

Press Release 22 January 2009

ETHNIC MEDIA GROUP LIMITED (IN ADMINISTRATION)

Robert Smailes and Conrad Beighton, both of Shipleys LLP, were appointed Joint Administrators of Ethnic Media Group Limited ("the Company") on 19 January 2009. The Company was placed into Administration by the Company's Directors who recognised that it could no longer meet its liabilities as they fell due.

Based in Whitechapel, London, the Company is the UK's leading publisher of weekly newspapers, magazines, websites and digital newspapers for Britain's African, Caribbean, Black British and Asian communities. It publishes the weekly newspapers Eastern Eye, Eastern Eye Scotland and New Nation, as well as the annual magazine Success, which features the Eastern Eye Asian Business Awards and profiles the 'Britain's Richest Asians List'. Approximately 25 people work on these titles.

Robert Smailes, Principal at Shipleys LLP and Joint Administrator of the Company said:

"The difficulties facing the media industry at this time have been well documented and it is unfortunate that this company has been forced into administration. The downturn in the economy has contributed to a dramatic fall in advertising revenues and there has been pressure on the circulation numbers."

"Our immediate priority was to review all options available to the Company and quickly seek a purchaser for the business. In the absence of any firm offers for the business and without sufficient cash flow to continue to trade through administration, it is with regret that all the staff were made redundant on 19 January 2009."

"I am today pleased to announce that the Asian sector of the business (including all of the rights to the Eastern Eye publications and the Asian Business Awards) has been sold to the Asian Media & Marketing Group. I hope that the quick sale has maximised the prospects for the staff to be taken on by the new owners."

The Administrators are pro-actively encouraging expressions of interest for the Afro-Caribbean sector of the business, in an attempt to secure a continuation of the 'New Nation' brand. Smailes commented, "I am in dialogue with a number of interested parties and hope a purchaser will be found shortly. The enormity of this task in the current environment cannot be over-emphasised particularly as much of the industry is struggling."

Press enquiries please contact:

Robert Smailes, Principal, Shipleys LLP

T 020 7766 8560

F 020 7312 0022

Prospective purchasers please contact

Robert Smailes, Conrad Beighton or
Deviesh Raikundalia (ref: 51029/DRR)

T 020 7766 8560

E RaikundaliaD@shipleys.com