



PRESS RELEASE

Date: 11 March 2008

Competition Commission conditionally approves Arqiva and NGW merger with behavioural undertakings

- **Undertakings guarantee price and service benefits to existing broadcast-transmission customers**
- **New customers and services will have access to open, fair and transparent pricing within a regulatory framework**
- **The Digital Switch Over Project can proceed more efficiently and with the confidence of being fully funded**

Arqiva and National Grid Wireless (NGW) are to be allowed to merge following a detailed investigation by the UK Competition Commission. The Commission's provisional findings identified several areas in broadcast transmission where there could be a Significant Lessening of Competition (SLC) as a result of the merger. The Commission has now accepted, in principle, undertakings from Arqiva that will protect existing and new customers from any adverse effects of the merger and maximise ongoing customer benefits.

The undertakings ensure that existing terrestrial television and radio customers will benefit from the synergy of combining complementary transmission operations, through new financial discounts, and a range of measures that will ensure customers continue to receive the high levels of service quality that they currently enjoy. Radio customers, who generally have shorter-term contracts than those for television transmission, will also gain the perpetual right to extend their contracts on existing terms. An Independent Adjudicator will have powers to resolve any disputes and oversee financial auditing of the Digital Switchover project. The undertakings are subject to consultation.

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Tom Bennie, CEO of Arqiva, said: “We are pleased to have concluded this major part of the process and we hope the merger can now proceed as planned. This merger will bring significant benefits to the broadcasting industry. Historically in the UK we have had a single national broadcast network but in dual ownership. By unifying the transmission infrastructure we’ll be able to pass on savings to customers and, crucially, deliver digital switchover but in a more efficient manner and with greater financial certainty.”

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