

**ANTICIPATED ACQUISITION BY CINEWORLD GROUP PLC,
THROUGH ITS SUBSIDIARY CINE-UK LIMITED,
OF THE CINEMA BUSINESS OPERATING AT
THE HOLLYWOOD GREEN LEISURE PARK, WOOD GREEN**

Terms of reference

1. Whereas in exercise of its duty under section 33(1) of the Enterprise Act 2002 ("the Act") to make a reference to the Competition Commission ("the CC") in relation to an anticipated merger the Office of Fair Trading ("the OFT") believes that it is or may be the case that -
 - (a) arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation in that:
 - (i) an enterprise carried on by or under the control of Samenic Limited (formerly known as Hoyts Cinemas Ltd) and/or National Amusements will cease to be distinct from the Cine-UK Limited business being an enterprise or enterprises carried on by or under the control of CineWorld Group plc; and
 - (ii) as a result, the condition specified in section 23(4) of the Act will prevail or will prevail to a greater extent with respect to the supply of film exhibition services in a substantial part of the United Kingdom, namely the London Borough of Haringey; and
 - (b) the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services including the supply of film exhibition services.
2. Now, therefore, the OFT, in exercise of its duty under section 33(1) of the Act, hereby refers to the CC, for investigation and report within a period ending on 29 August 2008, the following questions in accordance with section 36(1) of the Act-
 - (a) whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
 - (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.
3. In relation to the question whether a relevant merger situation will be created, the CC shall exclude from consideration one of the subsections (1) and (2) of section 23 of the Act if they find that the other is satisfied.

A handwritten signature in black ink, appearing to read 'Simon Pritchard', with a stylized, cursive script.

Simon Pritchard
Senior Director, Mergers, Office of Fair Trading
17 March 2008