EMI Music Publishing Germany Topco Limited
(Formerly EMI MP Germany Topco Limited)

Directors' report and financial statements

Registered number 6388962

for the year ended 31 March 2013

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2013. The comparatives are for the year ended 31 March 2013.

Principal Activities and Review of the Business

EMI Music Publishing Germany Topco Limited (the "Company") was incorporated on 3 October 2007. The Company is a wholly owned subsidiary of EMI Music Publishing Ltd and is part of the DH Publishing LP group (the "Group"). DH Publishing L P is the ultimate parent undertaking.

The principal activity of the Company is that of a finance company. There has not been any change to the principal activity of the Company during the year ended 31 March 2012 or subsequently. The Directors do not anticipate any change to the principal activity of the Company during the next year.

During the year the Company operated as part of the DH Publishing L.P 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.

	2013	2012	Change
	€000	€000	%
Profit/ (loss) before tax	77,568	(29,073)	367
Profit/ (loss) after tax	77,568	(29,073)	367
Shareholders' funds / (deficit)	116,613	(53,298)	319

As stated in the profit and loss account on page 8 the Company made a profit before tax of €77,568,000 in the year to 31 March 2013 compared with the previous year's loss before tax of €29,073,000 This is due to less intercompany interest charged than prior year and an impairment reversal being undertaken which wrote back a provision relating to an intergroup debtor.

In the balance sheet shown on page 9, the net liabilities of the Company have decreased by 319 per cent due to the settlement of a major intercompany loan, and impairment review being undertaken on a separate intercompany debtor The prior year shareholders' deficit has decreased by 319 per cent as a result of the settlement of an intercompany loan through share premium, impairment write back and the retained profit for the year.

Going concern

The directors of the group have prepared consolidated Group financial projections for a period of more than twelve months from the date of approval of these financial statements After considering these financial projections, the directors have concluded that they have a reasonable expectation that the Company has adequate resources to continue as a going concern for the foreseeable future and as a result have prepared these financial statements on a going concern basis.

DIRECTORS' REPORT (continued)

Change of ownership

On 11 November 2011, Citigroup signed definitive agreements to sell the its Recorded Music business to Universal Music Group and Music Publishing business to an investor Group that comprised primarily of Sony Corporation of America, the Estate of Michael Jackson, Mubadala Development Company PJSC, Jynwel Capital Limited, and the Blackstone Group's GSO Capital Partners LP (the 'Investor Group'). The agreements did not take effect until clearance was received from various Competition authorities and other conditions were met The Music Publishing business sale completed on 29 June 2012

Principal Risks and Uncertainties

The Company operates as part of the Group and all of its transactions are with fellow Group undertakings and an external lender. 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.

Financial risk management

The Company's operations expose it to certain financial risks, primarily comprised of cash flow, liquidity and price risk

The Company is part of the Group's administration agreement with Sony/ATV (the "Administrator") whereby the Administrator follows its board approved policy and procedures manual that sets out specific guidelines to managing financial risk.

Cash flow risk

The Group maintains large reserves at cash, which it can use to settle its liabilities if required The Group's cash is managed in accordance with the Administrator's cash management policies and procedures

Liquidity risk

The company's asset base primarily comprises amounts due to or from fellow Group undertakings The Company's current assets are sufficiently liquid to enable it to pay its bills and fund its current liabilities.

Price risk

The company is a holding company so has a large portfolio of investments. In accordance with FRS 11 'Impairment of Fixed Assets and Goodwill', the carrying values of the investments have been compared to their recoverable amounts, represented by their net realisable value, and impaired where appropriate.

DIRECTORS' REPORT (continued)

Dividends

The directors have not recommended a dividend (2012.€nil).

Change of name

The Company changed its name from EMI MP Germany Topco Limited to EMI Music Publishing Germany Topco Limited on 27th December 2012

Directors' Qualifying Third Party Indemnity Provisions

Certain directors benefited from the qualifying third party indemnity provisions in place during the financial year and at the date of approval of the financial statements.

Donations

Grants and charitable donations made during the year amounted to €nil (2012: €nil). There were no political contributions made during the year (2012· €nil).

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows·

A G Bebawi	(Resigned 29 June 2012)
L J Corbett	(Resigned 27 June 2012)
R C Faxon	(Resigned 27 June 2012)
C S Palmer	(Resigned 29 June 2012
J C Quillan	(Appointed 9 May 2012, Resigned 29 June 2012)
F Crimmins	(Appointed 29 June 2012)
D H Johnson	(Appointed 29 June 2012)

DIRECTORS' REPORT (continued)

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.

Independent auditors

Following the Music Publishing business sale on 29 June 2012 it was deemed that KPMG LLP would not continue in office and PricewaterhouseCoopers LLP were appointed as auditors

The financial statements on pages 8 to 17 were approved by the Board of Directors on and signed on its behalf by

F. Crimmins

Date 03/04/2014

F Crimmins
Director

Registered Office
30 Golden Square
London
W1F 9LD

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 prepared 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMI MUSIC PUBLISHING GERMANY TOPCO LIMITED

We have audited the financial statements of EMI Music Publishing Germany Topco Limited for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' Report and Financial Statements 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 2013 and of its profit for the year then ended;
- 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 matter 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMI MUSIC PUBLISHING GERMANY TOPCO LIMITED (continued)

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

Matthew Mullins (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

07/04/2014

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2013

	Notes	2013 €000	2012 €000
Amounts written off investments	5	-	(31,574)
Impairment reversed in period	6	67,167	289
Interest receivable and similar income	2	11,056	10,143
Interest payable and other charges	3	(655)	(7,931)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		77,568	(29,073)
Taxation	4	-	-
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		77,568	(29,073)

The notes on pages 10 to 17 form part of these financial statements.

All of the activities of the Company are classed as continuing as in prior year

There are no recognised gains and losses attributable to the shareholders of the Company other than the gain of €77,568,000 (2012: €29,073,000 loss)

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents

BALANCE SHEET AT 31 MARCH 2013

	Notes	2013 €000	2012 €000
FIXED ASSETS			
Investments	5	-	-
DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR			
Amount due from fellow Group undertaking	6	133,895	55,672
CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR			
Amount due to fellow Group undertaking	7	(17,282)	(108,970)
NET CURRENT ASSETS / (LIABILITIES)		**116,613**	**(53,298)**
NET ASSETS / (LIABILITIES)		**116,613**	**(53,298)**
CAPITAL AND RESERVES			
Share Capital	8,9	-	-
Share Premium	9	143,682	143,682
Capital Contribution	9	92,343	-
Profit and loss reserve	9	(119,412)	(196,980)
TOTAL SHAREHOLDERS' FUNDS/(DEFICIT)	9	**116,613**	**(53,298)**

The notes on pages 10 to 17 form part of these financial statements

These financial statements were approved for issue by the Board of Directors on..03/04/2014.
and were signed on its behalf by

F Crimmins

F Crimmins
Director

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. They are stated in Euros being the primary currency in which the Company operates

The accounting policies have been applied consistently, other than where new policies have been adopted

The Company is exempt by virtue of section 400 of the Companies Act 2006 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

Going Concern

The Company has made a profit for the year of €77,568,000 (2012· loss of €29,073,000) and has net current assets of €116,613,000 (2012· net current liabilities of €53,298,000) at the reporting date.

At 31 March 2013, the Company had net current assets and net assets and made a profit in the year. The accounts are prepared on the going concern basis as the ultimate parent company, DH Publishing L.P., has agreed to provide financial support to the Company in order that it can continue to trade and meet its liabilities as they fall due This support will continue whilst the Company remains a member of the Group and for a period of at least one year from the date of signing the Company's financial statements.

The Company operates as part of the DH Publishing L.P. group ("the Group") and has provided a guarantee to the Group's lender, as such the Company is affected by the terms of the Group's banking facilities The continued availability of existing bank facilities requires the Group to comply with the covenants set out in those bank facilities

The strong balance sheet combined with continued strong operating performance means that the Group is able to meet its ongoing working capital needs and its current debt service obligations under the finance facility agreements for a period of more than twelve months from the date of approval of these financial statements.

The Company has also prepared its own financial projections for a period of more than twelve months from the date of approval of these financial statements

After considering these financial projections, the directors have concluded that they have a reasonable expectation that the Company has adequate resources to continue as a going concern for the foreseeable future and as a result have prepared these financial statements on a going concern basis

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Cash flow statement and related party disclosures

At the balance sheet date the Company was a wholly owned subsidiary of DH Publishing L.P. and is included in the consolidated financial statements of DH Publishing L.P. which can be requested from 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands Consequently the Company has taken exemption from preparing the cash flow statement under the terms of FRS 1 (revised 1996). The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the DH Publishing L.P. group or investees of the DH Publishing L.P group.

Investments

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

Impairment of fixed assets

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an assets or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits Otherwise impairments are recognised in the statement of total recognised gains and losses until the carrying amount reaches the asset's depreciated historic cost

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Impairment of fixed assets (continued)

Reversals of impairment

An impairment loss is reversed on intangible assets and goodwill only if subsequent external events reverse the effect of the original event which caused the recognition of the impairment or the loss arose on an intangible asset with a readily ascertainable market value and that market value has increased above the impaired carrying amount. For other fixed assets where the recoverable amount increases as a result of change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current period

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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.

2. INTEREST RECEIVABLE AND SIMILAR INCOME

	2013	2012
	€000	€000
Interest receivable from Group undertakings	11,056	10,143

3. INTEREST PAYABLE AND OTHER CHARGES

	2013	2012
	€000	€000
Interest payable to Group undertakings	(655)	(7,931)
	(655)	(7,931)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. TAX

	2013 €000	2012 €000
Factors affecting current tax charge		

The current tax charge for the year is lower (2012: lower) than the standard rate of corporations tax in the UK of 24% (2012 – 26%). The differences are explained below

	2013 €000	2012 €000
Profit/(loss) on ordinary activities before tax	77,568	(29,073)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012 – 26%)	18,616	(7,559)
Effect of		
Group relief received for nil payment	(18,616)	(575)
Permanent difference	-	8,134
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

On 3 July 2012, the legislation of the reduction of UK corporation tax rate to 23 per cent from 1 April 2013 was substantially enacted.

On 20 March 2013, a resolution was passed by Parliament to reduce the main UK corporation tax rate to 20 per cent from 1 April 2015.

On 17 July 2013, the legislation of the reduction of UK corporation tax rate to 21 per cent from 1 April 2014 was substantially enacted None of the above changes are reflected in the above

Deferred tax

At the balance sheet date the Company had unused tax losses of €nil (2012: €nil) available for offset against future profits

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. INVESTMENTS

a) SHARES IN GROUP UNDERTAKINGS

	Cost	Provisions	Net Book Value
	€000	€000	€000
At the start of the year	103,031	(103,031)	-
Impairment	-	-	-
At 31 March 2013	103,031	(103,031)	-

Citigroup Inc signed definitive agreements to sell the Recorded Music and Music Publishing divisions on 11 November 2011. The sales price was subsequently allocated by country and for certain legal entities on a fair market value basis (which is considered to approximate net realisable value). This triggered an impairment review of the carrying value of the Company's assets as the sales agreements provided information from a third party of the recoverable amount of the Company's assets As a result of this impairment review, the Company impaired its investment in EMI Music Publishing Germany Holdco Limited to nil.

In accordance with FRS 11 'Impairment of Fixed Assets and Goodwill', the carrying values of the investments have been compared to their recoverable amounts, represented by their net realisable value, and impaired where appropriate. The Directors do not consider value in use to be materially different to the net realisable value of the investment, and therefore use the investment's net recoverable value as its recoverable amount.

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 the Company at 31 March 2013.

Subsidiary undertakings	**Country of Incorporation**	**Class of shares**	**Proportion Held**	**Nature of business**
EMI Music Publishing Germany Holdco Limited*	Germany	Ordinary	100%	Holding Company
EMI Group Germany GmbH	Germany	Ordinary	100%	Music Publishing

* Held directly

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. DEBTORS

	2013 €000	2012 €000
Amounts falling due within one year.		
Amounts owed by group undertakings	122,839	112,696
Interest owed by group undertakings	11,056	10,143
Provision against amounts due from fellow Group undertakings	-	(67,167)
Total Debtors	133,895	55,672

The previously recognised provision has been restated based on the Directors assessment of the net recoverable amount of the debtor

7. CREDITORS

	2013 €000	2012 €000
Amounts falling due after more than one year:		
Amounts owed to group undertakings	16,627	107,593
Interest owed to group undertakings	655	1,377
Total Creditors	17,282	108,970

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. SHARE CAPITAL

	2013 €	2012 €
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
4 ordinary share of £1	5	5

On 3 October 2007 the Company issued four (£1 ordinary) shares for consideration of £4, settled in cash The shares were issued at a combined premium of €143,682,000

Share capital has been converted into Euros based on the historic rate on the date the shares were issued as of 3 October 2007.

9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Share Capital €000	Share Premium €000	Profit and loss reserve €000	Capital reserves €000	Total €000
At the beginning of the year	-	143,682	(196,980)	-	(53,298)
Capital Contribution	-	-	-	92,343	92,343
Profit for the year	-	-	77,568	-	77,568
At the end of the year	-	143,682	(119,412)	92,343	**116,613**

As part of the separation of the Recorded Music and Music Publishing divisions during the period, the Company settled an intercompany payable balance owed to EMI Group Worldwide Holdings Limited for no consideration. This was treated as a capital contribution and resulted in a credit to capital reserves.

10. DIRECTORS' EMOLUMENTS AND STAFF COSTS

No Directors received any remuneration during neither the previous or current year in respect of their services to the Company. The Company had no employees during either the previous or current year

11. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and controlling party of the Group is DH Publishing L P , a partnership registered in the Cayman Islands

The immediate parent of the Company is EMI Music Publishing Limited, a company registered in England and Wales.

The parent undertaking of the largest and smallest group to consolidate these financial statements is DH Publishing L.P. The address from which the financial statements can be requested is DH Publishing L P., 190 Elgin Avenue, George Town, Grand Cayman, KY1-9005, Cayman Islands.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. AUDITOR'S REMUNERATION

The auditor's remuneration is borne by an intermediate parent undertaking DH Publishing L P and is as follows

	2013	2012
	€000	€000
Audit of the financial statements	-	-

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 EMI Music Publishing Ltd

13. TERMS OF INTERCOMPANY BALANCES

Loans to and from fellow Group undertakings and the parent undertaking are classified as current as they are repayable on demand. Interest rates on intercompany loans have been agreed between parties on a loan by loan basis

14. CHANGE OF OWNERSHIP

On 11 November 2011, Citigroup signed definitive agreements to sell the its Recorded Music business to Universal Music Group and Music Publishing business to an investor Group that comprised primarily of Sony Corporation of America, the Estate of Michael Jackson, Mubadala Development Company PJSC, Jynwel Capital Limited, and the Blackstone Group's GSO Capital Partners LP (the 'Investor Group'). The agreements did not take effect until clearance was received from various Competition authorities and other conditions were met The Music Publishing business sale completed on 29 June 2012