignment (of the Loan Note), UMOL will agree to assign its rights in respect of £560,000,000 of intra-group receivables (as represented by the Loan Note) to UMG. In consideration for this, UMG will assign its rights in respect of the £560,000,000 owed to it under the First Intra-Group Loan Agreement (the "**First Loan Receivable**") by CMHL, as entered into for the purpose of financing the acquisition of Centenary UK Limited (the "**Acquisition**"). The First Loan Receivable is interest-bearing.
 2. By entering into the Termination Agreement UMOL will be agreeing to terminate the First Intra-Group Loan Agreement, which was originally entered into for the purposes of providing part of the funding for the Acquisition.
 3. By entering into the New Intra-Group Loan Agreement, UMOL will be agreeing to advance £560,000,000 to CMHL on an interest-free basis for the purposes of repayment of principal, interest or other amounts under the First Intra-Group Loan Agreement, such repayment having the effect of reducing the indebtedness of CMHL incurred in connection with the Acquisition.
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To the Directors
Universal Music Leisure Limited
PO Box 1420
1 Sussex Place
Hammersmith
London
W6 9XS

17 May 2005

ICO/TCE/ARF/ab

Direct Line: 020 7951 3494

Direct Fax: 020 7951 9336

e-mail: aflitcroft@uk.ey.com

Dear Sirs

**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF UNIVERSAL
MUSIC LEISURE LIMITED PURSUANT TO SECTION 156(4) OF THE
COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors of Universal Music Leisure Limited (the "Company") dated 17 May, 2005, prepared in accordance with applicable United Kingdom law, in connection with the proposal that the Company's subsidiary, Universal Music Operations Limited, should give financial assistance to Centenary Music Holdings Limited ("CMHL") for the purpose of reducing or discharging a liability which was incurred by CMHL in connection with, and for the purpose of, the acquisition of the entire issued ordinary share capital of Centenary UK Limited.

This report is made solely to the directors in accordance with Section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report under section 156(4) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our audit work, for this report, or for the opinions we have formed.

Basis of opinion

We have enquired into the state of affairs of the Company so far as necessary in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully



Ernst & Young LLP
Registered Auditor
1 More London Place, London, SE1 2AF

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10 February – 15 May 2005

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