

**DEROGATION LETTER
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002
COMPLETED ACQUISITION**

Please note that [X] indicates figures or text which have been deleted at the request of the parties for reasons of commercial confidentiality.

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 17 May 2019

Completed acquisition by JD Sports Fashion plc of Footasylum plc (the Merger)

We refer to your email of 28 June regarding a request by Pentland Group Plc (**Pentland**) that the CMA grant certain derogations to the Initial Enforcement Order of 17 May 2019 (the '**Initial Order**'). Terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for the written consent by the CMA, Pentland and JD Sports Fashion plc (**JD Sports**) are required to hold separate the Footasylum business from the Pentland and JD Sports businesses 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 Initial Order, based on the information received from you and in the particular circumstances of this case, Pentland may carry out the following actions, in relation to the specific paragraph of the Initial Order listed below:

1. Paragraphs 6(i) and 6(k) of the Initial Order

The CMA understands that Pentland agreed to a [X] with [X] with an expiry date of [X]. From this date, [X], the CMA understands that Pentland and [X] the Pentland Group, for a period of [X]. Paragraphs 6(i) and (k) of the Initial Order will therefore not apply to [X].

For the avoidance of doubt, this derogation does not apply to the JD Sports business or the Footasylum business. The CMA's consent to the aforementioned derogations does not, under any circumstances, permit Pentland from taking any other action prohibited under the Initial Order.

Alexandra Zachmann
Assistant Legal Director, Mergers
1 July 2019