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AIT LEISURE LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

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AIT LEISURE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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AIT LEISURE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Bermudan 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. The financial statements are required 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,
- 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 the financial statements comply with the Bermuda Companies Act 1981. 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 AUDITORS' REPORT TO THE MEMBERS OF AIT LEISURE LIMITED

We have audited the financial statements of AIT Leisure Limited for the period ended 31 December 2009 which comprise the income statement, the balance sheet and the related notes. The 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 90 of the Bermuda Companies Act 1981. 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 auditors' 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 annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of directors' responsibilities.

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.

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 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.

Qualified opinion – failure to present consolidated financial information

As explained in Note 1 the financial statements are not consolidated financial statements and present information about the company as an individual undertaking and not as a group, contrary to the requirements of Financial Reporting Standard 2.

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the company at 31 December 2009 and of its loss for the year then ended in accordance with UK Generally Accepted Accounting Practice, and
- as regards the presentation of consolidated financial information relating to the company and its subsidiary undertakings the financial statements have not been prepared in accordance with UK Generally Accepted Accounting Practice.

PKF(UK)LLP

PKF (UK) LLP

London, UK


Date *23 July 2010*

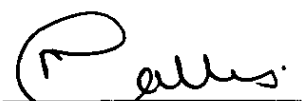
AIT LEISURE LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2009

ASSETS	2009 £	2008 £
Current assets		
Prepaid expenses and trade receivables	1,210	1,122
	1,210	1,122
Investments		
Investment in Fulham Football Leisure (UK)	245,000	245,000
Provision for impairment	(244,999)	(244,999)
	1	1
Total Assets	1,211	1,123
LIABILITIES & SHAREHOLDERS' DEFICIENCY		
Short term liabilities		
Accrued expenses	7,000	4,500
	7,000	4,500
Long term liabilities		
Due to shareholder	254,883	249,452
	254,883	249,452
Shareholder's deficiency		
Share capital	100	100
Accumulated deficit	(260,772)	(252,929)
	(260,672)	(252,829)
Total liabilities & shareholder's deficiency	1,211	1,123

Approved and authorised for issue by the board on 23 July 2010

Directors


M. Al Fayed


M. Collins

AIT LEISURE LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

	Year ended 2009 £	Period ended 2008 £
EXPENSES		
Administration costs	4,221	3,430
Audit and accounting services	2,500	4,500
Allocation to provision for impairment	-	244,999
Taxes	1,122	-
	<hr/>	<hr/>
Total Expenses	7,843	252,929
	<hr/>	<hr/>
Net loss for the year	(7,843)	(252,929)
Accumulated deficit at the beginning of the year	(252,929)	-
	<hr/>	<hr/>
Accumulated deficit at the end of the year	(260,772)	(252,929)
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All operations are continuing

AIT LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1 ACCOUNTING POLICIES

(a) Basis of preparation and going concern

The company is registered in Bermuda and was incorporated on 28 February 2008. Its activity is that of a holding company.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, applicable law and under the historical cost convention.

The company is not required to prepare consolidated financial statements by the Bermuda Companies Act 1981. However, it does not qualify as an exempt parent undertaking under Financial Reporting Standard 2 – Subsidiary Undertakings and therefore this standard requires the preparation of consolidated financial statements. The directors have considered this matter and have concluded that it is not in the best interest of the members to prepare consolidated financial statements. Therefore these financial statements present information about the company as an individual undertaking and not about its group.

The company is dependent upon its parent company for ongoing financial support. The parent company has confirmed that it will provide the necessary financial support for the foreseeable future, being a period of not less than twelve months from the date of approval of these financial statements. It has also confirmed that its loan is not repayable within this period. The directors therefore consider that it is appropriate to prepare these financial statements on a going concern basis.

(b) Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be a suitable taxable profit from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

(c) Investments

The fixed asset investment is recorded at cost less provision for impairment.

2 AUDITORS' REMUNERATION

Auditors' remuneration for the year was £2,500 (2008: £4,500).

3 TAXATION ON ORDINARY ACTIVITIES

The company has not traded and no income tax arises. The tax charge in the year is a capital tax levied by the Bermuda Government.

AIT LEISURE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

4 INVESTMENT

The investment is 100% of the issued share capital of Fulham Football Leisure Limited a company registered in England and Wales which is the holding company of Fulham Football Club (1987) Limited and Fulham Stadium limited, whose activity is the operation of a professional football club

At 30 June 2009, being the most recent year end for which audited financial information is available, the consolidated aggregate capital and reserves of the subsidiary company and its subsidiaries was a deficit of £165,930,000. The consolidated loss for the year then ended was £7,419,000

5 SHARE CAPITAL

	2009 £
Authorised	
1,000 Ordinary shares of £1 each	1,000
Issued share capital	
100 Ordinary shares of £1 each issued on incorporation	100

6 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	2009 £
Balance at incorporation	100
Loss brought forward	(252,929)
Loss for the year	(7,843)
Shareholders' deficit at 31 December 2009	(260,672)

7 TRANSACTIONS WITH RELATED PARTIES

During the period ended 31 December 2008, the company acquired all of the share capital of Fulham Football Leisure Limited for a consideration of £245,000, from AIT Leisure Enterprises limited

During the year AIT Leisure Enterprises Limited also provided financial resources for to meet ongoing administration costs. This amounted to £5,431 (2008 £249,452) all of which remained outstanding at the period end

There have been no transactions in the period with the subsidiary undertaking, Fulham Football Leisure Limited

8 CONTROLLING PARTY

The company's immediate parent undertaking is AIT Leisure Enterprises Limited, a company incorporated in Bermuda

The ultimate parent undertaking is Mafco Holdings Limited, a company incorporated in Bermuda. All interests in the company continue to be controlled and held for the benefit of the Fayed family