

DM plc (“DM” or the “Company”)

Placing of shares, cancellation of earn-out obligation and directors dealing

DM, the direct marketing group specialising in database management and home gaming, is pleased to announce that on 3 July 2007, the Company’s broker, Blue Oar Securities Plc, placed in aggregate 7,547,170 DM ordinary shares of 1 pence each in the capital of the Company (“Brightview Shares”) on behalf of Brightview plc (previously Invox plc) (“Brightview”). Brightview received these shares in consideration for the acquisition by DM of The Winners Club in October 2006.

In conjunction with the placing, Brightview has agreed to waive the original £1.0 million earn-out obligation agreed on 9 October 2006 when DM acquired The Winners Club (“the Earn-out Obligation”). Accordingly DM has no further payment commitments to Brightview.

DM Chairman, Adrian Williams said:

“I am delighted that we have received further support from investors for DM stock, which has allowed the Brightview Shares to be placed and the Earn-out Obligation to be extinguished. All three core divisions, database management, gamecards and direct mail, are profitable, trading in 2007 remains buoyant, and we expect to see strong growth in the Company’s financial performance this year. Whilst the direct mail division uses the services of Royal Mail, to date we have not experienced any negative effects from the recent industrial action. We have strategies in place to manage any further industrial action in order to avoid any material effect on our business. Finally, we have recently acquired a former competitor’s database and we look forward to receiving the benefits of this in the second half.”

Background

In October 2006, DM announced the acquisition of the core trading subsidiaries from the Home Gaming division of AIM listed Brightview. The subsidiaries acquired included The Winners Club Limited and TPC Telecoms Limited (together “The Winners Club”) for a total consideration of up to £2 million.

The consideration consisted of an initial payment of £1.0 million, payable by the issue of the 7,547,170 Brightview Shares. The remaining £1.0 million was payable in further instalments of either new ordinary shares or, at the Company’s discretion, cash, based on the profit before tax of The Winners Club as reported for the three years ended 31 December 2009 (the “Earn-out Obligation”). The Brightview Shares were subject to a

lock-in agreement which prohibited their disposal for the 18 months following the acquisition, except in certain limited circumstances or if agreed with the Company's nominated adviser.

Details of placing

Of the 7,547,170 Brightview Shares placed, Adrian Williams, Chairman of the Company, has purchased 231,000 Brightview Shares, representing 0.16 per cent. of DM's issued share capital and Pinkberry Consultants Limited (a Jersey company) ("Pinkberry Consultants") purchased 231,000 Brightview Shares representing 0.16 per cent. of DM's issued share capital, both at a price of 13.0 pence. Pinkberry Consultants is wholly owned by a discretionary family trust connected to John Gommes, a non-executive director of the Company, but in which John Gommes does not have a beneficial interest.

Following this purchase, Adrian Williams' total shareholding will be 117,545,565 ordinary shares, representing 80.11 per cent. of DM's issued share capital. Pinkberry Consultants total shareholding following this purchase will be 731,000 ordinary shares representing 0.50 per cent. of DM's issued share capital. Accordingly, John Gommes now has the following holdings: Beneficial: 500,000 ordinary shares representing 0.34 per cent. of DM's issued share capital; and Non-beneficial: 731,000 ordinary shares representing 0.50 per cent. of DM's issued share capital.

The balance of 7,085,170 Brightview Shares have been placed by Blue Oar Securities Plc on behalf of Brightview with institutional and other investors.

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Notes to editors:

DM plc is a direct marketing group specialising in database management and home gaming. The Group gathers consumer data for use in direct marketing campaigns through the provision of response-orientated competitions (i.e. gamecards distributed via newspapers, magazines and mail). The Group generates revenues principally through responses to its competitions via premium rate telephone lines and the rental of its databases to other companies. DM already has joint venture agreements in place with Cornhill Direct and AXA Sunlife.

DM was formed in October 2004 after the reverse takeover of Hawthorn Holdings plc by Strike Lucky Games Limited (gamecard and other competitions). Since October 2004, the Group has made further acquisitions; Purely Creative Limited (producer and distributor of gamecards competitions), Dodd Marketing Limited (games and competitions via addressed mail) and more recently The Winners Club and TPC Telecoms Ltd (generates revenue from the rental of data collected via direct mail and responses to games and competitions). These acquisitions have made DM the UK market leader in direct marketing database management and the production and distribution of response orientated competitions.