

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ("CMA") on 1 March 2018 and Variation to the Initial Enforcement Order made by the CMA on 8 March 2018.

Acquisition by TM of the publishing assets of Northern & Shell

We refer to your emails and accompanying note dated 14 March 2018 and 17 March 2018 requesting that the CMA consents to derogations to the Initial Enforcement Order of 1 March 2018 (the "Initial Order") and the variation to the Initial Order of 8 March 2018 (the "Variation to the Initial Order"). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, TM is required to hold separate the TM business from the publishing assets of Northern & Shell 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 derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, TM and the publishing assets of Northern & Shell business may carry out the following actions, in respect of the specific paragraphs.

1. Paragraph 5A(b) the Variation to the Initial Order

The CMA understands that [X] (Relevant Directors) require certain financial information to discharge their duties as directors of the TM group and of the entity which now holds the publishing assets of Northern & Shell business (Trinity Mirror Network Limited), and to discharge their duties to provide information to the market about the TM group.

The CMA grants a derogation from paragraph 5A(b) of the Variation to the Initial Order to allow Mark Hollinshead to provide certain aggregated financial information, which is the minimum information that is required to allow the Relevant Directors to discharge the duties outlined above. In particular, the Relevant Directors can have access to the aggregated financial information [X] that has been identified in the parties' submission of 14 March 2018.

The CMA also grants consent for Mark Hollinshead to provide alongside the financial information a written explanation of any anomaly in the information provided, and consents to asking follow-up questions about such anomalies, provided such information is strictly necessary for the full and proper understanding of the information provided about the publishing assets of Northern & Shell.

The CMA gives its consent on the basis that the information provided is that set out in the template which has been pre-approved by the CMA, and that this information can only be used for the sole purpose of discharging the duties outlined above.

2. Paragraph 5A(b) of the Variation to the Initial Order

The CMA understands that the 2017 financial statements are currently being prepared for each of the entities which hold the publishing assets of Northern & Shell business, being Trinity Mirror Network Limited and each of its subsidiaries. The CMA further understands that the Relevant Directors are required to review and sign off these accounts. In order to discharge their directors' duties in reviewing and signing off these accounts, the Relevant Directors need to review a draft of these financial statements and any underlying information which they may require to enable them to verify that they provide a true and fair view of the state of affairs of those companies and of the profit or loss of them for that period.

The CMA grants a derogation from paragraph 5A(b) of the Variation, to allow the Relevant Directors to review and sign off the 2017 financial statements of Trinity Mirror Network Limited and each of its subsidiary companies.

3. Paragraph 5A(b) of the Variation to the Initial Order

The CMA understands that the directors of TM have a responsibility to the TM board [X] for preparing and signing off on completion accounts, as part of completion of the transaction. [X]. The CMA further understands that the Relevant Directors are required to review and sign off these completion accounts.

In order to discharge their directors' duties in reviewing and signing off these accounts, the Relevant Directors need to review balance sheets for the publishing assets of Northern & Shell business and any other underlying information which they may require in order to enable them to verify that they provide a valuation of the publishing assets of Northern & Shell business at the point of completion.

The CMA grants a derogation from paragraph 5A(b) of the Variation, to allow the Relevant Directors to review this information for the publishing assets of Northern & Shell business and to prepare completion accounts for the publishing assets of Northern & Shell business on the basis of that information.

The CMA gives its consent on the basis that the completion account information to be provided is that set out in the template which has been pre-approved by the CMA.

4. [X] key staff [X] at TM – Paragraphs 5(c) and 5(i) of the Order

The CMA understands that TM proposes to [X], as part of an internal reorganisation planned before the Acquisition.

The CMA consents to this [X]. It grants its consent on the basis that:

- (a) the proposed change only affects TM staff and is unrelated to the Acquisition;
- (b) the staff [X] affected by the changes will not be replaced by staff of the publishing assets of Northern & Shell business;
- (c) the proposed changes will not impact the viability of the TM business on a standalone basis; and
- (d) this derogation does not affect any remedial action that the CMA may need to take.