

PROJECT MAGAZINE

Business Opportunity

An opportunity exists to purchase the business and assets of a company ("the Company") engaged in the distribution of magazines and other news trade publications.

It is anticipated that due to the financial position of the Company, the purchase will be executed at the earliest opportunity after the appointment of Administrators. All interested parties will be requested to sign a non-disclosure agreement and specifically deal with the proposed Administrators, being Insolvency Practitioners of MCR.

Business Overview

The Company is the UK's largest independent news trade distributors, representing over 135 clients and 400 magazines and collectables. It offers a range of services to publishers selling magazines and products to the news trade.

The Company has a workforce c40 staff.

The key strengths of the Company include:

- Reputable name within the news trade distribution industry, including a trading history since 1988.
- Wealth of experience in exporting publications overseas
- Strong focus on IT development and innovation, including an internally developed sales planning system
- Expert advice on sales, strategies, including magazine covers, market analysis and retail and wholesale opportunities

High Level Financial Information

Draft statutory accounts for the year ended 30 June 2009:

NBV as at 30 June 2009:

Profit and Loss

Turnover £24.5m

Gross Profit £2.3m

GP% 9%

Operating Loss (after exceptionals) £2.0m

Balance Sheet

Freehold Property £635k

Other Fixed Assets £58k

Trade Debtors £10.2m

Trade Creditors £15.6m

Premises

The Company operates from freehold premises in Surrey which covers c2,800 square feet.

Known Assets Available for Sale

- Customer contracts
- Freehold property
- Intellectual property
- Goodwill
- Business name
- Debtors

Deadline for Offers

All offers should be sent to Charles Walder at MCR by 12 noon on 14 May 2010. All offers should be supported by proof of funding and no late offers will be accepted. A purchaser must be able to complete immediately as time is of the essence.

For further information contact:

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To find out more about MCR and other businesses available for sale visit www.mcr.uk.com

