

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

Please note that [✂] 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 5 December 2019

Completed acquisition by DMG Media Limited of JPIMedia Publications Limited

We refer to your email and notes dated 12, 19, 20 and 23 December 2019 requesting that the CMA consents to derogations to the Initial Enforcement Order of 5 December 2019 (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, Daily Mail and General Trust plc (**DMGT**) and DMG Media Limited (**DMG Media**) are required to hold separate the JPIMedia Publications Limited (**JPIMedia Publications**) business from the DMGT 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, DMGT and JPIMedia Publications may carry out the following actions, in respect of the specific paragraphs:

1. Paragraph 5(I) of the Initial Order

DMGT submits that it is a public company and maintains certain obligations with respect to financial reporting and market transparency which require DMGT to file annual accounts and publish its full-year results and annual report, and publish half-yearly financial reports including condensed financial statements. DMGT explains that such trading updates require DMGT to have accurate financial and related information regarding the financial position and performance of each of its subsidiaries, including JPIMedia Publications.

DMGT therefore requests a derogation from the Initial Order to allow for certain aggregated financial information of the JPIMedia Publications business to be shared with identified individuals within DMGT's finance team on a monthly basis.

The CMA consents to the JPIMedia Publications business sharing certain aggregated financial information with DMGT on the basis that:

- (a) Disclosure of JPIMedia Publications financial information to authorised DMGT individuals (as listed in Annex 1) will be limited to that which is strictly necessary for the purposes of enabling DMGT to meet its regulatory and accounting obligations, and will be in a template form agreed with the CMA;
- (b) The individuals listed in Annex 1 will enter into a confidentiality undertaking in a form approved by the CMA;
- (c) Firewalls will be put in place to prevent any unauthorised individuals within DMGT from accessing any JPIMedia Publications information shared with the authorised DGMT individuals listed in Annex 1 for the purposes of this derogation;
- (d) DMGT will maintain lists of individuals who have been authorised to receive confidential information for a permitted purpose by the CMA and are subject to NDAs, including the relevant permitted purpose(s) for which each individual may receive confidential information; and
- (e) Should the transaction be prohibited, DMGT will ensure that any confidential information exchanged with DMGT for the purposes of this derogation will be returned to the JPIMedia Publications business and any copies destroyed, except to the extent that record retention is required by law or regulation.

Sorcha O'Carroll
Director, Mergers
27 December 2019

Annex 1 – Financial reporting – permitted individuals

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