

DM plc
("DM" or the "Company")

SATISFACTION OF EARN-OUT OBLIGATION OF PURELY CREATIVE
LIMITED TO THUS PLC

On 31 March 2005, the Board of DM announced that its subsidiary Strike Lucky Games Limited ("Strike Lucky") had acquired the entire issued share capital of Purely Creative Limited ("Purely Creative"). Under arrangements entered into by Purely Creative prior to such acquisition, Purely Creative acquired from Thus plc ("Thus") the former creative division of Thus (the "Creative Division"). As part of those arrangements an earn-out may have become payable by Purely Creative to Thus subject to the future performance of Purely Creative ("the Earn-Out Obligation").

The Board is pleased to announce that by an agreement completed on 6 May 2005 amending the agreement dated 7 October 2004, whereby Purely Creative acquired the Creative Division, Purely Creative has settled the Earn-Out Obligation in full by the immediate payment to Thus of the sum of £300,000 in cash. The Board considers these arrangements to be in the interests of DM shareholders.

Purely Creative designs, produces and distributes marketing competitions and promotions principally through the UK print media, managing high volume player response levels via telephone, SMS and post. Purely Creative is a subsidiary of Strike Lucky and trades as a separate entity. The unaudited draft management accounts for Purely Creative for the period ended 31st December 2004 report a turnover of £2.1 million and net profit of £0.49 million. The unaudited net asset value for Purely Creative at 31st December 2004 was £0.54 million.

Enquiries:

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