

**CONSENT LETTER IN RESPECT OF FINAL UNDERTAKINGS ACCEPTED  
PURSUANT TO SECTION 82 OF THE ENTERPRISE ACT 2002**

**Consent pursuant to paragraph 6 of the Final Undertakings accepted by the  
Competition and Markets Authority (CMA) on 7 December 2023 to certain  
actions by Hitachi Rail, Ltd (Hitachi Rail).**

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

Dear [✂]

We refer to your submissions of 3, 16 and 23 January 2024, requesting that the CMA consents to derogations from the Final Undertakings accepted by the CMA on 7 December 2023 (the '**Final Undertakings**'). Unless otherwise stated, the terms defined in the Final Undertakings have the same meaning in this letter.

Under the Final Undertakings, except with the written consent of the CMA, Hitachi Rail is required to procure that the Divestment Business is kept separate from the Hitachi Rail business until the divestiture of the Divestment Business.

After due consideration of your request for derogations from the Final Undertakings, based on the information received from you and in the particular circumstances of this case, Hitachi Rail may carry out the following actions, in respect of the specific paragraph of the Final Undertakings listed below.

**Paragraph 8.5.5 of the Final Undertakings**

Hitachi Rail submits that it is seeking the CMA's consent to a derogation from paragraph 8.5.5 of the Final Undertakings to permit the exchange of certain confidential information (the '**Confidential Information**') between the Divestment Business and certain employees of the Hitachi Rail business, as listed in Annex 1 (the '**Authorised Individuals**'), strictly for the purpose of facilitating [✂] (the '**Permitted Purpose**').

On the basis of Hitachi Rail's representations, the CMA consents to a derogation from paragraph 8.5.5 of the Final Undertakings to permit the exchange of Confidential Information between the Divestment Business and the Authorised Individuals, strictly on the basis that:

- a) this derogation is strictly necessary to facilitate the Permitted Purpose;

- b) the Permitted Purpose will not extend beyond [X] without prior consent from the CMA;
- c) the Confidential Information is limited to information that is strictly necessary to be shared for the Permitted Purpose in respect of [X]; this may include [X];
- d) the Confidential Information is shared only with the Authorised Individuals;
- e) it is strictly necessary for all Authorised Individuals to have access to the Confidential Information for the Permitted Purpose;
- f) the identity of the Authorised Individual(s) cannot be changed without prior consultation with the Hold Separate Manager; in such circumstances within two working days of changing the identity of an Authorised Individual, Hitachi Rail will inform the CMA and the Monitoring Trustee of the identity of the additional Authorised Individual (name, job title) and their role/function as an Authorised Individual;
- g) each of the Authorised Individuals has entered into a Non-Disclosure Agreement in a form approved by the CMA, which imposes appropriate restrictions on the disclosure, storage and use of the Confidential Information;
- h) no later than [X], any records or copies (electronic or otherwise) of the Confidential Information, including business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the Divestment Business for the purposes of this derogation will be returned to the Divestment Business and any copies destroyed, except to the extent that is strictly necessary for any Confidential Information to be retained by the Authorised Individuals to provide further support to the Divestment Business in relation to [X], as may be agreed between Hitachi Rail and the Divestment Business, where the terms of such further support to the Divestment Business shall be subject to the CMA's approval;
- i) all electronic files and emails exchanged in this context will be adequately ring-fenced and accessible only by the Authorised Individuals; and
- j) this derogation shall not prevent any remedial action the CMA is implementing under the Final Undertakings.

Yours sincerely,

Stuart McIntosh

Inquiry Group Chair

8 February 2024

