

DEROGATION LETTER

**IN RESPECT OF INTERIM UNDERTAKINGS ACCEPTED PURSUANT TO
SECTION 80 OF THE ENTERPRISE ACT 2002**

**Consent under section 80 of the Enterprise Act 2002 to certain actions for the
purposes of the Interim Undertakings accepted by the Competition and
Markets Authority (CMA) on 3 August 2023**

**Anticipated acquisition by Hitachi Rail, Ltd (Hitachi Rail) of the Ground
Transportation Systems Business (the Target) carried on by Thales SA (the
Merger)**

Dear [X],

We refer to your submission of 19 October 2023 requesting that the CMA consents to [X] and certain derogations from the Interim Undertakings of 3 August 2023 (the **Interim Undertakings**). Unless otherwise stated, the terms defined in the Interim Undertakings have the same meaning in this letter.

Under the Interim Undertakings, save for written consent by the CMA, Hitachi Rail undertakes to hold separate the Hitachi Rail business from the Target and to refrain from taking any action which might prejudice the reference of the Merger for further investigation and report by a group of CMA panel members (the **Reference**) or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decision on the Reference.

After due consideration of your request for consent and certain derogations from the Interim Undertakings, based on the information received from you and in the particular circumstances of this case, the CMA agrees [X]

(a) Hitachi Rail will provide the CMA with a detailed written note [X]

(b) Hitachi Rail will not [X]

In the event that Hitachi Rail engages with [X] in any capacity that relates to:

a. [X]

b. [X]

Hitachi Rail will give reasonable notice and [X] to each of the Monitoring Trustee and the CMA, and the Monitoring Trustee would [X].

Yours sincerely,

Stuart McIntosh

Inquiry Group Chair

22 November 2023