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**9 December 2011**

**RECOMMENDED CASH OFFER  
by  
ADRIAN WILLIAMS  
for  
DM PLC (“DM”)  
(to be effected by means of a Scheme of Arrangement)**

On 7 December 2011, Adrian Williams and the Independent Director of DM plc, Mark Winter, announced that they had reached agreement on the terms of a recommended cash offer by Adrian Williams to acquire the whole of the issued and to be issued share capital of DM not already owned by him (the “Offer”). This Offer is to be effected by means of a court-sanctioned scheme of arrangement (the “Scheme”) between DM and the Scheme Shareholders under Part 26 of the Companies Act 2006.

The Independent Director of DM is pleased to announce that a circular (the “Scheme Document”) setting out, amongst other things, the full terms and conditions of the Scheme and an explanatory statement, together with the recommended action to be taken by DM Shareholders, is being posted to DM Shareholders today.

Notices convening the Court Meeting and the General Meeting to be held at the offices of Jones Day at 21 Tudor Street, London, EC4Y 0DJ on 9 January 2012 at 10.00 a.m. and 10.05 a.m. (or as soon thereafter as the Court Meeting is concluded or adjourned), respectively, are contained in the Scheme Document. Subject to the satisfaction or waiver of the Conditions, it is currently expected that the Scheme will become effective on 26 January 2012. If any of the expected dates change, DM will give notice of the change by issuing an appropriate announcement through a Regulatory Information Service.

A request has been made to the London Stock Exchange to cancel the admission to trading of DM Shares on AIM with effect from the Scheme Effective Date. As such the cancellation of admission to trading of DM Shares on AIM is expected to take place at 7.00 a.m. on 27 January 2012.

In accordance with Rules 20 and 26 of the AIM Rules for Companies and the City Code, an electronic copy of the Scheme Document has been sent to the London Stock Exchange and made available on DM’s website: [www.dmplc.com](http://www.dmplc.com).

Unless the context otherwise requires, terms defined in this announcement have the same meaning as those terms defined in the Scheme Document.

**Latest time for lodging Forms of Proxy for the:**

<b>Court Meeting (WHITE Form of Proxy)</b>	<b>10.00 a.m. on 7 January 2012</b>
<b>General Meeting (BLUE Form of Proxy)</b>	<b>10.05 a.m. on 7 January 2012</b>
Voting Record Time	6.00 p.m. on 7 January 2012

**Court Meeting** 10.00 a.m. on 9 January 2012  
**General Meeting** 10.05 a.m. on 9 January 2012

*The following dates are indicative only and subject to change*

Court hearing to sanction the Scheme and confirm the Capital Reduction 25 January 2012  
Last day of dealings in, and for registration of transfer of, and disablement of CREST of, DM Shares 25 January 2012  
Scheme Record Time 6.00 p.m. on 25 January 2012  
**Scheme Effective Date** 26 January 2012  
Cancellation of admission to trading on AIM of DM Shares 7.00 a.m. on 27 January 2012  
Latest date of despatch of cheques/settlement in CREST 9 February 2012  
Long-stop date being the date by which the Scheme must be implemented 31 March 2012

All references in this document to times are to times in the United Kingdom (unless otherwise stated). These dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme and whether the Conditions are satisfied or (if capable of waiver) waived on or prior to such date and the date on which the Court Order and the Statement of Capital is delivered to or registered by the Registrar of Companies (as applicable). If there are any revisions to the timetable, DM will give adequate notice of the change by making an appropriate announcement through a Regulatory Information Service.

**Enquiries:**

**Adrian Williams** Tel: 01989 769 292  
Adrian Williams

**DM** Tel: 01989 769 292  
Mark Winter, Independent Director

**Altium (Financial adviser to DM)** Tel: 0845 505 4343  
Adrian Reed  
Adam Sivner

Altium Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for DM and no one else in connection with the Offer and will not be responsible to anyone other than DM for providing the protections afforded to customers of Altium Capital Limited nor for providing advice in relation to the Offer, the Scheme or any transaction or arrangement referred to in this announcement.

This announcement is not intended to, and does not, constitute or form part of any offer to sell or an invitation to purchase any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer has been made solely through the Scheme Document,

which contains the full terms and conditions of the Offer. Any response to the Offer should be made only on the basis of the information in the Scheme Document.

The distribution of this announcement in jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.

Unless otherwise determined by Adrian Williams, copies of this announcement and any other documentation relating to the Offer (including, without limitation, the Scheme Document and the Forms of Proxy) are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send any such documents in or into or from any such Restricted Jurisdiction. Any person (including, without limitation, custodians, nominees and trustees) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this announcement and/or the Scheme Document and/or the Forms of Proxy (if applicable) and/or any other related document to any jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of any relevant jurisdiction. Neither the SEC nor any US state securities commission has approved or disapproved the Offer or passed upon the adequacy or completeness of this announcement or any other documentation relating to the Proposal (including, without limitation, the Scheme Document and the Forms of Proxy). Any representation to the contrary is a criminal offence.

### **Dealing Disclosure Requirements**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

**Publication on website**

A copy of this announcement will be made available on DM's website at [www.dmplc.com](http://www.dmplc.com) on or around 9 December 2011.

For the avoidance of doubt, the content of the website referred to above is not incorporated into and does not form part of this announcement.