

Consent to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 22 December 2016

Completed acquisition by JD Sports Fashion PLC (JD Sports) of Go Outdoors Topco Limited (Go Outdoors)

We refer to your emails of 5 January 2017 and 6 January 2017, supporting attachment and related discussions regarding a request by JD Sports that the CMA grant a certain derogation to the Initial Enforcement Order served on Pentland Group PLC (**Pentland**) and JD Sports on 22 December 2016 (the **Order**). The terms defined in the Order have the same meaning in this letter.

Under the Order, save for the written consent of the CMA, Pentland and JD Sports are required to hold separate the Pentland business from the Go Outdoors business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for a derogation from the Order, based on the information received from you, and in the particular circumstances of this case, JD Sports may carry out the following actions, in relation to the specific paragraph of the Order listed below:

Paragraph 5(e)(iii) of the Order

JD Sports is obliged under its existing syndicated bank facility agreement to [X]. In light of this obligation, the CMA consents to Go Outdoors ending its existing credit agreement and acceding as an obligor to JD Sports' credit agreement.

The CMA gives its consent on the basis that all necessary funds will continue to be made available to Go Outdoors, as would have been the case under its existing lending arrangements, and that this derogation will not prevent any remedial action that the CMA may need to take regarding this transaction. In particular, based on the parties' submissions, the CMA understands that in the event of remedial action being taken, Go Outdoors can immediately resign from JD Sports' credit agreement and that there are no significant obstacles to it arranging an alternative facility in the event that it were no longer part of JD Sports' group or, if appropriate, acceding to a

suitable purchaser's existing facility (without the need for any negotiation with lenders).

Greg Bonne
Assistant Director, Mergers
6 January 2017