



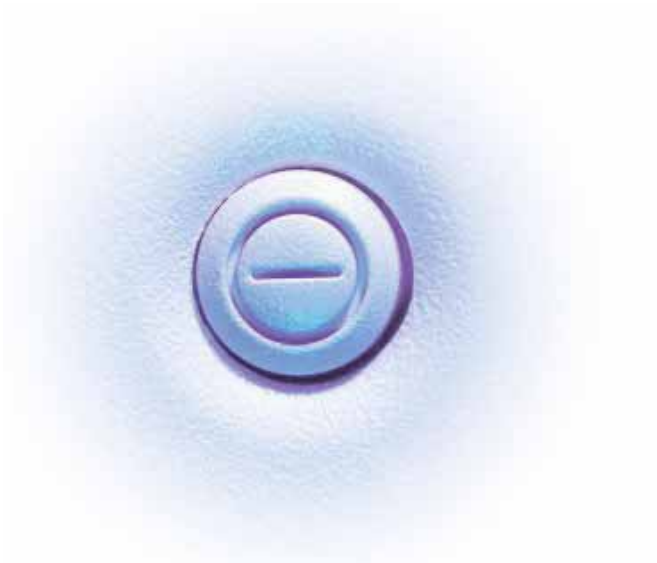
Switched on.

Deal Review
Media and Entertainment



The digital age is well and truly upon us; the online world is no longer virtual it is very real and it is here to stay.

There's one thing you can be certain of in the media industry; regardless of what's happening in the financial markets, the economy and government, it is that the media industry does not stand still.



Technological advances are causing significant change. Convergence is reshaping the corporate landscape and the traditional distribution channels of print, radio and TV are losing their share of the audience. The digital age is well and truly upon us; the online world is no longer virtual it is very real and it is here to stay. Combine this with the spending power, large populations and fast growing markets of India and China and you have a recipe that points to considerable change over the coming years.

With such rapid change comes great investment opportunities; industries are consolidating; large media groups are on the acquisition trail and private equity has identified media as a sector that can deliver stellar returns. Standing still is therefore not an option. Acquisitions, divestments, fundraising and the capital markets can provide an accelerated route to maximising shareholder value.

At Baker Tilly our media heritage, expertise and deal advice has allowed us to help more and more media companies deliver growth and returns. The following pages showcase just a handful of our recent media deals. See what our media clients have to say about our talented people and how we added value in each of their transactions. Whether it was a trade sale, acquisition, IPO or private equity fundraising they all have one thing in common. Deals were delivered and they were delivered well.

We hope that this brief review will help demonstrate the efforts of our media specialist deal doers in providing excellent advice to shareholders, management teams and financial institutions. Thanks to everyone who has helped make these transactions so memorable. Here's to doing more and continuing to work together over the coming months and years in what will undoubtedly be a fast moving and ever changing industry.

Date: **December 2007**

Client: **Private shareholders**

Transaction type: **Partial sale**

Sector: **Design agency**



Fundraising for BDA

BDA, the UK's leading broadcast design and promotions agency completed a private equity backed deal with Octopus Investments, valuing the business at £15m.

BDA has offices in London, Munich, Dubai, Singapore and Sydney and has led successful branding and launch campaigns for a diverse range of TV channels. These have been for mainstream broadcasters such as Sky Italia and ITV, niche channels such as Playboy and FX and international broadcasters such as Orbit Communications (UAE) and Bindass (India). BDA also provides design and on-air promotions to some of the best-known names in the broadcast industry such as Setanta Sports, NBC Universal, Discovery, National Geographic, Hallmark Channel and Fremantle. Most recently it has won the mandate to produce the official opening title sequence for the 2008 Beijing Olympics which will be broadcast worldwide.

Our role

Baker Tilly advised the BDA shareholders, conducting a controlled auction process to both trade and private equity and negotiating final terms with Octopus Investments. Baker Tilly negotiated a partial cash out deal for the shareholders providing Octopus with a minority stake. In addition Baker Tilly structured, negotiated and secured a significant acquisition facility to allow BDA to realise its international expansion plans and strategic investments in its digital and fast growing non broadcast business.

"Baker Tilly have taken 'hand-holding' to new heights. We at BDA were a team with no experience of seeking investment and no knowledge of the process. However they have guided us to an exceptional outcome. The triumvirate of Rob, Ali and Dan each bought their own skills to the table supported by the weight of the larger Baker Tilly group. We look forward to working with The Fabulous Baker Tilly boys on the next deal."

Honor Barratt
Managing Director
BDA

Date: **November 2007**

Client: **Acquiror**

Transaction type: **Acquisition**

Sector: **Publishing**



Acquisition of the Copyrights Group Ltd

In November 2007 Chorion Ltd acquired The Copyrights Group Ltd ("Copyrights").

Chorion is a UK based owner and manager of classic and contemporary literary-based brands with worldwide appeal. Chorion was listed on the AIM market in London until May 2006 when it was taken private by the management team in a private equity deal backed by 3i.

The acquisition of Copyrights provides a significant expansion to Chorion's already-robust brand portfolio. This includes properties such as Noddy, Mr. Men and the works of Agatha Christie and comes as Chorion prepares an international launch of two new television series featuring Mr. Men and Enid Blyton's Famous Five.

Copyrights clients' brands range from British children's classics such as Beatrix Potter, Paddington Bear, Raymond Briggs' The Snowman, Spot, and Horrible Histories to lifestyle brands such as Marie Claire, Rough Guides and The Country Diary of an Edwardian Lady.

Our role

Baker Tilly's Transaction Services team in London undertook the financial due diligence for the acquiror. The London team was headed up by Tony Pierre and Stephen Mason and was supported by David Foreman.

"A key element of our successful acquisition was the supportive, responsive and professional service BT provided – the fact they are also nice people to work with is a bonus!"

Terry Downing
Finance Director
Chorion

Date: **September 2007**

Client: **Acquiror**

Transaction type: **Acquisition**

Sector: **TV Production**



Acquisitions of Twenty Twenty and Wall to Wall

In September 2007 Shed Media plc, one of the UK's leading independent television production companies, acquired Twenty Twenty Productions Limited.

Twenty Twenty is a multi award-winning, independent UK television production company, producing programming across a wide range of genres including: living history, documentaries, current affairs and drama.

Just two months later Shed made a further acquisition, buying Wall to Wall Limited. Wall to Wall is one of the UK's most creative and successful independent production companies specialising in high profile TV brands in drama, docu-drama, factual formats, science and history.

The addition of Twenty Twenty and Wall to Wall to the Shed Group broadens its offering to broadcasters and is an excellent fit alongside Shed Productions, Ricochet and Outright Distribution.

Our role

Baker Tilly's Transaction Services team in London performed financial due diligence on Twenty Twenty and Wall to Wall. The team led by Paul Watts and Katie Worsfold have acted as financial due diligence providers on all of Shed Media's acquisitions since their IPO in March 2005. The acquisitions broaden Shed Media's current offering and strategically fit well within the Shed Group.

"We use the Baker Tilly due diligence team for all of our acquisitions as they understand the media sector and they work well with the key decision makers at Shed and our other advisers. The team highlights key issues as soon as they arise and lets me know their progress throughout the transaction. It is good to work with the same team each time – Paul Watts and Katie Worsfold are proactive and professional. We have recommended Baker Tilly to others and will continue to do so".

Jonathon Kemp
Financial Director
Shed Media Plc

Date: **July 2007**

Client: **Acquiror**

Transaction type: **Acquisition**

Sector: **TV Distribution**



Acquisition of Minotaur International Limited

Leading rights distribution company, Target Entertainment Limited, acquired 100% of the share capital of Minotaur International Limited from Virgin Media TV.

The acquisition of Minotaur International extends the group's current range of titles available for distribution to other broadcasters and distributors. It will also enable Target Entertainment and Virgin Media TV to form a strategic partnership, with Target Entertainment acting as the preferred worldwide distribution partner for all Virgin Media's future commissioned content.

Funding for the acquisition was provided to Target Entertainment by specialist asset manager, Electra Quoted Management Limited who acquired a 40% stake in Target Entertainment.

Our role

Baker Tilly's Transaction Services team in London provided financial due diligence services to Electra Quoted Management in relation to its investment in Target Entertainment and to Electra Quoted Management and Target Entertainment in relation to their acquisition of Minotaur International. The due diligence assignments were led by Paul Watts and Katie Worsfold.

"The Baker Tilly team did a superb job for Target on the Minotaur transaction. Finding due diligence providers with a sound knowledge of the media sector was very important to us. Baker Tilly demonstrated this knowledge by producing high quality reports which focused on the key issues. The team worked effectively with our corporate and legal advisers and our funding provider, making an active contribution to the smooth running of the transaction. This professional approach was enhanced by the team's personable style and made them a pleasure to work with. We would definitely recommend the due diligence team to others."

Alison Rayson
CEO
Target Entertainment Limited

Date: **July 2007**

Client: **Company**

Transaction type: **Flotation**

Sector: **Film Catalogue**



Flotation of UTV Motion Pictures Plc

UTV Motion Pictures plc, is the holding company of UTV Mauritius, which produces and distributes Hindi, Indian regional language, animation and Hollywood movies, worldwide.

UTV Mauritius houses the movie production business of the entire UTV group and has also exploited English language movies in India and South Asia that were acquired from third parties.

The Indian movie industry is poised for substantial growth in the coming years and UTV Motion Pictures plc has expanded the film genre in a bid to broaden its appeal and international distribution. UTV Motion Pictures plc raised US\$70 million (£35 million) with City institutions as part of an AIM float in July 2007.

Our role

Baker Tilly acted as the reporting accountants in the successful admission of the company to the AIM market. The reporting accountant work was led by Philip Chamberlain.

“The Baker Tilly team played a key role in helping us achieve our placing and admission to AIM. Philip took the trouble to really get to know the business and coordinated the Baker Tilly teams in India, Mauritius and the UK within a tight timetable and a very complex transaction. I would highly recommend them”.

Amit Banka

VP - Business Development
& Strategy
UTV Motion Pictures Plc

Date: **May 2007**

Client: **Acquiror**

Transaction type: **Acquisition**

Sector: **Film Catalogue**



Acquisition of Hammer Film Productions

Cyrte Investments BV, has acquired the legendary UK based Hammer Film Productions Limited, including its 295 title library.

Hammer Films, founded in the 1930s, became synonymous with horror in the 1950s and has produced numerous British horror “classics” including:

- The Curse of Frankenstein
- Dracula
- The Mummy
- The Brides of Dracula
- The Curse of the Werewolf

The newly formed Hammer group will return to film and television production after more than 30 years with an active development programme designed to emulate the best traditions of Hammer.

Our role

Baker Tilly provided financial due diligence to Cyrte Investments on the acquisition. The financial due diligence was led by Kevin Denham.

“Baker Tilly was very easy to work with, from the quick start, through the quick turn-around of key deliverables and queries, to the thorough final report.”

Marc Schipper

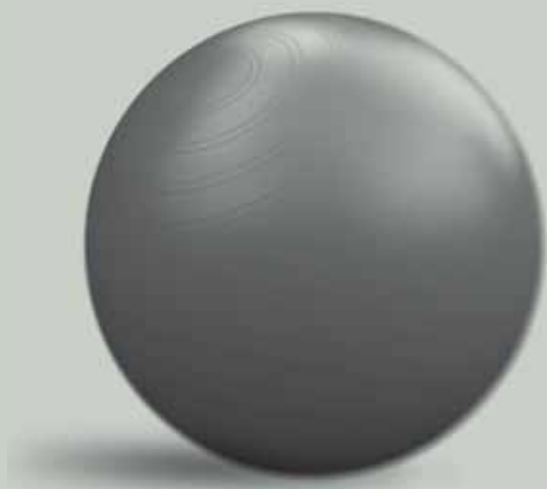
Chief Operating Officer
Hammer Film Holdings Limited

Date: **February 2007**

Client: **Acquiror**

Transaction type: **Acquisition**

Sector: **Online services**



Acquisition of Personal Training on the Net

The acquisition of US based e-learning group Personal Training on the Net (“PTotN”) by Fitness Professionals (“FitPro”), the leading provider of services to the UK fitness industry. The acquisition of PTotN provides FitPro with a wider customer base, an international presence and increases its web based services to its existing members of clubs and instructors.

Our role

Baker Tilly led the transaction throughout the negotiations and legal processes which was made more complex by a cross border structure involving a UK client, vendors based in Australia and operations based in the United States. The acquisition was led by Ali Aneizi.

“Baker Tilly understand the issues and sensitivities involved in acquiring a business from private vendors. They helped us to structure the right deal and were at hand to ensure everything ran smoothly to completion.”

Roger Llewellyn
Chairman
Fitness Professionals Limited

Date: **November 2006**

Client: **Private vendors**

Transaction type: **Sale**

Sector: **Marketing services**



Sale of Limehouse Group

The sale of Limehouse to Trident, a corporate communications specialist, backed by private equity house, Icen Capital. Trident was itself the subject of a simultaneous capital raising and completion of the double buy-out has led to the creation of a marketing services platform offering corporate, public and not for profit clients end to end design and communications solutions.

Our role

Baker Tilly advised the vendor in a sale to Trident Communications backed by Icen Capital. This was a complicated deal with Icen backing the management teams of both Trident and Limehouse in a simultaneous double buy-out.

Baker Tilly ran a limited yet competitive auction and managed a process involving five legal firms, three sets of principals, two groups of investing management teams, two financial and legal due diligence processes and a mix of exiting and investing shareholders. The sale was led by Rob Donaldson and Ali Aneizi.

“At all times the team at Baker Tilly provided excellent advice and a cool and confident approach. Having never been through a transaction like this before it was reassuring to have experienced people in our corner. Without their help I truly believe this deal wouldn't have happened.”

Giles Welch
Managing Director
The Limehouse Group

Date: **January 2006**

Client: **Private vendors**

Transaction type: **Sale**

Sector: **Internal communications**



Sale of Summersault Communications

The sale of Summersault, an award winning internal communications specialist to Motivcom. Summersault designed and published the staff magazines for McDonalds, Asda, G4S and other blue chip companies. It attracted the interest of several media agencies as well as traditional contract publishers. However, Motivcom were very keen to buy an established footprint in staff magazines and ultimately paid a premium.

Our role

Brian and Bernadette Jeavons, founders of Summersault, approached Baker Tilly after receiving a targeted mailshot. The business had outgrown them and they wanted to ensure it went to a good home whilst maximising value. Following a beauty parade of advisors Baker Tilly were appointed to sell the business.

Baker Tilly prepared the business for sale and conducted extensive purchaser research to identify a strategic acquiror.

After a discrete auction Summersault attracted offers from several media groups. The business was sold to Motivcom, the AIM quoted employee motivation and incentive travel group. The sale was led by Rob Donaldson and Ali Aneizi.

“Baker Tilly are highly professional, hardworking with a thorough knowledge of the media sector. Both Ali and Rob are extremely commercially minded and a highly impressive team. We would certainly recommend them.”

Brian Jeavons
Managing Director
Summersault Communications

Date: **December 2005**

Client: **Shareholders**

Transaction type: **Private equity**

fundraising

Sector: **Entertainment**



Private equity fundraising for Gymbox

Baker Tilly advised Gymbox, the entertainment focused health and fitness gym chain in its second round fundraising provided by private equity investor Hotbed. The growth capital will be used to finance the rollout of the gym across several further sites. The second site is now open, and broke even within three months and a lease has been signed on the third.

Our role

Baker Tilly previously advised the management team of Gymbox on their 2004 MBO from Cinven backed Fitness First.

We were mandated again in 2005 to help raise development capital and agree equity terms to finance expansion. We approached a limited number of private equity investors and received offers from three. A competitive process resulted in an attractive all equity deal funded by Hotbed with an additional debt facility from HSBC.

The funding will allow the Gymbox concept to be rolled out across London and other major UK cities. The private equity fundraising was led by Ali Aneizi.

“Baker Tilly delivered again negotiating an excellent deal! They have been an integral part of our success.”

Richard Hilton
Managing Director
Gymbox

Date: **March 2005**

Client: **Company**

Transaction type: **Flotation**

Sector: **TV Production**



Flotation of Shed Media plc

Shed Media plc is a leading UK independent television production company specialising in contemporary, original drama programming and content.

Shed floated on the AIM market in March 2005. This decision was influenced by the increase in size and respectability of AIM and the growing appetite of institutional investors for media companies.

Floating on AIM has helped Shed attract the new creative talent needed to build their portfolio, take advantage of the added opportunities opening up at the BBC and Channel 4 and ultimately ensure the longer term development and succession of Shed's management.

Our role

The Capital Markets team at Baker Tilly completed work on the IPO of Shed Media plc. As reporting accountants, Baker Tilly provided advice and guidance to Shed's gifted home-grown team in a transaction that was significantly over-subscribed. The IPO was led by Paul Watts and Katie Worsfold.

"Baker Tilly delivered high quality, timely reports, providing a valuable contribution to the success of the IPO process. We are pleased to have them as our advisers."

Eileen Gallagher
Chief Executive
Shed Productions

Date: **October 2004**

Client: **Private vendors**

Transaction type: **Sale**

Sector: **Film & TV Production**



Sale of Company Television

The sale of Company Television, one of the UK's leading independent film and TV drama production companies famous for productions such as *Shameless* and *The Life and Times of Peter Sellers*. Company was sold to All3Media, the Bridgepoint backed and largest independent TV production company in the UK, now owned by Permira.

Our role

George Faber and Charlie Pattison mandated Baker Tilly to negotiate the sale of their business after receiving an unsolicited approach from All3Media.

George and Charlie did not want their business marketed widely but wanted to ensure they were receiving value. We tested their offer by approaching one other 'obvious' buyer which created some healthy competition for All3Media.

The negotiations were carried out by Baker Tilly's London M&A team, over the course of several months, and resulted in a deal for the vendors the parameters of which exceeded those seen by the industry in similar transactions. The sale was led by Rob Donaldson and Ali Aneizi.

"A huge thanks for Baker Tilly's support, wise advice and guidance. We greatly appreciate it and are excited about the future."

Charlie Pattison
Joint Managing Director
Company Television

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We provide our growing and established business clients with audit, accountancy, personal and corporate taxation, VAT, consultancy, corporate finance, financial services, IT advisory and restructuring and recovery.

The firm has national coverage through its network of offices and is represented internationally through its independent membership of Baker Tilly International.



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