

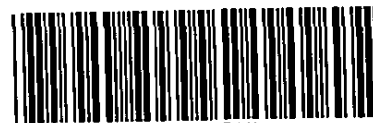
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ABC NEWS INTERCONTINENTAL, INC.

FINANCIAL STATEMENTS

OCTOBER 2, 2010 AND OCTOBER 3, 2009

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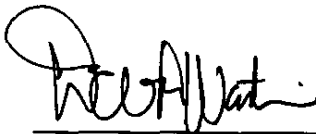
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COMPANIES HOUSE

ABC NEWS INTERCONTINENTAL, INC.

DIRECTOR'S REPORT

The Directors present the Balance Sheets and Statement of Earnings for ABC News Intercontinental, Inc for the years ended October 2, 2010 and October 3, 2009. The Statement of Earnings show earnings from operations after taxes of \$3,293,065 and \$3,939,566 for the years ended October 2, 2010 and October 3, 2009, respectively. No dividends were paid for the years ended October 2, 2010 and October 3, 2009.



David Westin



David K. Thompson

ABC NEWS INTERCONTINENTAL, INC.
STATEMENTS OF INCOME
TWELVE MONTH PERIOD ENDED OCTOBER 2, 2010 AND OCTOBER 3, 2009

	<u>2010</u>	<u>2009</u>
<i>Revenues</i>	\$ 54,412,442	\$43,335,253
<i>Operating Expenses</i>		
Salaries and Employee Benefits	34,294,715	19,615,026
Office Operations	8,398,223	9,627,584
Communications and Postage	2,284,278	2,639,412
Miscellaneous	344,416	446,179
Travel	3,980,288	5,806,281
Depreciation and Amortization	968,327	987,376
Legal and Consulting	<u>849,130</u>	<u>273,829</u>
<i>Total Operating Expenses</i>	51,119,377	39,395,687
<i>Earnings from Operations</i>	3,293,065	3,939,566
<i>Provision for Income Taxes</i>	<u>-</u>	<u>-</u>
<i>Earnings/(Loss) After Income Taxes</i>	<u>\$ 3,293,065</u>	<u>\$ 3,939,566</u>

ABC NEWS INTERCONTINENTAL, INC.
BALANCE SHEETS
OCTOBER 2, 2010 AND OCTOBER 3, 2009

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
<i>Current Assets</i>		
Cash	\$ 2,937,848	\$ 2,347,184
Accounts Receivable	-	-
Prepaid Expenses	397,937	844,713
Other Receivables	205,199	115,551
Other Assets	-	5,230
<i>Total Current Assets</i>	<u>3,540,984</u>	<u>3,312,678</u>
 <i>Property and Equipment</i>		
Operating Equipment, Furniture & Fixtures	25,329,691	25,307,461
Less Accumulated Depreciation	<u>(20,948,254)</u>	<u>(19,979,927)</u>
<i>Net Property & Equipment</i>	<u>4,381,437</u>	<u>5,327,534</u>
 <i>Deferred Income Tax</i>	36,349	1,373,008
 <i>Long-Term Assets</i>		
Other Non-Current Assets	-	297,444
Intercompany Receivable	<u>208,474,096</u>	<u>213,262,373</u>
<i>Total Long-Term Assets</i>	<u>208,474,096</u>	<u>213,559,817</u>
Total Assets	<u>\$ 216,432,866</u>	<u>\$ 223,573,037</u>
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
<i>Current Liabilities</i>		
Accounts Payable and Accrued Expenses	\$ 20,239,950	\$ 7,397,997
Other Liabilities - Primarily Intercompany Payables	<u>90,042,528</u>	<u>116,257,670</u>
<i>Total Current Liabilities</i>	<u>110,282,478</u>	<u>123,655,667</u>
 <i>Stockholders' Equity</i>		
Common Stock	-	-
Accumulated Other Comprehensive Income	-	(2,939,953)
Capital in Excess of Par	(4,884,317)	(4,884,317)
Retained Earnings	<u>111,034,705</u>	<u>107,741,640</u>
<i>Total Stockholders' Equity</i>	<u>106,150,388</u>	<u>99,917,370</u>
Total Liabilities and Stockholders' Equity	<u>\$ 216,432,866</u>	<u>\$ 223,573,037</u>