THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular or the action you should take, you are recommended to seek your own financial advice as soon as possible from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the FSMA, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent professional adviser.

If you sell or transfer or have sold or transferred all of your Ordinary Shares, please send this Circular and any accompanying documents as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold part of your holding of Ordinary Shares please retain this Circular and the accompanying Proxy Form and contact immediately the bank, stockbroker or other agent through whom the sale or transfer was effected.

This Circular is not a prospectus and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security, including any Consideration Shares to be issued in connection with the proposed Acquisition.

Trinity Mirror plc

(Incorporated in England & Wales with registered no. 82548)

Proposed acquisition of all of the Local World Shares not already owned by the Company

Circular to Shareholders
and
Notice of General Meeting

Your attention is drawn to the letter from the Chairman of the Company which is set out in Part I (*Letter from the Chairman of Trinity Mirror plc*) and which contains the unanimous recommendation of the Directors that you vote in favour of the Acquisition Resolution to be proposed at the General Meeting referred to below. You should read the whole of this Circular and, in particular, the risk factors in Part II (*Risk Factors*).

Notice of a General Meeting of the Company to be held at the Quayside Room, Museum of London Docklands, No.1 Warehouse, West India Dock Road, London E14 4AL on Friday, 13 November 2015 at 11.30 am is set out at the end of the Circular. A Proxy Form for use at the General Meeting is enclosed. Whether or not you propose to attend the General Meeting, please complete and submit the enclosed Proxy Form in accordance with the instructions printed on it. The Proxy Form must be received by no later than 11.30 am on Wednesday, 11 November 2015. Completion and return of the Proxy Form will not prevent you from attending and voting at the General Meeting in person, should you wish. Alternatively you can register your proxy vote electronically no later than 11.30 am on Wednesday, 11 November 2015, either by means of a website provided by Equiniti, www.sharevote.co.uk, or CREST members can use the service provided by Euroclear. Further details are given in the notes to the Notice of General Meeting set out in the Notice of General Meeting at the end of this Circular.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures set out in the notes to the Notice of General Meeting set out in the Notice of General Meeting at the end of this Circular, as soon as possible and in any event no later than 11.30 am on Wednesday, 11 November 2015 (or in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Numis, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as sole sponsor, financial adviser and joint corporate broker to the Company and no one else in connection with the Acquisition, will not regard any other person (whether or not a recipient of this Circular) as a client in relation to the Acquisition and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Acquisition or any other transaction or arrangement referred to or contained in this Circular.

Aside from the responsibilities and liabilities, if any, which may be imposed under the FSMA or the regulatory regime established thereunder, or any other applicable regulatory regime, neither Numis nor any of its affiliates accept any responsibility or liability whatsoever for, and no representation or warranty, express or implied is made by Numis in relation to, the contents of this Circular, including its accuracy, fairness, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Acquisition, the Ordinary Shares or the Consideration Shares. Each of Numis and its affiliates accordingly disclaims any and all responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), in respect of this Circular or any such statement or otherwise.

Notice to all investors

This Circular is not intended to and does not constitute or form part of any offer or invitation to purchase or subscribe for, or any solicitation to purchase or subscribe for, Ordinary Shares, including the Consideration Shares, in any jurisdiction. The information provided in this Circular is provided solely for the purpose of considering the Resolutions. Any reproduction or distribution of this Circular, in whole or in part, and any disclosure of its contents or use of any information contained in this Circular for any purpose other than considering the Resolutions is prohibited.

No person has been authorised to give any information or make any representations other than those contained in this Circular or incorporated by reference herein and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company or Numis. None of the above take any responsibility or liability for, and can provide no assurance as to the reliability of, other information that you may be given. Subject to the Listing Rules, the Prospectus Rules and the Disclosure and Transparency Rules, the delivery of this Circular shall not, under any circumstances, create any implication that there has been no change in the affairs of Trinity Mirror or Local World since the date of this Circular or that the information in this Circular is correct as at any time after its date.

The contents of this Circular are not to be construed as legal, business or tax advice. Each Shareholder should consult their own legal adviser, financial adviser or tax adviser for legal, financial or tax advice respectively.

Distribution of this Circular by any recipient may be restricted or prohibited by law. Recipients are required to inform themselves of, and comply with, all such restrictions or prohibitions.

Notice to overseas shareholders

This Circular is not an offer of securities for sale in the United States and there will be no public offer of securities in the United States. The securities discussed herein have not been and will not be registered under the US Securities Act or under the securities law of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and otherwise in compliance with any applicable securities laws of any state or other jurisdiction of the United States. Neither the Ordinary Shares nor the Consideration Shares have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or any US regulatory authority, nor have such authorities reviewed or passed upon the adequacy or accuracy of this Circular. Any representation to the contrary is a criminal offence in the United States.

Information regarding forward-looking statements

This Circular contains (or may contain) statements that are, or may be deemed to be, "forward-looking statements". Forward-looking statements are based on current expectations and projections about future events and other matters that are not historical fact. These forward-looking statements are sometimes identified by the use of a date in the future or forward-looking terminology, including, but not limited to, the words "aim", "anticipate", "believe", "intend", "plan", "estimate", "expect", "may", "target", "project", "will", "could" or "should" or, in each case, their negative or other variations or words of similar meaning. These forward-looking statements include matters that are not historical facts and include statements that reflect the Directors' intentions, beliefs and current expectations. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future or are beyond Trinity Mirror's control. They are not guarantees of future performance and are based on one or more assumptions.

Forward-looking statements appear in a number of places throughout this Circular and include statements regarding the intentions, beliefs or current expectations of Trinity Mirror concerning, without limitation:

current and future years' outlook; revenue and revenue trends; EBITDA; capital expenditure; shareholder returns including progressive dividends; net debt; credit ratings; Trinity Mirror's investment in print and digital media; enhancing Trinity Mirror's portfolio of print and digital businesses; the performance and growth of, and opportunities available in, regional print and digital media and Trinity Mirror's positioning to take advantage of those opportunities; expectations regarding competition, market shares, prices and growth; Trinity Mirror's possible or assumed future results of operations and/or those of its associates and joint ventures; investment plans; anticipated financial and other benefits and synergies resulting from the Acquisition, including revenue, operating cost and capital expenditure synergies; and Trinity Mirror's plans and objectives following the Acquisition.

Statements contained in this Circular regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Any forward-looking statements in this Circular reflect Trinity Mirror's view with respect to future events as at the date of this Circular and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the conditions to the Acquisition being satisfied, increased leverage as a result of the Acquisition, Trinity Mirror's ability to integrate the businesses and retention of key personnel, the successful realisation of the anticipated synergies and strategic benefits and an adequate return on its investment from the Acquisition, consumer behaviour, maintenance of Local World's performance and momentum in its business throughout integration and Trinity Mirror's operations, result of operations, financial condition, growth, strategy, the industry in which Trinity Mirror operates, and the other risk factors highlighted in this Circular. No assurances can be given that the forward-looking statements in this Circular will be realised. Trinity Mirror's actual performance, results of operations, internal rate of return, financial condition, distributions to shareholders, the development of its financing strategies and the results or eventual success of the Acquisition may differ materially from the impression created by the forward-looking statements contained in this Circular. In addition, even if Trinity Mirror's actual performance, results of operations, financial condition, distributions to Shareholders and results of the Acquisition are consistent with the forward-looking statements contained in this Circular, those results or developments may not be indicative of results or developments in subsequent periods.

Forward-looking statements contained in this Circular apply only as at the date of this Circular. Subject to any obligations under the Listing Rules and the Disclosure Rules and Transparency Rules or any other applicable law or regulation, Trinity Mirror undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

To the extent that any document or information incorporated by reference or attached to this Circular, itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Circular, except where such information or documents are stated within this Circular as specifically being incorporated by reference or where this Circular is specifically defined as including such information. Capitalised terms have the meanings ascribed to them in Part VII (*Definitions*).

The contents of Trinity Mirror's website, the website of Local World, or any website directly or indirectly linked to any of those websites do not form part of this Circular and should not be relied upon, without prejudice to the documents incorporated by reference into this Circular.

This Circular is dated 28 October 2015.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The times and dates in the table below and elsewhere in this Circular are given on the basis of the Directors' current expectations and are subject to change. All references to time in this Circular are to London time.

Announcement of Acquisition	28 October 2015
Latest time and date for receipt of Proxy Forms	11.30 am on 11 November 2015
General Meeting	**11.30 am on 13 November 2015**
Completion of Acquisition	13 November 2015
Admission of, and commencement of dealings in, Consideration Shares	16 November 2015

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	David Grigson	*Chairman*
	Simon Fox	*Chief Executive*
	Vijay Vaghela	*Group Finance Director*
	Jane Lighting	*Senior Independent Director*
	Lee Ginsberg	*Non-executive Director*
	David Kelly	*Non-executive Director*
	Helen Stevenson	*Non-executive Director*
Company Secretary	Jeremy Rhodes	
Registered Office	One Canada Square Canary Wharf London E14 5AP	
Sponsor & Financial Adviser	Numis Securities Limited 10 Paternoster Row London EC4M 7LT	
Legal Advisers to the Company	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ	
Legal Advisers to the Sponsor	Ashurst LLP Broadwalk House 5 Appold Street London EC2A 2HA	
Reporting Accountants	Deloitte LLP 2 New Street Square London EC4A 3BZ	
Registrars	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA	

GENERAL INFORMATION

Presentation of financial information

Unless otherwise stated:

(a) financial information relating to Trinity Mirror has been extracted without material adjustment from the audited consolidated financial statements of the Company or from the unaudited consolidated interim financial statements of the Company;

(b) financial information relating to Local World has been extracted without material adjustment from the Historical Financial Information set out in Part IV (*Historical Financial Information relating to Local World*) of this document; and

(c) all prices quoted for Ordinary Shares are closing prices in Pounds Sterling as provided by the London Stock Exchange.

Unless otherwise indicated, financial information in this Circular relating to the Company and Local World has been prepared in accordance with IFRS and consistently with the accounting policies adopted by Trinity Mirror in preparing its financial statements for the 52 weeks ended 28 December 2014.

Rounding

Certain data in the Circular, including financial, statistical and operating information, have been rounded. As a result of rounding, the totals of data presented in this Circular may vary slightly from the actual arithmetic totals of such data. Percentages have also been rounded and accordingly may not add up to 100 per cent.

Market data

Where information contained in this Circular has been sourced from a third party, Trinity Mirror and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

PART I
LETTER FROM THE CHAIRMAN OF TRINITY MIRROR PLC

TRINITY MIRROR PLC

(Company number 82548)

Directors:

David Grigson	*Chairman*
Simon Fox	*Chief Executive*
Vijay Vaghela	*Group Finance Director*
Jane Lighting	*Senior Independent Director*
Lee Ginsberg	*Non-executive Director*
David Kelly	*Non-executive Director*
Helen Stevenson	*Non-executive Director*

Registered office:

One Canada Square
Canary Wharf
London E14 5AP

28 October 2015

To the holders of Ordinary Shares

Dear Shareholder,

1. Introduction

On 28 October 2015, Trinity Mirror announced the proposed acquisition of all of the Local World Shares not already owned by the Company for a net purchase price of £151.5 million (representing the gross purchase consideration of £154.4 million, being the Sellers' total share of the equity value of £193 million, less transaction costs of £2.9 million to be borne by the Sellers) for the 80.02 per cent. interest. This values 100 per cent. of Local World at £220 million on a cash free and debt free basis.

In view of its size, the Acquisition constitutes a Class 1 transaction for the purposes of the Listing Rules and therefore requires the approval of Shareholders. Accordingly, a General Meeting of Shareholders has been convened at 11.30 am on Friday, 13 November 2015 to be held at the Quayside Room, Museum of London Docklands, No.1 Warehouse, West India Dock Road, London E14 4AL. The Notice of General Meeting can be found at the end of this Circular.

I am writing to give you further details of the Acquisition, including the background to and reasons for it, to explain why the Board considers it to be in the best interests of the Company and the Shareholders as a whole and to recommend that you vote in favour of the Acquisition.

2. Background to, and reasons for, the Acquisition

Trinity Mirror's strategic objective is to deliver sustainable growth in revenue and profit. Our aim is to do so by driving the profitability and cash flow of our core publishing and printing operations whilst building our digital publishing revenues and seeking out appropriate investment opportunities, both organically and through acquisition.

Trinity Mirror's businesses operate in the rapidly evolving media sector and face a challenging trading environment which continues to place structural pressure on Trinity Mirror's print-related revenue while at the same time presenting opportunities to grow Trinity Mirror's digital revenue. The print segment continues to face challenges with paid-for newspaper sales declining and the share of print advertising declining while total advertising spend is growing. As the majority of Trinity Mirror's revenue is currently generated from print circulation and print advertising, our strategy is to ensure that declines in print revenue are minimised and ultimately offset by growth in digital revenue over the longer term.

Our goals will be delivered through four key areas of strategic focus:

1. protecting and revitalising our core brands in print;

2. growing our existing brands onto digital delivery channels;
3. continuing our relentless focus on efficiency and cost management; and
4. launching, developing, investing in or acquiring new businesses built around distinctive content or audience.

The Acquisition is an attractive opportunity which is consistent with our strategic objective and goals and firmly fits into our fourth area of strategic focus, above.

Strength of the regional publishing market

The UK has one of the most avid local newspaper readerships in the world. According to Kantar Media TGI analysis for the period April 2014 to March 2015, 44 per cent. (23 million) of the adult population in Great Britain reads a regional newspaper (source: Kantar Media UK report, 13 August 2015).

Whilst structural pressures have seen circulation volume declines for regional newspapers, the industry is still distributing an estimated 24 million copies a week, of which 15 million are paid for and 9 million are free to readers (source: Enders Analysis report [2015-032], 16 April 2015). At the same time, regional publishers are continuing to make significant traction in growing their digital news platforms—ABC figures for January to June 2015 reported a 44 per cent. year on year growth in daily unique browsers (source: ABC, June 2015). Media research firm Enders Analysis forecasts regional digital advertising revenue in aggregate to grow on a double digit basis year on year over the next four years (source: Enders Analysis report [2015-071], 13 August 2015).

Taking into account the attractions of the regional publishing industry and Trinity Mirror's efficient operating model and track record, the Directors believe that a larger regional business (in terms of audience reach, mix of print and digital media, titles and geographic footprint) combined with our national news brands represents a highly attractive platform for value generation for customers (both advertisers and readers) and shareholders alike. The Acquisition reinforces Trinity Mirror's commitment to news media and enables us to participate in a compelling business opportunity with the consolidation of strong local media brands.

The Acquisition will transform Trinity Mirror into the UK's largest regional news publisher

The Board believes that the Acquisition represents a unique opportunity to transform the scale of the Trinity Mirror Group's regional news business and is an important step towards Trinity Mirror's strategic goal of creating a multi-media business of scale by:

- creating the largest newspaper publishing business in the UK combining both regional and national titles;
- extending Trinity Mirror's regional business into new geographic areas;
- incorporating a portfolio of titles and websites with strong brands and which represent a strong strategic and a complementary geographic fit with Trinity Mirror's existing portfolio of titles and websites; and
- providing advertisers with greater reach and a more efficient footprint of regions from which to advertise to their target audiences.

Trinity Mirror believes that the combination of the two businesses to create a regional and local multi-media business of scale will provide national advertisers with access to a larger footprint of key metropolitan areas. The combined regional businesses will also be more resilient in responding to the structural challenges faced by the industry and will thereby assist in safeguarding the future of independent local news and plurality of voices. As of July 2015, Trinity Mirror's regional titles accounted for 19 per cent. of the total weekly circulation of regional and local newspapers in the UK and Ireland; collectively, after the Acquisition, the combined regional businesses will account for close to 30 per cent. of total regional and local newspapers weekly circulation in the UK and Ireland (source: Local Media Works July 2015; ABC/independently audited figures).

The Enlarged Group will have an average weekly circulation of 9 million regional newspapers comprising 36 daily newspapers, including 8 Metros outside London, 88 weekly paid for newspapers, including 5 Sunday newspapers, and 43 weekly free newspapers.

The Acquisition will further enhance our digital reach

Trinity Mirror is currently the largest regional publisher online, attracting 30 million unique browsers in June 2015. Local World has been making good progress with their digital transformation and experimenting with new revenue formats online. It reported 24 million unique browsers in June 2015, and is ranked third largest of the reported ABC regional publishers.

The Acquisition will lend considerable strength to Trinity Mirror's digital portfolio, enabling Trinity Mirror to compete more effectively with digital competitors. The Enlarged Group's digital portfolio would comprise a network of publishing websites (including national titles) delivering 120 million monthly unique browsers and 790 million monthly page views as at June 2015 with 62 per cent. of its online audience based in the UK.

The Acquisition will create a digital network of scale to sell to advertisers, enable the sharing of best practices, content and resources, across both businesses.

Local World has delivered strong financial performance

Local World was established at the end of 2012 and the business has delivered a strong financial performance over the last two years. The business delivered revenue of £231 million and £221 million in 2013 and 2014 respectively. In these two years a decline in print revenue was partly mitigated by growth in digital revenue. Further economies of scale enabled the business to reduce its cost base and as a result Adjusted Operating Profit grew from £36 million in 2013 to £39 million in 2014 despite the revenue decline. This strong performance is anticipated to continue in 2015.

Local World is pursuing a strategy to transform its business model and has continued to invest in its digital strategy. This is evident in its digital audience growth from 9 million monthly unique browsers in June 2013 to 24 million in June 2015.

Local World has strong cash flows and from Adjusted EBITDA of £39 million and £42 million in 2013 and 2014 respectively generated net operating cash flows of £34 million and £37 million, respectively. It has no historic pension deficit and has low levels of capital expenditure as the business does not own any print sites.

Local World's business is well known to Trinity Mirror and the Acquisition will enable Trinity Mirror to take full ownership of a successful investment

Trinity Mirror already holds a 19.98 per cent. holding in Local World, which was acquired for cash consideration of £14.2 million in January 2013. That initial investment has been successful, with total dividends of £15.1 million having been received from Local World over the past two years. As a consequence of our continued investment in Local World, and representation on the board of directors of Local World, Trinity Mirror is already very familiar with the Local World business. In addition, Trinity Mirror already provides printing and national advertising services to Local World.

The Acquisition will deliver cost synergies

The Enlarged Group will benefit from Trinity Mirror's track record of successful cost management, creating scope for cost synergies. Cost synergies are expected to arise through the implementation of Trinity Mirror's tight management of the cost base, by deploying know-how learned during the delivering of historic structural costs savings in Trinity Mirror's own regional businesses and through the integration and future operation of certain activities on a group-wide basis across the Enlarged Group. It is anticipated that cost savings will be achieved following the Acquisition, amounting to an annual recurring £12 million before tax from the second full year after the Acquisition (assuming the Proposed On-Sale referred to in paragraph 4 below does not complete, or £10 million per annum if it does). The cost savings are expected to accrue in the areas of content generation (£3.2 million), advertising cost of sale (£2.3 million), digital costs (£1.6 million), printing and distribution (£1.4 million), and management and central costs (£3.5 million).

It is anticipated that total non-recurring costs of £11 million will be incurred during the first and second year of ownership in order to deliver these cost savings.

The synergies identified above reflect both beneficial elements and relevant costs that will arise as a result of the Acquisition. These synergies are contingent on the Acquisition and could not be achieved by Trinity Mirror and Local World operating independently. In the event that, following completion of the

Acquisition, Trinity Mirror completes the Proposed On-Sale, certain dis-synergies will arise as described in Part III (*Summary of the Principal Terms of the Acquisition and The Heads of Terms*).

3. Information on Local World

Local World is one of the largest regional news publishers in the UK.

Local World was established at the end of 2012 through the acquisition of the regional publishing assets of Northcliffe Media Limited and Iliffe News & Media Limited. These acquisitions brought strong publishing brands, efficient operations and experienced management and staff from each of Northcliffe and Iliffe together into one business of greater scale from which further efficiencies could be achieved. The assets were acquired free of historic pension deficits or obligations and without any print sites, all printing having been secured under outsourced contracts, providing Local World the opportunity to invest in digital growth and retain a high proportion of its operating cash flows.

Local World's print portfolio:

- comprises 83 print publications: 16 daily paid titles, 2 Metro franchises, 36 paid weekly titles and 29 free weekly titles;
- has its main footprint in the South West and Wales, London and the South East, and the Midlands and the North; and
- includes 7 of the top 20 regional paid daily titles (by circulation) in England and Wales which, alongside Trinity Mirror's regional titles, would result in the Enlarged Group having 13 of the top 20.

Local World's digital portfolio:

- attracts a growing digital audience with 24 million monthly unique browsers;
- generates approximately 167 million monthly page views; and
- has approximately 87 per cent. of its online audience based in the UK, as at June 2015,

Local World generated £221 million of revenues and £42 million of Adjusted EBITDA in 2014. Of the total revenues, 11 per cent. are digital and these grew by 21 per cent. year on year in 2014.

4. Summary of the key terms of the Acquisition and the Heads of Terms

Under the terms of the Share Purchase Agreement, Trinity Mirror will (subject to the satisfaction of certain conditions) acquire all of the Local World Shares that it does not already own from the selling shareholders, who are Daily Mail and General Holdings Limited; the Honourable Edward Richard Iliffe ("**ERI**"); the Trustees of the 1997 A&M Funds of Lord Iliffe's Settlement Dated 1 April 1969; Torchlight Fund LP; David Montgomery; Rowanmoor Trustees Limited, re DM; Odey European Inc; OEI MAC Inc. and Glenrinnes Farms Limited (the "**Sellers**")—for a purchase price based on a total indicative equity value for Local World of £193 million (which in turn has been derived from an enterprise value for Local World of £220 million, implying an Adjusted EBITDA multiple of five-times 2014 Adjusted EBITDA, less adjustments for net debt, working capital and debt like items).

Based on the 80.02 per cent. shareholding being acquired, the net purchase consideration of £151.5 million (representing the gross purchase consideration of £154.4 million, being the Sellers' total share of the equity value of £193 million, less transaction costs of £2.9 million to be borne by the Sellers) for the Local World Shares not already owned by the Company will be satisfied by the payment to the Sellers of, in aggregate, £146.2 million in cash and the allotment and issue to certain of the Sellers of, in total, 3.4 million Consideration Shares. The proportion of cash and Consideration Shares to be paid to each Seller is set out in the Share Purchase Agreement; please refer to Part III (*Summary of the Principal Terms of the Acquisition and The Heads of Terms*) of this Circular for further detail.

The cost to Trinity Mirror set out in the unaudited pro forma statement of the combined net assets of the Enlarged Group as at 28 June 2015 in Part V (*Unaudited Pro Forma Financial Information for the Enlarged Group*) of this Circular of £181.4 million reflects the gross purchase consideration of £154.4 million plus adjustment for net debt, working capital and debt like items of £27.0 million. Transaction costs of some £6.0 million will be incurred by Trinity Mirror in relation to the Acquisition and Equity Placing.

The Share Purchase Agreement contains customary warranties, covenants, undertakings and conditions for a transaction of this nature. The cash component of the consideration will be subject to a £10 million retention, which will be paid into an escrow account at Completion. Any amounts payable by the Sellers in respect of any claim under the Share Purchase Agreement will be paid out of the escrow account. To the extent that any such claim exceeds the amount placed in escrow, Trinity Mirror has put in place a standard warranty and indemnity insurance policy which, together with the £10 million retention held in escrow, provides for cover up to an amount of £22 million.

The Consideration Shares will be allotted and issued to the relevant Seller(s) at Completion based on a reference price of 158 pence per share. The Consideration Shares represent 1.3 per cent. of Trinity Mirror's existing ordinary share capital.

On completion, with the exception of Simon Fox and Vijay Vaghela, all Executive and Non Executive directors will resign as directors of Local World. David Montgomery and Lisa Gordon will also leave the business shortly after completion. Rachel Addison, the Chief Operating Officer of Local World, will be promoted to the role of Managing Director, Local World, reporting to Simon Fox.

In connection with the Acquisition, Trinity Mirror has signed Heads of Terms with Edward Richard Iliffe, one of the Sellers, which set out the principal terms and conditions on which ERI is willing to purchase the businesses and assets of certain of the local newspaper titles located around Cambridge and Hertfordshire currently in the Local World portfolio to be acquired by the Company pursuant to the Acquisition. In the 52 weeks ended 28 December 2014, these businesses contributed approximately £3.1 million to the Adjusted EBITDA of Local World (approximately 7.3 per cent of the total Adjusted EBITDA of Local World in such period). As at 28 December 2014, the value of the gross assets attributable to these titles was £10.6 million (approximately 6.8 per cent of the total gross assets of Local World as at such date). Further details of the assets which may be acquired by ERI and the possible financial impact of the Proposed On-Sale on the Enlarged Group (including potential dis-synergies that it may create) are more particularly described in Part III (*Summary of the Principal Terms of the Acquisition and The Heads of Terms*).

Details of the Share Purchase Agreement and the Heads of Terms are set out in more detail in Part III (*Summary of the Principal Terms of the Acquisition and The Heads of Terms*) of this Circular.

5. Financial effects of the Acquisition

Information on the expected effect of the Acquisition on the assets and liabilities of the Enlarged Group is set out in the unaudited pro forma statement of the combined net assets of the Enlarged Group as at 28 June 2015 in Part V (*Unaudited Pro Forma Financial Information for the Enlarged Group*) of this Circular.

The Board believes that the Acquisition will generate considerable value for shareholders, with increased scale and cost synergies.

The key financial implications of the Acquisition are as follows:

- following the Acquisition, the Enlarged Group will have a robust balance sheet with pro forma net assets of £667 million and leverage not increasing beyond one times on a pro forma basis;
- earnings enhancing in the first full year following the Acquisition;
- strong cash generation, which provides financial flexibility for continued investment, potential return of capital to shareholders and continued support for Trinity Mirror's historic defined benefit pension scheme liabilities; and
- recurring cost synergies will further enhance the financial strength of the Trinity Mirror Group.

6. Financing of the Acquisition

The consideration for the Local World Shares to be acquired by Trinity Mirror will be payable as a combination of cash and Consideration Shares issued to the Sellers. Trinity Mirror will fund the cash element of the purchase price by utilisation of the New Debt Facility which will be fully drawn, from £61.3 million existing cash resources and from the proceeds of the Equity Placing, which was announced on 28 October 2015 and which is expected to raise net proceeds of £34.8 million.

The Company entered into a Placing Agreement with Numis and Barclays on 28 October 2015, pursuant to which Numis and Barclays agreed on a reasonable endeavours basis to procure institutional placees for the Placing Shares (as such term is defined in the Placing Agreement) or failing which, to subscribe themselves for the Placing Shares, at the Placing Price. The Equity Placing is not conditional on the Acquisition.

Should the Acquisition not proceed, the Board will consider the appropriate application of the net proceeds of the Equity Placing, but it is anticipated that they may be used to support the Trinity Mirror Group's strategic objectives, to reduce net debt or for general corporate purposes.

Aberforth Partners, on behalf of its clients, has agreed to participate as a placee in the Placing in respect of 4.4 million new ordinary shares for a total consideration of £7.0 million. Aberforth Partners is a related party of the Company for the purposes of the Listing Rules by virtue of its clients holding in excess of 10 per cent. of the Company's issued share capital. The entry into the Placing of Aberforth Partners, on behalf of its clients, in respect of its placing commitment constitutes a small or related party transaction for the purposes of 11.1.10R of the Listing Rules.

Further details of the principal terms of the Placing Agreement are set out in paragraph 9 of Part VI (*Additional Information*) of this Circular.

7. Current Trading and Prospects

Trinity Mirror

On 5 October 2015 Trinity Mirror released the following trading update:

"The Board continues to expect performance for the year to be in line with expectations.

Whilst the trading environment remains volatile, revenue trends have seen some improvement in the third quarter (13 weeks to 27 September 2015) with revenue falling by 9% against a 13% decline in the second quarter (13 weeks to 28 June 2015). Underlying revenue[1] *fell by 7% in the third quarter compared to the 10% decline in the second quarter. On an underlying basis Publishing revenue fell by 6% with print declining by 8% and digital growing by 24%.*

We continue to deliver strong growth in our digital audience[2] *with average monthly unique users and page views growing by 31% and 48% respectively in the third quarter. Publishing digital revenue grew by 24% with Publishing digital display advertising revenue growing by 33%.*

We have seen an improvement in trends with underlying circulation and print advertising revenue for the Publishing division falling by 5% and 16% respectively in the third quarter. This compares to underlying declines in circulation and print advertising revenues of 5% and 23% respectively in the second quarter.

We continue to make good progress against our strategic initiatives and the business continues to deliver strong cash flows and remains on track to deliver structural cost savings of £20 million for the year.

On 10 August 2015, our subsidiary MGN Limited was granted permission to appeal the judgment handed down on 21 May 2015 by Mr Justice Mann in relation to civil claims relating to phone hacking. We can now confirm that the appeal, which has been expedited, will be heard over two days during the week commencing 19 October 2015. At this stage we cannot be specific on the timing of the outcome of the appeal.

[1] *Underlying trends exclude revenues for titles closures in the South and the newsprint supply to the Independent and i which ceased at the end of 2014. In 2014 the revenue generated by the titles closed in the South was £4.5 million and from newsprint supply to the Independent and i was £11.1 million.*

[2] *Average monthly unique users and page views for the Publishing division across web, mobile and apps for July to September 2015 versus July to September 2014."*

MGN Limited's appeal of the judgment handed down on 21 May 2015 by Mr Justice Mann in relation to civil claims relating to phone hacking was heard by the Court of Appeal on 20 and 21 October 2015. Judgment is awaited.

Local World

Local World continues to generate strong cash flows in 2015 despite continued declines in its print revenues in common with the regional newspaper industry. It has utilised these operating cash flows to continue investing in digital growth and in distributions to shareholders.

In January 2015, Local World repaid its existing loan of £10 million and signed a new £50 million bank loan, facilitating the distribution of £60 million to shareholders, through the payment of a £50 million dividend on 28 January 2015 and £10 million on 6 February 2015.

8. Dividend Policy of the Enlarged Group

A final dividend for 2014 of 3 pence per Ordinary Share was paid in June 2015, being the first dividend paid by Trinity Mirror since 2008. The Board has approved an interim dividend for 2015 of 2 pence per share. This will be paid on 30 November 2015 to Shareholders on the register on 2 October 2015. This is in line with the dividend policy aligned to the free cash generation of Trinity Mirror and the investment required to deliver sustainable growth in revenue and profit over the medium term. This policy will not be affected by the Acquisition. The Consideration Shares will not rank for the 2015 interim dividend.

9. Settlement of, and listing and dealing in, the Consideration Shares

The Consideration Shares will be issued at Completion, credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares, including the right to receive all dividends, distributions or any return of capital declared, made or paid after Completion, save for the interim dividend payable on 30 November 2015.

10. The General Meeting

The Notice of General Meeting, at which the Acquisition Resolution summarised below will be proposed, is set out at the end of this Circular. The Acquisition Resolution is required in order to enable the Company to implement the Acquisition and, accordingly, the Acquisition is conditional on the Acquisition Resolution being passed. The full text of the Acquisition Resolution is set out in the Notice of General Meeting.

The Acquisition Resolution proposes that the Acquisition be approved and that the Directors be authorised to take all steps and enter into all agreements and arrangements necessary, expedient or desirable to implement the Acquisition.

The Acquisition Resolution will be proposed as an ordinary resolution. The Acquisition Resolution must be approved by Shareholders who together represent a simple majority of the Ordinary Shares being voted (whether in person or by proxy) at the General Meeting.

11. Action to be taken

A Proxy Form for use in relation to the General Meeting which covers the Acquisition Resolution to be proposed at the General Meeting accompanies this Circular. Shareholders can also submit or register the appointment of their proxy electronically at www.sharevote.co.uk.

If you hold Ordinary Shares in CREST, you may instead appoint a proxy by completing and transmitting a CREST Proxy Instruction to the Company's registrars, Equiniti. Guidance notes to assist you in completing the Proxy Form or to register the appointment of a proxy electronically or to complete and transmit a CREST Proxy Instruction are set out in the Notice of General Meeting at the end of this Circular.

Whether or not you intend to be present at the General Meeting, Shareholders are requested to complete and return the accompanying Proxy Form in accordance with the instructions printed thereon or to register the appointment of a proxy electronically or, if you hold Ordinary Shares in CREST, to complete and transmit a CREST Proxy Instruction.

Completed Forms of Proxy should be returned to the Company's registrars, Equiniti, and any electronic proxy instruction or CREST Proxy Instruction should be made as soon as possible and, in any event, so as to be received no later than 11.30 am on Wednesday, 11 November 2015.

The completion and return of a Proxy Form or the transmittal of an electronic proxy registration or CREST Proxy Instruction will not prevent you from attending the General Meeting and voting in person if you wish to and are entitled to do so.

12. Further Information

Your attention is drawn to the further information set out in Part II (*Risk Factors*) to Part VI (*Additional Information*) of this Circular and in particular the risk factors set out in Part II (*Risk Factors*) of this Circular.

Investors should read the whole of this Circular and not rely solely on information summarised in this letter, including the summarised financial information.

13. Recommendation

The Board has received financial advice from Numis in relation to the Acquisition. In providing such financial advice to the Board, Numis has relied on the Board's commercial assessment of the Acquisition. The Board considers the terms of the Acquisition and the Acquisition Resolution to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Acquisition Resolution as they intend to do in respect of their own beneficial holdings of Ordinary Shares.

Yours faithfully,

for and on behalf of Trinity Mirror plc

David Grigson

PART II
RISK FACTORS

Prior to voting on the resolutions at the General Meeting, you should carefully consider, together with all other information contained in this Circular, the specific risks and uncertainties described below.

The Directors consider the following to be the material risk factors relating to the Acquisition and to which Trinity Mirror and Local World are (and, following Completion, the Enlarged Group will be) exposed. However, these should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties. Additional risks and uncertainties that are not presently known to the Directors, or which they currently deem immaterial, may also have an adverse effect on the Enlarged Group's operating results, financial condition and prospects if they materialise. The information given is as at the date of this Circular and, except as required by the FCA, the London Stock Exchange, the Listing Rules or the Disclosure and Transparency Rules (and/or any regulatory requirements or applicable law), will not be updated.

If any or a combination of the following risks and uncertainties actually materialise, the Enlarged Group's business, financial condition and results of operations could be materially and adversely affected. In such case, the price of the Ordinary Shares could decline and Shareholders may lose some or all of their investment.

RISKS RELATING TO THE ACQUISITION

Trinity Mirror may sustain losses in excess of the limitations on the Sellers' liability under the Share Purchase Agreement and/or the Sellers may not be in a financial position to satisfy any claims

Under the terms of the Share Purchase Agreement, the Sellers have given certain representations, warranties, indemnities and covenants in favour of Trinity Mirror. In addition, Trinity Mirror has taken out W&I Insurance to provide (subject to customary exceptions) financial recourse in respect of certain of the representations, warranties, indemnities and covenants of the Sellers in the Share Purchase Agreement in the event that the financial limitations of the Sellers in the Share Purchase Agreement are exceeded. The liabilities of the Sellers under the Share Purchase Agreement and of the insurers under the W&I Insurance policy are both subject to limitations and in any event limited in amount and Trinity Mirror may therefore sustain losses in excess of any such limitations. The Sellers' liability is subject to a de minimis of £100,000 per relevant claim (being, for the purposes of the de minimis and basket, a breach of the Share Purchase Agreement other than a tax covenant claim, a tax claim or a claim under the locked box or expenses indemnities) and a threshold of £1,250,000, above which threshold the Sellers are liable for the whole amount of the claim and not only the excess. The Sellers' liability under both relevant claims and tax covenant claims is capped at the £10 million retention sum. Each Seller is only liable pro rata to its respective proportion of the consideration. The Sellers' liability is also limited in time; claims must be brought within two years of Completion with the exception of tax claims, which must be brought within 4 years from the end of the accounting period in which Completion occurs.

Please see Part III (*Summary of the Principal Terms of the Acquisition and The Heads of Terms*) of this Circular for a summary of the principal terms and conditions relating to the Acquisition.

The Acquisition is conditional and the conditions may not be satisfied

Completion is conditional upon satisfaction of various Conditions, including the passing of the Acquisition Resolution and Admission of the Consideration Shares, prior to the Long Stop Date (or such later date as the parties may agree).

In the event that the General Meeting resolves not to approve the Acquisition Resolution or the Conditions are not satisfied by the Long Stop Date (or such later date as the parties may agree), the Share Purchase Agreement will automatically terminate.

If the Conditions are not satisfied Trinity Mirror would nonetheless be required to pay significant fees and other costs incurred in connection with the Acquisition (including financing, financial advisory, legal and accounting fees and expenses).

If the Acquisition Resolution is approved at the General Meeting and each of the other Conditions is satisfied prior to the Long Stop Date (or such later date as the parties may agree), Trinity Mirror will be contractually obliged to proceed to Completion unless the Share Purchase Agreement is otherwise terminated in accordance with its terms.

There can be no assurance that the Conditions will be fulfilled or that the Acquisition will be completed.

Local World may not perform in line with expectations

If the financial results and cash flows generated by Local World and its future prospects are not in line with Trinity Mirror's expectations, a write-down may be required against the carrying value of Trinity Mirror's investment in Local World and/or accounting goodwill and other intangible assets generated upon acquisition. Such a write-down may affect Trinity Mirror's (and, following completion of the Acquisition, the Enlarged Group's) business and may also reduce Trinity Mirror's ability to generate distributable reserves by the extent of the write-down and consequently affect its ability to pay dividends.

The Enlarged Group may experience difficulties in integrating Local World with the existing businesses carried on by Trinity Mirror and the Enlarged Group may not realise, or it might take the Enlarged Group longer than expected to realise, certain or all of the anticipated benefits of the Acquisition

Trinity Mirror and Local World currently operate and, until Completion, will continue to operate as two separate and independent businesses. The Acquisition will require the integration of Local World with the existing businesses carried on by Trinity Mirror and the success of the Enlarged Group will depend, in part, on the effectiveness of the integration process and the ability of the Enlarged Group to realise the anticipated benefits and synergies from combining the respective businesses.

The integration of Local World may involve particular challenges, some of which may not be known until after Completion. The process of integrating Local World with the existing businesses carried on by Trinity Mirror could potentially lead to operational interruption or a loss of key personnel, either or both of which could have an adverse effect on the business, financial condition and results of operations of the Enlarged Group. Any delays or difficulties encountered in connection with the integration of Trinity Mirror's and Local World's businesses could also lead to reputational damage to the Enlarged Group. Trinity Mirror's and Local World's management teams will be required to devote significant attention and resources to integrating their respective business practices and operations. There is a risk that the challenges associated with managing the integration of Trinity Mirror's and Local World's respective businesses will result in management distraction and that, consequently, the underlying businesses will not perform in line with expectations.

Trinity Mirror and Local World expect to incur a number of costs in relation to the Acquisition, including integration and post-Completion costs, which could exceed amounts estimated. There may also be further additional and unforeseen expenses incurred in connection with the Acquisition. These costs could have an adverse effect on the operating results, business, financial condition and prospects of the Enlarged Group.

Trinity Mirror can offer no assurance that the Enlarged Group will realise the potential benefits of the Acquisition, including synergies, to the extent and within the timeframe contemplated or at all. If Trinity Mirror is unable to successfully integrate the Acquired Business, this could have a negative impact on the business, results of operations, financial condition and/or prospects of the Enlarged Group.

The Enlarged Group may not realise the desired synergy benefits from the Acquisition

Trinity Mirror is targeting synergies from the Acquisition, and the financial planning for the Enlarged Group is based in part on realising these synergies, which include expected cost savings of, in aggregate, £12 million per annum before tax (assuming the Proposed On-Sale does not complete, or £10 million per annum if it does), to be realised from the second full year following Completion.

Realisation of these synergies will depend partly on the rapid and efficient management and co-ordination of the activities of the Enlarged Group's businesses. There is a risk that synergy benefits from the Acquisition may fail to materialise, or they may be materially lower than has been estimated. In addition, the cost of achieving these synergies may exceed the £11 million expectation. Such eventualities could have an adverse effect on the operating results, business, financial condition and prospects of the Enlarged Group.

Prior to Completion, Local World, and following Completion, the Enlarged Group, may fail to retain key personnel and other employees

The calibre and performance of management personnel and other employees, taken together, is important to the success of both Local World, prior to Completion, and to the Enlarged Group, following Completion, and, while plans are, or will be, put in place for the retention of management personnel and other key employees following Completion, there can be no assurance that, prior to Completion, Local World will not lose key personnel (or a significant number of personnel) or that the Acquisition will not result in the departure of management personnel and/or employees from the Enlarged Group. The departure of key or of a significant number of management personnel or employees could adversely affect Trinity Mirror's abilities to realise the benefits and synergies of the Acquisition. Such departures could also adversely affect both the Enlarged Group's ability to conduct its businesses (through an inability to execute business operations and strategies effectively) and the value of those businesses, which could have an adverse effect on the operating results, business, financial condition and prospects of the Enlarged Group.

Prior to Completion, Local World, and following Completion, the Enlarged Group, may not be able to protect intellectual property rights upon which their businesses rely and, if they lose intellectual property protection, their assets may lose value and their business may be adversely affected

A significant proportion of the value of Local World relates to its intellectual property rights, in particular its valuable brands and proprietary trademarks, content, services and internally-developed technology. The business of Local World depends (and, following Completion, the Enlarged Group will depend) on this intellectual property. The Directors believe that, following Completion, the ability of the Enlarged Group to protect its intellectual property rights would be important to the continued success and competitive position of the Enlarged Group.

The Enlarged Group may not be able to protect intellectual property rights upon which its business relies and, if it loses intellectual property protection, its assets may lose value and its business may be adversely affected. Unauthorised parties may attempt to copy or otherwise obtain the content, services, technology and other intellectual property of Local World (or, following Completion, the Enlarged Group), and it cannot be certain that the steps that have been taken to protect such proprietary rights will prevent any misappropriation or confusion among consumers and merchants, or unauthorised use of such rights. Advancements in technology have exacerbated the risk by making it easier to duplicate and disseminate content.

If Local World (or, following Completion, the Enlarged Group) has to litigate (in the United Kingdom or elsewhere) to enforce its intellectual property rights or determine the validity and scope of the proprietary rights of others, such litigation may be costly and divert the attention of the management of Local World (or, following Completion, the Enlarged Group).

If Local World (or, following Completion, the Enlarged Group) is unable to procure, protect and enforce its intellectual property rights, it may not realise the full value of these assets, and its business may be adversely affected. These occurrences could have a material adverse effect on the business, financial condition, operational results and/or prospects of Local World (or, following Completion, the Enlarged Group).

Third parties may terminate or alter existing contracts with Local World as a result of the Acquisition

Certain of the contracts which Local World has entered into contain "change of control" or similar clauses that allow the counterparty to terminate or change the terms of their contract upon Completion, or may otherwise allow the counterparty to exert leverage to renegotiate the terms of the existing contract upon Completion. Trinity Mirror and Local World will seek to obtain consents from certain of these counterparties to the continuance of the contract after the change of control, and may renegotiate terms with others. There can be no assurance that the Enlarged Group will be able to contract on the same terms as Local World does prior to Completion. If third party consents cannot be obtained, or terms that are renegotiated are unfavourable when compared with the current contracts, there may be an adverse effect on the operating results, business, financial condition and prospects of the Enlarged Group.

Following Completion Trinity Mirror may not be able to achieve optimal value in respect of the Proposed On-Sale

In connection with the Acquisition, Trinity Mirror has signed heads of terms with Edward Richard Iliffe ("ERI") in relation to the Proposed On-Sale (as described in more detail in Part I (*Letter from the Chairman of Trinity Mirror plc*) and Part III (*Summary of the Principal Terms of the Acquisition and The Heads of Terms*). As with any disposal, there is a risk that Trinity Mirror may not be able to achieve optimal value for the Proposed On-Sale for reasons including, for example, the unsuccessful separation of the assets and businesses to be sold and the management of any related costs and/or the failure to realise the anticipated benefits of any such disposal.

The Enlarged Group may face increased costs when it seeks to refinance its debt as a result of its increased level of debt following the Acquisition

The Acquisition will be funded in part by the New Debt Facility described in Part VI (*Additional Information*) of this Circular. The costs and terms on which the Enlarged Group is able to refinance the New Debt Facility and other longer-term indebtedness will depend in part on market conditions. Unfavourable market conditions may arise which could impact the cost at, and terms on which, the Enlarged Group is able to access capital markets to refinance its indebtedness which may among other things increase its cost of capital.

RISKS RELATING TO TRINITY MIRROR, LOCAL WORLD AND THE ENLARGED GROUP FOLLOWING THE ACQUISITION

The increasing popularity of digital media may result in decreased print advertising and newspaper sales revenues which may affect the larger regional business of the Enlarged Group

The Acquisition will significantly increase the scale of Trinity Mirror Group's regional newspapers business. Revenue in the regional newspaper industry is (and therefore Trinity Mirror's and Local World's regional business operations are and, following Completion, the Enlarged Group's regional business operations will be) dependent upon advertising and, to a lesser extent, newspaper sales revenue. Competition for advertising and newspaper sales revenue comes from national, local and regional free and paid-for newspapers, radio, broadcast and cable television, direct mail, classified directories, internet and other communications and advertising media that operate in the same markets as Trinity Mirror and Local World (and, following Completion, the Enlarged Group). Websites and applications for mobile devices distributing news and other content continue to gain popularity, with relatively low barriers to entry for certain web-based businesses bringing new entrants to the markets of Trinity Mirror and Local World (and, following Completion, the Enlarged Group). As a result, audience attention and advertising spending is now spread across a more fragmented media landscape. The fragmentation of media has intensified competition for advertising and has contributed, and may continue to contribute, to a decline in print advertising and newspaper sales revenue for Trinity Mirror and Local World (and, following Completion, the Enlarged Group). Should significant numbers of customers choose to receive content using these alternative delivery sources (rather than the newspapers of Trinity Mirror or Local World (or, following Completion, the Enlarged Group)), and if Trinity Mirror or Local World (or, following Completion, the Enlarged Group) is not successfully able to migrate customers onto its digital distribution channels (and/or is not able to generate equivalent revenue through such channels), the Enlarged Group may suffer decreases in advertising revenue or face a long-term decline in circulation, which is likely to have a material adverse effect on its business, operational results, financial condition and/or prospects. The increased scale of the Trinity Mirror Group's regional businesses may lead to increased exposure to declines in print advertising revenue and newspaper sales revenue.

Pension deficits may grow at such a rate so that annual cash funding consumes a disproportionate level of operating cash flow

Trinity Mirror operates a number of occupational pension schemes. Trinity Mirror pays contributions to its defined benefit pension schemes to make good the past service deficits on terms agreed with the trustees of those schemes. The accounting pension deficit fell during the first half of 2015 by £10.4 million from £301.2 million (£241.0 million net of deferred tax) to £290.8 million (£232.6 million net of deferred tax) reflecting the impact of an increase in assets of £6.0 million and a fall in liabilities of £4.4 million. The change in the accounting deficit does not impact Trinity Mirror's current funding commitments.

During 2013 the funding valuations of all schemes were aligned to 31 December 2013 and valuations were completed in December 2014. The revised recovery plan agreed with the pension scheme trustees in these valuations was annual payments of £36.2 million per annum for 2015, 2016 and 2017. In addition, Trinity Mirror has agreed that in respect of dividend payments additional contributions would be paid at 50 per cent. of the excess if dividends in 2015 were above five pence per share. For 2016 and 2017 the threshold increases in line with increases in dividends capped at 10 per cent. per annum. Trinity Mirror pre-paid £16.5 million of the 2015 contributions and £0.5 million of the 2016 contributions in December 2014. Therefore, deficit funding payments in 2015 will be £19.7 million, payments in 2016 will be £35.7 million and payments in 2017 will be £36.2 million.

The funding position of defined benefit pension schemes on both the IAS19 and other bases can fluctuate depending on market conditions and actuarial assumptions (including long-term discount rates and mortality assumptions). These fluctuations can impact on the contributions payable by Trinity Mirror (and, following Completion, the Enlarged Group) to the schemes and pension deficits may grow at such a rate so that annual cash funding consumes a disproportionate level of operating cash flow of Trinity Mirror (and, following Completion, the Enlarged Group).

Trinity Mirror continues (and, following Completion, the Enlarged Group will continue) to monitor its pension exposures through regular reviews with trustees. However, certain material factors are outside the control of Trinity Mirror (and will, following Completion, be outside the control of the Enlarged Group): interest rates, inflation rates, mortality and regulatory change. Any adverse impact from these factors, together with the slowdown in the global economy and its impact on Trinity Mirror's (or, following Completion, the Enlarged Group's) business and investment returns, could have material implications for future pension scheme funding and could adversely impact Trinity Mirror (or, following Completion, the Enlarged Group) and its ability to fund past service provision. This may result in an adverse impact on the business, operational results, financial condition and/or prospects of Trinity Mirror (or, following Completion, the Enlarged Group).

Trinity Mirror is subject to legal claims for misuse of private information and, following Completion, the Enlarged Group may be subject to further legal claims that if determined adversely could negatively affect its reputation, business, operational results, financial condition and/or prospects

Trinity Mirror and Local World (and, following Completion, the Enlarged Group) may be subject to legal claims, including actual or alleged libel, misuse of private information, infringement of copyright and breach of the Data Protection Act, that arise in the course of the business of Trinity Mirror or Local World (or, following Completion, the Enlarged Group) in connection with the content of their publications, websites and advertisements. The damages that may be claimed in future legal proceedings could be substantial, including in certain cases claims for aggravated and/or exemplary damages as well as injunctions. In addition, Trinity Mirror and Local World (and, following Completion, the Enlarged Group) may incur significant costs in defending future legal actions brought against them which may not be fully recoverable, irrespective of whether it is successful in defending any claims, and it may be subject to adverse publicity or reputational harm as a result of such claims or actions. Furthermore, conditional fee arrangements, and the fact that claimants are not themselves responsible for paying costs in relation to such arrangements, may encourage the pursuit of legal action and may lead to an increase in the number of claims made against Trinity Mirror or Local World (or, following Completion, the Enlarged Group).

In addition, Trinity Mirror and Local World are (and, following Completion, the Enlarged Group will be) liable for the content of their publications, websites and advertisements. If legal proceedings against Trinity Mirror or Local World (or, following Completion, the Enlarged Group) are successful, it could increase their expenses and harm their reputations and relationships with customers. Trinity Mirror and Local World (and, following Completion, the Enlarged Group) may also be liable to third parties if the content of their publications, websites or advertisements violates intellectual property rights of third parties. If the outcome of any legal proceedings brought against Trinity Mirror or Local World (or, following Completion, the Enlarged Group) are not favourable, it could have a material adverse effect on their reputations, business, operational results, financial condition and/or prospects.

By way of example, Trinity Mirror continues to cooperate with the Metropolitan Police Service ("MPS") in respect of Operation Elveden (the investigation relating to alleged inappropriate payments to public officials) and Operation Golding (the investigation into alleged phone hacking). In September 2013 Trinity Mirror announced that its subsidiary, MGN Limited ("MGN"), had been notified by the MPS that the MPS were at a very early stage in investigating whether MGN was criminally liable in relation to phone hacking. MGN currently faces a significant number of civil claims for misuse of private information. In July 2014, after Trinity Mirror's ongoing investigations revealed that phone hacking had taken place at MGN, a provision of £4.0 million was made to cover the cost of dealing with and resolving civil claims from individuals. In the second half of the 2014 financial year, a number of claims were settled and MGN admitted liability to a number of individuals who had sued for interception of their voicemails many years ago. As Trinity Mirror progressed with dealing with the civil claims, it became evident that the cost of resolving these claims would be higher than previously envisaged. Therefore, the provision of £4.0 million at the 2014 half year for resolving phone hacking claims was increased by a further £8.0 million. In May 2015, following the release of the judgment and conclusion of the civil trial for assessment of damages for eight representative claimants arising from phone hacking, Trinity Mirror made a further provision of £16.0 million to cover the costs of dealing with and resolving the historical legal issues in relation to phone hacking. This judgment was the subject of an appeal to the Court of Appeal by MGN which was heard on

20 and 21 October 2015 and in respect of which the judgment is awaited. There can be no assurance that MGN will be successful in its appeal. Civil claims continue to be advanced against MGN and it remains uncertain as to how these matters will progress, whether further allegations or claims will be made and their financial impact. MGN continues to resolve civil claims but there is potential for further and/or increased liabilities to arise from the outcome or resolution of the ongoing historical legal issues, including as a result of the judgment of the Court of Appeal, which may require Trinity Mirror to reassess the sufficiency of, and potentially increase, its current provision. Due to the present uncertainty in respect of the nature, timing or measurement of any such liabilities it is too soon to be able to reliably estimate how these matters will proceed and their financial impact.

Trinity Mirror and Local World depend (and, following Completion, the Enlarged Group will depend) on key personnel and their ability to attract, retain and motivate other qualified employees

Trinity Mirror and Local World depend (and, following Completion, the Enlarged Group will depend) on their key personnel and their ability to attract, retain and hire other qualified and experienced employees. In particular, competition in the media industry for experienced senior management personnel is intense and Trinity Mirror and Local World (and, following Completion, the Enlarged Group) may not be able to retain their personnel. The loss of any key personnel would require the remaining key personnel to divert immediate and substantial attention to seeking a replacement. An inability to find suitable replacements for departing key personnel could adversely affect the ability of Trinity Mirror or Local World (or, following Completion, the Enlarged Group) to grow their businesses. Production and distribution of the publications of Trinity Mirror and Local World (and, following Completion, the Enlarged Group) and the generation of advertising revenue also require skilled and experienced employees. A shortage of such employees, or the inability of Trinity Mirror or Local World (or, following Completion, the Enlarged Group) to retain such employees, could have an adverse impact on the productivity and costs of Trinity Mirror or Local World (or, following Completion, the Enlarged Group), its ability to expand, develop and distribute new products, generate advertising sales and its entry into new markets. The cost of retaining or hiring such employees could exceed the resources of Trinity Mirror or Local World (or, following Completion, the Enlarged Group).

If Trinity Mirror or Local World (or, following Completion, the Enlarged Group) fails to retain essential senior management and other key personnel it may be unable to operate or grow its business in accordance with its strategy which could have a material adverse impact on its business, operational results, financial condition and/or prospects.

A deterioration in the relationship of Trinity Mirror or Local World (or, following Completion, the Enlarged Group) with its employees resulting in industrial action may affect operational and financial performance

Trinity Mirror and Local World operate (and, following Completion, the Enlarged Group will operate) in a unionised industry. Trinity Mirror and Local World have, in general, good relations with their employees and unions. However, there can be no assurance that their operations will not be affected by related problems in the future such as industrial action. There can be no assurance that strikes, work stoppages, industrial action or other labour-related developments (including the introduction of new labour regulations in the United Kingdom) will not adversely affect the business, operational results, financial condition and/or prospects of Trinity Mirror or Local World (or, following Completion, the Enlarged Group) as a consequence of the Acquisition and integration of Local World.

The Acquisition may be reviewed under merger control legislation

The Acquisition is not conditional on the receipt of merger control approval from the CMA. The Acquisition may, however, be reviewed by the CMA. The CMA has the power to impose on Trinity Mirror an order, such as a "hold separate" order (which would, amongst other things delay the integration of Local World with Trinity Mirror and prevent Trinity Mirror from doing anything which might impair the ability of the Local World business to compete independently in any markets affected by the Acquisition), pending any decision being made by the CMA and the power to require remedies as a consequence of the Acquisition, such as the divestment by the Enlarged Group of certain assets or businesses and/or the imposition of restrictions on the conduct of the businesses of the Enlarged Group and/or other behavioural remedies.

The Acquisition satisfies the conditions for the notification of media mergers to the Competition and Consumer Protection Commission and to the Minister for Communications, Energy and Natural

Resources in the Republic of Ireland. This is because Trinity Mirror carries on a media business in the Republic of Ireland and Local World carries on a media business elsewhere. The Acquisition must be notified in the Republic of Ireland. The Acquisition will therefore be notified to the Competition and Consumer Protection Commission and to the Minister for Communications, Energy and Natural Resources in the Republic of Ireland. Similarly to the CMA, the Irish authorities have the power to impose remedies as a consequence of the Acquisition.

Any divestments, restrictions or remedies could impose sustained additional costs for the Enlarged Group and/or materially reduce the anticipated benefits (including synergy benefits) of the Acquisition (or affect the timeframe within which such benefits are realised) or result in an adverse effect on the operating results, business, financial condition and prospects of the Enlarged Group.

Trinity Mirror's (and, following Completion, the Enlarged Group's) commercial freedom could be restricted if it is found to be dominant in local markets

There are a number of local markets across the United Kingdom where Trinity Mirror's newspaper titles have (and, following Completion, the Enlarged Group's newspaper titles will have) a high share of local newspaper circulation. The United Kingdom competition authorities have previously determined that local newspaper markets should be defined narrowly (both geographically and as regards the alternative advertising products included, such as the internet), and that may mean that Trinity Mirror (or, following Completion, the Enlarged Group) is considered by the regulators to be dominant in areas where it has a particularly high share of circulation of local titles. Whilst there is nothing to prohibit companies from being dominant, the applicable legislation in the United Kingdom prohibits conduct by dominant companies which may be categorised as an abuse of their dominant position. Case law of the European Courts indicates that dominant companies may have a special responsibility not to allow their conduct to impede competition. This may restrict Trinity Mirror's (or, following Completion, the Enlarged Group's) freedom to act in these local areas, for example as regards pricing below cost and granting discounts or rebates that are loyalty-inducing. In addition, Trinity Mirror (and, following Completion, the Enlarged Group) may need to ensure compliance with this additional set of responsibilities, to which end Trinity Mirror has (and, following Completion, the Enlarged Group will have) a group-wide compliance programme in place.

However, if Trinity Mirror (or, following Completion, the Enlarged Group) is determined by the relevant authorities not to be in compliance with applicable competition law in a material way (and as a consequence is forced to take correction action and/or pay fines), or if applicable competition law materially restricts Trinity Mirror's (or, following Completion, the Enlarged Group's) ability to conduct its operations and develop its business in the way that it wishes to, then this could have an adverse impact on the business, operational results, financial condition and/or prospects of Trinity Mirror (or, following Completion, the Enlarged Group).

The availability, cost and terms of debt finance may have an adverse impact on Trinity Mirror (or, following Completion, the Enlarged Group)

Trinity Mirror's and Local World's profitability and development are not currently impacted by the availability or cost of debt finance. However, Trinity Mirror's or Local World's (or, following Completion, the Enlarged Group's) ability to access liquidity to fund its business in the longer term may be affected during periods of tight credit conditions or the absence of funds at a reasonable cost. The availability and cost of debt finance may influence Trinity Mirror's or Local World's (or, following Completion, the Enlarged Group's) profitability and Trinity Mirror's or Local World's (or, following Completion, the Enlarged Group's) ability to participate in development opportunities.

In addition, Trinity Mirror's existing financings contain customary financial and other covenants—all of which Trinity Mirror operates within—requiring it to maintain certain financial ratios and thresholds that could in the future restrict its (or, following Completion, the Enlarged Group's) flexibility in planning for, and reacting to, competitive pressures and changes in its business, industry and general economic conditions and limit its ability to undertake organic development opportunities, make strategic acquisitions, refinance debt and capitalise on business opportunities.

In addition, if Trinity Mirror (or, following Completion, the Enlarged Group) fails to pay any amount when due under, or otherwise fails to comply in any material respect with the terms of, any of its existing (and any future) financings this may ultimately lead to an event of default under the terms of such financing which could lead to acceleration and enforcement proceedings being brought against it by its creditors.

An inability to obtain future funding on reasonable terms, restrictions on its operational flexibility contained in its financing agreements and/or a material failure to comply with the terms of its existing or future financings, could have a material adverse effect on Trinity Mirror's (or, following Completion, the Enlarged Group's) business, financial condition or results of operations.

PART III

SUMMARY OF THE PRINCIPAL TERMS OF THE ACQUISITION AND THE HEADS OF TERMS

Share Purchase Agreement

1. Purchase Price and Consideration

Under the terms of the Share Purchase Agreement, Trinity Mirror will (subject to the satisfaction of certain conditions) acquire all of the Local World Shares that it does not already own for a purchase price based on a total indicative equity value for Local World of £193 million (which in turn has been derived from an enterprise value for Local World of £220 million, implying an Adjusted EBITDA multiple of five-times 2014 Adjusted EBITDA, less adjustments for net debt, working capital and debt like items).

Based on the 80.02 per cent. shareholding being acquired, the net purchase consideration of £151.5 million (representing the gross purchase consideration of £154.4 million, being the Sellers' total share of the equity value of £193 million, less transaction costs of £2.9 million to be borne by the Sellers) for the Local World Shares not already owned by the Company will be satisfied by the payment to the Sellers of, in aggregate, £146.2 million in cash and the allotment and issue to certain of the Sellers of, in total, 3.4 million Consideration Shares.

The transaction cost to Trinity Mirror set out in the unaudited pro forma statement of the combined net assets of the Enlarged Group as at 28 June 2015 in Part V of this Circular of £181.4 million reflects the gross purchase consideration of £154.4 million plus adjustment for net debt, working capital and debt like items of £27 million. Transaction costs of some £6 million will be incurred by Trinity Mirror in relation to the Acquisition and Equity Placing.

The Consideration Shares will be issued at Completion, credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares, including the right to receive all dividends, distributions or any return of capital declared, made or paid after Completion, save for the interim dividend payable on 30 November 2015.

2. Conditions

Completion is conditional upon satisfaction of the following Conditions prior to the Long Stop Date:

(a) passing of the Acquisition Resolution;

(b) the Placing Shares having been admitted to the Official List and to trading on the London Stock Exchange; and

(c) the UK Listing Authority having approved the admission of the Consideration Shares to the Official List and the London Stock Exchange having approved admission of the Consideration Shares to trading with effect no later than the trading day immediately following Completion.

3. Pre-Completion Undertakings

The Share Purchase Agreement includes customary pre-completion conduct of business undertakings to be given by the Sellers and Trinity Mirror to use their respective reasonable endeavours to procure that the business of Local World is operated in the ordinary course between signing of the Share Purchase Agreement and Completion and to not do or agree to do anything which is a Local World shareholder or Local World board reserved matter.

4. Seller Warranties, Indemnities and Covenants

The Sellers are providing a set of warranties, customary for a transaction of this nature, on a several basis including with regards to title, authority, material contracts, property tax and litigation. No warranties are being given regarding the forward looking business plan for Local World or future cash flow projections, costs savings or digital strategy deliverability.

Warranties will be given at signing of the SPA (and title and authority warranties repeated at Completion) on a several basis and are subject to matters disclosed in a disclosure letter.

A tax covenant is also being given by the Sellers (pro rata to their respective equity interests in Local World as at the date of the Share Purchase Agreement), which provides Trinity Mirror with compensation if certain historic tax liabilities of the Local World Group exceed the provision for tax (if any) in Local World's last set of audited accounts. The covenant also covers taxes which arise between the date of those accounts and Completion, if those taxes are outside the ordinary course of the Local World Group's business.

The Sellers' liability is subject to a de minimis of £100,000 per relevant claim (being, for the purposes of the de minimis and basket, a breach of the Share Purchase Agreement other than a tax covenant claim, a tax claim or a claim under the locked box or expenses indemnities) and a threshold of £1,250,000, above which threshold the Sellers are liable for the whole amount of the claim and not only the excess. The Sellers' liability under both relevant claims and tax covenant claims is capped at the £10 million retention sum. Each Seller is only liable pro rata to its respective proportion of the consideration. The Sellers' liability is also limited in time, claims must be brought within two years of Completion with the exception of tax claims, which must be brought within 4 years from the end of the accounting period in which Completion occurs.

The Share Purchase Agreement obliges the Sellers, on a several basis, to indemnify the Buyer for (i) losses arising from any non-permitted 'leakage' from Local World between Local World's last accounts date (28 December 2014) and Completion and/or (ii) the difference if the legal and other professional advisers' fees and expenses and transaction bonuses actually incurred by the Local World Group in connection with the Acquisition are greater than the estimate of such costs.

The cash component of the consideration will be subject to a £10 million retention which will be paid into an escrow account at Completion which shall remain in place for two years (being the duration of the non-tax warranty period). Any amounts payable by the Sellers in respect of any warranty or indemnity claims will be paid out of this retention sum.

To the extent that any warranty or indemnity claims exceed the retention sum, Trinity Mirror is putting in place a standard warranty and indemnity insurance policy which, together with the retention sum, provides for cover of up to £22 million.

5. Costs

Trinity Mirror and the Sellers have each agreed to pay the costs and expenses incurred by them in connection with the preparation, negotiation, entering into and completion of the Share Purchase Agreement and all ancillary documents. Each party is responsible for their respective professional and other costs incurred. The consideration payable to the Sellers will be paid net of each Seller's share of the legal and professional advisers' fees and expenses incurred by Local World Group in connection with the Acquisition.

Heads of Terms with the Honourable Edward Richard Iliffe

The Company has signed Heads of Terms with Edward Richard Iliffe ("ERI"), one of the Sellers, which set out the principal terms and conditions on which ERI, or a company controlled by him, is willing to purchase the businesses and assets of certain of the local newspaper titles currently in the Local World portfolio to be acquired by the Company pursuant to the Acquisition. The Proposed On-Sale will be structured by way of the purchase of the shares of an entity established to hold such businesses and assets. The Proposed On-Sale is conditional upon the completion of the Acquisition, and the Heads of Terms envisage that the Proposed On-Sale will occur as soon as reasonably practicable after completion of the Acquisition.

The Heads of Terms envisage that the gross consideration payable for the businesses and assets to be acquired under the terms of the Proposed On-Sale will be some £15.8 million (calculated on a debt-free, cash-free and working capital-free basis), payable in cash in full upon completion of the Proposed On-Sale.

The businesses and assets proposed to be sold in connection with the Proposed On-Sale (the "Proposed On-Sale Portfolio") are those related to 10 newspaper titles contributed by subsidiaries of the Yattendon Group (an Iliffe family company) on the establishment of Local World in 2012. They include one daily title, the Cambridge News, and around nine weekly titles located around Cambridge and Hertfordshire, together with the websites, trade names, domain names, and associated intellectual property associated with those titles.

In the 52 weeks ended 28 December 2014, these businesses contributed approximately £3.1 million to the Adjusted EBITDA of Local World (approximately 7.3 per cent of the total Adjusted EBITDA of Local World in such period). As at 31 December 2014, the value of the gross assets attributable to these titles was £10.6 million (approximately 6.8 per cent of the total gross assets of Local World as at such date).

The Heads of Terms entered into with ERI do not represent a commitment by either party to enter into a formal contract in relation to the Proposed On-Sale. The Proposed On-Sale will not require separate shareholder approval but is conditional (amongst other things) on completion of the Acquisition and on the parties negotiating and entering into appropriate transaction documentation. Whilst the Heads of Terms have been signed, there is no certainty that the Proposed-On Sale will be completed.

In the event that the Proposed On-Sale is completed, it is anticipated that:

- As a result of dis-synergies, the level of total cost synergies that will arise from the Acquisition will be reduced from an annual £12 million before tax to an annual £10 million before tax from the second full year after the Acquisition; and
- the net sale proceeds will be used by the Company to repay drawings on the New Debt Facility.

In the event that the Proposed On-Sale is not completed, the Company has agreed, in certain circumstances, to pay, or procure the payment of, a break fee of £2 million to Iliffe Print Cambridge Limited (an Iliffe family company). The break fee will not be payable if the Acquisition is not completed.

PART IV
HISTORICAL FINANCIAL INFORMATION RELATING TO LOCAL WORLD

Introduction

This Part IV contains:

- In Part A, consolidated historical financial information relating to Local World for the period since its incorporation.
- In Part B, an accountant's report prepared by Deloitte LLP on the consolidated historical financial information relating to Local World for the period since its incorporation.

Part A: Consolidated Historical Financial Information Relating to Local World

CONSOLIDATED INCOME STATEMENT

for the 52 weeks ended 28 December 2014 (52 weeks ended 29 December 2013)

	notes	2014 £m	2013 £m
Revenue	5	**221.1**	230.6
Cost of sales		**(81.4)**	(85.3)
Gross profit		**139.7**	145.3
Distribution costs		**(18.2)**	(19.6)
Administrative expenses:			
Restructuring charges in respect of cost reduction measures		**(3.6)**	(3.7)
Other administrative expenses		**(82.6)**	(89.8)
Operating profit		**35.3**	32.2
Investment revenues	8	**0.1**	—
Finance costs	9	**(1.9)**	(1.9)
Profit before tax		**33.5**	30.3
Tax charge	10	**(7.2)**	(6.8)
Profit for the period		**26.3**	23.5

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 52 weeks ended 28 December 2014 (52 weeks ended 29 December 2013)

	2014 £m	2013 £m
Profit for the period	**26.3**	23.5
Total comprehensive income for the period	**26.3**	23.5

CONSOLIDATED CASH FLOW STATEMENT

for the 52 weeks ended 28 December 2014 (52 weeks ended 29 December 2013)

	notes	2014 £m	2013 £m
Cash flows from operating activities			
Cash generated from operations	20	**41.9**	35.8
Income tax paid		**(5.3)**	(1.5)
Net cash inflow from operating activities		**36.6**	34.3
Investing activities			
Interest received		**0.1**	—
Purchases of property, plant and equipment		**(3.9)**	(3.5)
Acquisition of business		**—**	(80.7)
Net cash used in investing activities		**(3.8)**	(84.2)
Financing activities			
Dividends paid		**(15.2)**	—
Interest paid on borrowings		**(0.7)**	(1.3)
Increase in borrowings		**—**	28.2
Repayment of borrowings		**(10.0)**	(10.0)
Issue of ordinary share capital		**—**	53.3
Net cash (used in)/from financing activities		**(25.9)**	70.2
Net increase in cash and cash equivalents		**6.9**	20.3
Cash and cash equivalents at the beginning of the period	15	**20.3**	—
Cash and cash equivalents at the end of the period	15	**27.2**	20.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 52 weeks ended 28 December 2014 (52 weeks ended 29 December 2013)

	Share capital £m	Share premium account £m	Retained earnings and other reserves £m	Total £m
At 30 December 2012	—	—	—	—
Issue of shares	—	(67.8)	—	(67.8)
Comprehensive income for the period	—	—	(23.5)	(23.5)
At 29 December 2013	—	(67.8)	(23.5)	(91.3)
Comprehensive income for the period	—	—	(26.3)	(26.3)
Dividends paid	—	—	15.2	15.2
At 28 December 2014	**—**	**(67.8)**	**(34.6)**	**(102.4)**

CONSOLIDATED BALANCE SHEET

at 28 December 2014 (at 29 December 2013)

	notes	2014 £m	2013 £m
Non-current assets			
Other intangible assets	12	**91.1**	91.1
Property, plant and equipment	13	**8.1**	7.6
		99.2	98.7
Current assets			
Inventories	14	**0.3**	0.4
Trade and other receivables	15	**29.2**	29.8
Cash and cash equivalents	15	**27.2**	20.3
		56.7	50.5
Total assets		**155.9**	149.2
Non-current liabilities			
Borrowings	21	**—**	(9.4)
Deferred tax liabilities	17	**(8.0)**	(5.5)
Provisions	18	**(2.8)**	(1.4)
		(10.8)	(16.3)
Current liabilities			
Borrowings	21	**(10.0)**	(9.4)
Trade and other payables	16	**(29.0)**	(29.0)
Current tax liabilities	10	**(2.1)**	(2.7)
Provisions	18	**(1.6)**	(0.5)
		(42.7)	(41.6)
Total liabilities		**(53.5)**	(57.9)
Net assets		**102.4**	91.3
Equity			
Share capital	24,26	**—**	—
Share premium account	24,26	**(67.8)**	(67.8)
Retained earnings	24	**(34.6)**	(23.5)
Total equity		**(102.4)**	(91.3)

Notes to the consolidated historical financial information of Local World

1 Basis of preparation

Preparation of the financial information

The consolidated historical financial information of Local World and its subsidiaries (the ‘Local World Group’) (hereafter the consolidated financial information) has been prepared in accordance with the requirements of the Listing Rules and in accordance with this basis of preparation. The consolidated financial information is prepared in accordance with International Financial Reporting Standards (IFRS) and related interpretations, as adopted by the European Union. The consolidated financial information is prepared on a going concern basis. It reflects the results of Local World and its subsidiaries as a standalone group, prepared in accordance with the accounting policies adopted in Trinity Mirror’s latest Annual Report.

For administrative convenience, the consolidated financial information is made up to a suitable date near the end of the calendar year. The consolidated financial information has been prepared for the 52 weeks ended 28 December 2014 and the comparative period has been prepared for the 52 weeks ended 29 December 2013.

2 Adoption of new and revised standards

New and amended standards adopted with no significant impact to the Local World Group

No new and amended standards adopted during the year have had any significant impact on the Local World Group.

- IFRS 10 (Issued) ‘Consolidated Financial Statements’—effective for periods beginning on or after 1 January 2014
- IFRS 11 (Issued) ‘Joint Arrangements’—effective for periods beginning on or after 1 January 2014
- IFRS 12 (Issued) ‘Disclosure of Interests in Other Entities’—effective for periods beginning on or after 1 January 2014
- IAS 27 (Revised) ‘Separate Financial Statements’—effective for periods beginning on or after 1 January 2014
- IAS 28 (Revised) ‘Investments in Associates’—effective for periods beginning on or after 1 January 2014
- IAS 32 (Amended) ‘Financial Instruments’—effective for periods beginning on or after 1 January 2014
- IAS 36 (Amended) ‘Impairment of Assets’—effective for periods beginning on or after 1 January 2014
- IAS 39 (Amended) ‘Financial Instruments’—effective for periods beginning on or after 1 January 2014
- IFRIC 21 (Issued) ‘Levies’—effective for periods starting on or after 17 June 2014

Annual Improvements are implemented when effective and will have no material impact on the Local World Group.

New and amended standards that have been issued but are not yet effective

No standards that have been issued and are effective for accounting periods ending on or after 29 December 2014 are expected to have any significant impact on the Local World Group.

3 Accounting policies

The principal accounting policies adopted in the preparation of the consolidated financial information are set out below. These policies have been consistently applied to all years presented.

BASIS OF ACCOUNTING

The consolidated financial information has been prepared under the historical cost convention.

BASIS OF CONSOLIDATION

The consolidated financial information incorporates the financial information of Local World and all entities controlled by it for the 52 weeks ended 28 December 2014 (52 weeks ended 29 December 2013). Control is achieved where Local World has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

On the acquisition of a business fair values are attributed to the Local World Group's share of the identifiable assets and liabilities of the business existing at the date of acquisition and reflecting the conditions as at that date. Where necessary, adjustments are made to the financial information of businesses acquired to bring their accounting policies in line with those used in the preparation of the consolidated financial information. Results of businesses are included in the consolidated income statement from the effective date of acquisition and in respect of disposals up to the effective date of relinquishing control.

BUSINESS COMBINATIONS

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair value at the acquisition date of assets given, liabilities incurred or assumed and equity instruments issued by the Local World Group in exchange for control of the acquiree. Acquisition-related costs are recognised in the profit or loss account as incurred.

OTHER INTANGIBLE ASSETS

Other intangible assets comprise acquired publishing rights and titles in respect of print publishing activities and other intangible assets in respect of online activities. On acquisition, the fair value of other intangible assets is calculated based on discounted cash flows. On disposal of an entity, the carrying amount of the related intangible asset is de-recognised and the gain or loss arising from de-recognition, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is recognised in the consolidated income statement.

Publishing rights and titles are initially recognised as an asset at fair value with an indefinite economic life. They are not subject to amortisation. For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash-generating units. Where the asset does not generate cash flows that are independent from other assets, value in use estimates are made based on the cash flows of the cash-generating unit to which the asset belongs. The publishing rights and titles are reviewed for impairment either at each reporting date or more frequently when there is an indication that the recoverable amount is less than the carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use.

In assessing value in use the estimated future cash flows of the cash-generating unit relating to the asset are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted. If the recoverable amount of a cash-generating unit is estimated to be less than its carrying amount, the carrying value of the cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised in the consolidated income statement in the period in which it occurs and may be reversed in subsequent periods.

Costs incurred in the development and maintenance of websites are only capitalised if the criteria specified in IAS 38 are met.

REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received, net of applicable discounts and value added tax. Advertising revenue is recognised upon publication. Circulation revenue is recognised at the time of sale. Other revenue including leaflets and events revenue is recognised at the time of sale or provision of service. Rentals receivable under operating leases are credited to the consolidated income statement on a straight-line basis over the lease term. Interest income from bank deposits is recognised on an accruals basis.

LEASES

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the Local World Group. All other leases are classified as operating leases. Assets held under finance leases are recognised at their fair value at the inception of the lease or, if lower, the present value of the minimum lease payments. The asset is recognised within property, plant and equipment and the corresponding liability to the lessor is included within obligations under finance leases. Lease payments are apportioned between finance charges which are charged to the consolidated income statement and reductions in the lease obligation. Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term. Benefits received as incentives to enter into the agreement are spread on a straight-line basis over the lease term.

FOREIGN CURRENCY

Transactions denominated in foreign currencies are translated at the rates of exchange prevailing on the date of the transactions. At each reporting date, items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Exchange differences arising on settlement and on retranslation are included in the consolidated income statement for the period.

RETIREMENT BENEFITS

The Local World Group operates a defined contribution pension scheme which has been set up with a third party provider that holds the financial assets independently from those of the Local World Group and is controlled by the provider. Payments to defined contribution pension schemes are charged as an expense as they fall due.

TAX

The tax expense represents the sum of the corporation tax currently payable and deferred tax.

The corporation tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Local World Group's liability for tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the consolidated income statement except when it relates to items charged or credited in the consolidated statement of comprehensive income or items charged or credited directly to equity in which case the deferred tax is also dealt with in the consolidated statement of comprehensive income and equity respectively.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Local World Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated in the consolidated balance sheet at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and all directly attributable costs of bringing the asset to its location and condition necessary to operate as intended.

Depreciation is charged so as to write-off the cost, other than freehold land and assets under construction which are not depreciated, using the straight-line method over the estimated useful lives of buildings (15–67 years) and plant and machinery (3–25 years). Assets in the course of construction are carried at cost, less any recognised impairment loss. Depreciation commences when the assets are ready for their intended use.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the consolidated income statement.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first in first out method.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the consolidated balance sheet when the Local World Group becomes a party to the contractual provisions of the instrument.

TRADE RECEIVABLES

Trade receivables do not carry any interest. Conversion to a readily known amount of cash occurs over a short period and is subject to an insignificant risk of changes in value. Therefore balances are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand and demand deposits.

BORROWINGS

Sterling interest bearing loans and bank overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the consolidated income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

TRADE PAYABLES

Trade payables are not interest bearing. Payments occur over a short period and are subject to an insignificant risk of changes in value. Therefore balances are stated at their nominal value.

CREDIT RISK

The Local World Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the consolidated balance sheet are net of allowances for doubtful receivables, estimated based on prior experience and assessment of the current economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Local World Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

PROVISIONS

Provisions are recognised when the Local World Group has a present obligation as a result of a past event, and it is probable that the Local World Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material. Provisions are made for legal and other costs in respect of historical litigation and other matters in progress and for estimated damages where it is judged probable that damages will be payable.

SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

DIVIDEND DISTRIBUTIONS

Dividend distributions to Local World's shareholders are recognised as a liability in the consolidated financial information in the period in which the dividends are approved.

KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

Impairment of goodwill and other intangible assets

Determining whether goodwill and other intangible assets are impaired requires an estimation of the value in use of the cash-generating unit to which these have been allocated. The value in use calculation requires the Local World Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

CRITICAL JUDGEMENTS IN APPLYING THE LOCAL WORLD GROUP'S ACCOUNTING POLICIES

No critical judgements in applying the Local World Group's accounting policies have been identified in the current or preceding year.

4 Operating segments

Operating segments are identified on the basis of internal reports about components of the Local World Group that are regularly reviewed by the Board and chief operating decision maker to allocate resources to the segments and to assess their performance. The Local World Group has one operating segment that will be regularly reviewed by the Board and chief operating decision maker of Trinity Mirror going forward.

The operating segment is Publishing which includes all of Local World's newspapers and associated digital publishing.

The accounting policies used in the preparation of the segment's revenue and results are the same as the Local World Group's accounting policies described in note 3. The Local World Group's operations are located primarily in the UK and the Local World Group is not subject to significant seasonality during the year.

5 Revenue

	2014 £m	2013 £m
Advertising	**155.0**	162.7
Circulation	**58.3**	60.3
Other	**7.8**	7.6
Total revenue	**221.1**	230.6

The Local World Group's operations are located in the UK. The Local World Group's revenue is from customers located in the UK.

6 Result for the period

	2014 £m	2013 £m
Operating profit for the period is arrived at after charging:		
Staff costs	**(80.2)**	(86.8)
Cost of inventories recognised as cost of sales	**(18.2)**	(19.1)
Depreciation of property, plant and equipment	**(3.4)**	(2.7)
Operating lease rentals payable	**(6.5)**	(7.9)
Trade receivables impairment	**(0.6)**	(0.9)

Fees payable to Local World's auditor for the audit of Local World's annual accounts were £15,000 (2013: £15,000) and for the audit of Local World's subsidiaries were £120,000 (2013: £135,000). Non-audit fees payable to Local World's auditors for other taxation advisory services were £35,000 (2013: £35,000). There were no future services for the auditor contracted at the reporting date (2013: nil).

Total administrative expenses included in operating profit amounted to £86.2 million (2013: £93.5 million) including restructuring charges in respect of cost reduction measures of £3.6 million (2013: £3.7 million).

7 Staff costs

The average number of persons, including executive directors, employed by the Local World Group in the period was:

	2014 Number	2013 Number
Production and editorial	**1,015**	1,117
Sales and distribution	**1,098**	1,219
Administration	**385**	402
Total	**2,498**	2,738

All employees are employed in the UK. The above excludes casual employees working for the Local World Group during the period due to the impracticality of determining an average.

Staff costs, including directors' emoluments, incurred during the period were:

	2014 £m	2013 £m
Wages and salaries	**72.0**	77.9
Social security costs	**6.5**	7.1
Pension costs defined contribution pension schemes (note 27)	**1.7**	1.8
Total	**80.2**	86.8

Wages and salaries include bonuses payable in the period.

8 Investment revenues

	2014 £m	2013 £m
Interest income on bank deposits and other interest receipts	**0.1**	—

9 Finance costs

	2014 £m	2013 £m
Interest on bank overdrafts and borrowings	**(1.9)**	(1.9)

10 Tax

	2014 £m	2013 £m
Current tax		
UK corporation tax charge for the period	**(4.7)**	(4.2)
Current tax charge	**(4.7)**	(4.2)
Deferred tax		
Deferred tax charge for the period	**(2.6)**	(2.6)
Prior period adjustment	**0.1**	—
Deferred tax charge	**(2.5)**	(2.6)
Tax charge	**(7.2)**	(6.8)

Reconciliation of tax charge	%	%
Standard rate of corporation tax	**21.5**	23.3
Tax effect of items that are not deductible in determining taxable profit/(loss)	**(0.3)**	(0.9)
Prior period adjustment	**0.3**	—
Tax charge	**21.5**	22.4

The standard rate of UK corporation tax reduced from 23 per cent. to 21 per cent. on 1 April 2014. The blended rate for the accounting year is 21.5 per cent. being a mix of 23 per cent. up to 31 March 2014 and 21 per cent. from 1 April 2014 (2013: 23.25 per cent. being a mix of 24 per cent. up to 31 March 2013 and 23 per cent. from 1 April 2013). The current tax liabilities amounted to £2.1 million (2013: £2.7 million) at the reporting date.

The opening deferred tax position is recalculated in the period in which a change in the standard rate of corporation tax has been enacted or substantively enacted by Parliament. The change in rate from 23 per cent. to 20 per cent. was accounted for in the prior year resulting in a £18,000 charge in the consolidated income statement.

11 Dividends

	2014 £	2013 £
Dividend paid per share	**783.08**	—

In 2014, dividends of £15.2 million were approved and paid. No dividends were approved and paid in 2013.

12 Other intangible assets

	Publishing rights and titles £m
Cost	
At 30 December 2012	—
Acquisition (note 29)	91.1
At 29 December 2013	91.1
At 28 December 2014	**91.1**

At the reporting date there is one cash-generating unit.

The directors consider publishing rights and titles have indefinite economic lives due to the longevity of the brands and the ability to evolve the brands in an ever changing media landscape. It is not practicable to review individual publishing rights and titles due to the interdependencies of revenues and cash inflow within the cash-generating units.

The Local World Group tests the carrying value of assets at the cash-generating unit level for impairment at each reporting date or more frequently if there are indications that assets might be impaired. The review is undertaken by assessing whether the carrying value of assets is supported by their value in use which is calculated as the net present value of future cash flows derived from those assets, using cash flow projections. If an impairment charge is required this is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to the other assets of the cash-generating unit but subject to not reducing any asset below its recoverable amount.

The Local World Group prepares cash flow projections for a cash-generating unit using the approved budget for the year and the projections for the next two years. The growth rates for the three-year period are internal projections based on both internal and external market information and reflect past experience of and the risk associated with each asset. Cash flow projections beyond the three-year period are extrapolated based on estimated growth rates which do not exceed the average long-term growth rates for the relevant markets. The growth rates for Publishing are 0 per cent. based on the Board's view of the cash-generating unit's market position and maturity of the relevant market. The post-tax discount rate used at the period end reporting date was 11.0 per cent. (2013: 11.0 per cent.) reflecting a long-term equity and debt mix based on the period end enterprise value assuming a long-term debt to Adjusted EBITDA ratio of 2.5 times. The equivalent pre-tax discount rate is 14.1 per cent. (2013: 14.2 per cent.).

The impairment review of the carrying value of assets performed at the reporting date resulted in no impairment. The impairment review is sensitive to a change in key assumptions used in the value in use calculations relating to the discount rate and future growth rates. A reasonably possible change of 1 per cent. in the discount rate or of 1 per cent. in the growth rate beyond the three-year period would not change the conclusion of the impairment review.

13 Property, plant and equipment

	Plant and equipment £m
Cost	
At 30 December 2012	—
Acquisition (note 29)	6.9
Additions	3.5
Disposals	(0.1)
At 29 December 2013	10.3
Additions	3.9
Disposals	(0.2)
At 28 December 2014	**14.0**
Accumulated depreciation and impairment	
At 30 December 2012	—
Charge for the period	(2.7)
At 29 December 2013	(2.7)
Charge for the period	(3.4)
Disposals	0.2
At 28 December 2014	**(5.9)**
Carrying amount	
At 29 December 2013	7.6
At 28 December 2014	**8.1**

Expenditure contracted for but not provided in the consolidated financial information was nil (2013: nil).

14 Inventories

	2014 £m	2013 £m
Raw materials and consumables	**0.3**	0.4

15 Other financial assets

Trade and other receivables	2014 £m	2013 £m
Gross trade receivables	**22.4**	23.8
Allowance for doubtful receivables	**(1.2)**	(1.2)
Net trade receivables	**21.2**	22.6
Prepayments and accrued income	**7.7**	6.8
Other receivables	**0.3**	0.4
At 28 December 2014	**29.2**	29.8

Net trade receivables

Trade receivables net of allowances for doubtful receivables at the reporting date amounted to £21.2 million (2013: £22.6 million).

The average credit period taken on sales of goods is 30 days (2013: 31 days). No interest is charged on the receivables. The Local World Group has provided for all receivables based on specific circumstances and by reference to past default experience.

Before accepting any new customers, the Local World Group, where appropriate, uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed during the period where appropriate. There are nil (2013: nil) customers who individually represent more than 10 per cent. of net trade receivables.

Included in net trade receivables balance are debtors with a carrying amount of £0.9 million (2013: £1.1 million) which are past their due date at the reporting date for which the Local World Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Local World Group does not hold any collateral over these balances. The average age of these receivables is 60–90 days.

Movement in allowance for doubtful debts	2014 £m	2013 £m
Opening balance	**1.2**	—
Acquisition	**—**	1.2
Impairment losses recognised	**0.6**	0.9
Utilisation of provision	**(0.6)**	(0.9)
Closing balance	**1.2**	1.2

In determining the recoverability of a trade receivable, the Local World Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, there is no further credit provision required in excess of the allowance for doubtful debts. There are no significant amounts included in the allowance for doubtful debts relating to impaired trade receivables which have been placed under liquidation. The impairment recognised represents the difference between the carrying amount of these trade receivables and the present value of the expected liquidation proceeds. The Local World Group does not hold any collateral over these balances.

Ageing of impaired receivables	2014 £m	2013 £m
0–120 days	**0.8**	0.8
120+ days	**0.4**	0.4
Closing balance	**1.2**	1.2

The carrying amount of trade and other receivables approximates their fair value.

	2014 £m	2013 £m
Cash and cash equivalents	**27.2**	20.3

Cash and cash equivalents comprise cash held by the Local World Group and short-term bank deposits with an original maturity of one week or less. The carrying amount of these assets approximates their fair value.

16 Other financial liabilities

Trade and other payables	2014 £m	2013 £m
Trade payables	**(5.2)**	(5.0)
Social security and other taxes	**(4.9)**	(5.0)
Accruals and deferred income	**(18.2)**	(17.6)
Other payables	**(0.7)**	(1.4)
At 28 December 2014	**(29.0)**	(29.0)

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 17 days (2013: 16 days). For most suppliers no interest is charged on the trade payables for the first 60 days from the date of the invoice. Thereafter, interest is charged on the outstanding balances at various interest rates. The Local World Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. The carrying amount of trade payables approximates to their fair value.

17 Deferred tax liabilities

The deferred tax liabilities recognised by the Local World Group and movements thereon:

	Total £m
30 December 2012	—
Acquisition	(2.9)
Credit to consolidated income statement	(2.6)
At 29 December 2013	(5.5)
Credit to consolidated income statement	(2.5)
At 28 December 2014	**(8.0)**

Deferred tax liabilities comprises liabilities relating to other intangible assets of £9.0 million (2013: £6.0 million) offset by assets relating to accelerated capital allowances of £0.4 million (2013: £0.2 million) and other timing differences of £0.6 million (2013: £0.3 million).

18 Provisions

	LTIP £m	Restructuring £m	Property £m	Total £m
At 30 December 2012	—	—	—	—
Charged to income statement	(1.1)	(3.7)	(0.6)	(5.4)
Utilisation of provision	—	3.5	—	3.5
At 29 December 2013	(1.1)	(0.2)	(0.6)	(1.9)
Charged to income statement	(1.4)	(3.6)	(0.9)	(5.9)
Utilisation of provision	0.1	3.1	0.2	3.4
At 28 December 2014	**(2.4)**	**(0.7)**	**(1.3)**	**(4.4)**

The provisions have been analysed between current and non-current as follows:

	2014 £m	2013 £m
Current	**(1.6)**	(0.5)
Non-current	**(2.8)**	(1.4)
	(4.4)	(1.9)

The LTIP provision relates to a senior executive long-term incentive plan and is payable in 2016, based upon attainment targets set for 2015 results. The value in the accounts is calculated on a pro-rata liability across the periods and upon the assumption that budgeted targets are met.

The restructuring provision relates to restructuring charges incurred in the delivery of cost reduction measures.

The property provision relates to onerous property leases and future committed costs related to occupied, let and vacant properties. This provision will be utilised over the remaining term of the leases.

19 Principal subsidiaries

The company has one 100 per cent. owned subsidiary undertaking, Local World Limited, incorporated in the UK and whose principal activity is Publishing.

20 Notes to the consolidated cash flow statement

	2014 £m	2013 £m
Operating profit	**35.3**	32.2
Depreciation of property, plant and equipment	**3.4**	2.7
Operating cash flows before movements in working capital	**38.7**	34.9
Decrease/(increase) in inventories	**0.2**	(0.4)
Decrease/(increase) in receivables	**0.5**	(1.8)
Increase in payables	**2.5**	3.1
Cash flows from operating activities	**41.9**	35.8

21 Borrowings

	2014 £m	2013 £m
Bank facility	**10.0**	18.8
The borrowings are included in the consolidated balance sheet as follows:		
Amount included in non-current liabilities	**—**	9.4
Amount included in current liabilities	**10.0**	9.4

	2014 £m	2013 £m
Bank facility movement in the period:		
Opening balance	**18.8**	—
Borrowings	**—**	28.2
Income statement charge	**1.2**	0.6
Repayments	**(10.0)**	(10.0)
Closing balance	**10.0**	18.8

The bank loan is secured by way of a floating charge on the assets of the Local World Group. The terms of the loan restrict the Local World Group from making significant acquisitions or disposals without the consent of the lender. Interest is payable on the 3 year bank loan at a variable rate of LIBOR plus a range between 3.5 per cent. and 4.0 per cent. on the principal amount, the exact value of which is dependent upon covenant testing.

The effective interest rates at the reporting date are as follows:

	2014 %	2013 %
Bank facility	**4.1**	4.5

The fair value of the Local World Group's borrowings is estimated by discounting their future cash flows at the market rate. The estimate at the reporting date is as follows:

	2014 £m	2013 £m
Bank facility	**10.0**	18.8

In estimating the fair value of the bank facility the future cash flows have been discounted using an appropriate discount factor that includes credit risk.

The fair value of other financial assets and liabilities are not materially different from the book values and are not repeated in this analysis.

22 Net Debt

The contracted net (debt)/cash for the Local World Group is as follows:

	30 December 2012 £m	Cash flow £m	Loans drawn £m	Loans repaid £m	Loans reclass £m	29 December 2013 £m	Cash flow £m	Loans repaid £m	Loans reclass £m	28 December 2014 £m
Non-current liabilities										
Bank facility	—	—	(20.0)	—	10.0	(10.0)	—	—	10.0	—
	—	**—**	**(20.0)**	**—**	**10.0**	**(10.0)**	**—**	**—**	**10.0**	**—**
Current liabilities										
Bank facility	—	—	(10.0)	10.0	(10.0)	(10.0)	—	10.0	(10.0)	(10.0)
	—	**—**	**(10.0)**	**10.0**	**(10.0)**	**(10.0)**	**—**	**10.0**	**(10.0)**	**(10.0)**
Current assets										
Cash and cash equivalents	—	0.3	30.0	(10.0)	—	20.3	16.9	(10.0)	—	27.2
	—	**0.3**	**30.0**	**(10.0)**	**—**	**20.3**	**16.9**	**(10.0)**	**—**	**27.2**
Net (debt)/cash	**—**	**0.3**	**—**	**—**	**—**	**0.3**	**16.9**	**—**	**—**	**17.2**

23 Operating lease commitments

Total commitments under non-cancellable operating leases:

	Property 2014 £m	Vehicles, plant and equipment 2014 £m	Property 2013 £m	Vehicles, plant and equipment 2013 £m
Within one year	**3.0**	**2.8**	2.8	3.5
Greater than one and less than five years	**8.1**	**2.4**	7.6	3.4
After five years	**3.9**	**—**	3.4	—
	15.0	**5.2**	13.8	6.9

24 Share capital and reserves

	Share capital £m	Share premium account £m	Retained earnings £m	Total £m
At 30 December 2012	—	—	—	—
Issue of shares	—	(67.8)	—	(67.8)
Comprehensive income for the period	—	—	(23.5)	(23.5)
At 29 December 2013	—	(67.8)	(23.5)	(91.3)
Comprehensive income for the period	—	—	(26.3)	(26.3)
Dividends paid	—	—	15.2	15.2
At 28 December 2014	**—**	**(67.8)**	**(34.6)**	**(102.4)**

25 Called-up share capital

	2014 Number	2014 £	2013 Number	2013 £
Authorised, called-up and fully paid				
Class A ordinary shares of £0.001 each	**5,106**	**5**	5,106	5
Class B ordinary shares of £0.002 each	**11,899**	**24**	11,899	24
Class C ordinary shares of £0.02 each	**41**	**1**	41	1
Class D ordinary shares of £0.001 each	**2,954**	**—**	2,954	—
	20,000	**30**	20,000	30

The company has ordinary shares which carry no right to fixed income. All ordinary shares, except 521 ordinary shares that are conditional upon future performance, rank *pari passu* in all respects regardless of nominal value. In January 2015, the 521 shares were re-categorised as eligible for all dividend payments.

26 Share premium account

The company has allotted 20,000 ordinary shares with a nominal value of £30 for total consideration of £67,900,004 as follows:

	Number	Nominal Value £	Consideration per share £	Total consideration £
A ordinary	4,106	4	3,555.04	14,596,994
A ordinary	1,000	1	—	1
B ordinary	11,899	24	3,555.04	42,301,421
C ordinary	41	1	12,195.12	500,000
D ordinary	2,954	—	3,555.04	10,501,588
	20,000	**30**		**67,900,004**

The share premium arising on the issue of the shares is stated net of directly attributable expenses of £73,000.

27 Retirement benefit schemes

The Local World Group operates a defined contribution pension scheme for qualifying employees. The assets of the scheme are held separately from those of the Local World Group in funds under the control of the provider.

The current service cost charged to the consolidated income statement of £1.7 million (2013: £1.8 million) represents contributions payable to the scheme by the Local World Group at rates specified in the scheme rules. Contributions that were due have been paid over to the scheme at all reporting dates.

28 Financial instruments

CAPITAL RISK MANAGEMENT

The Local World Group manages its capital to ensure that entities in the Local World Group will be able to continue as a going concern while maximising the return to shareholders through an optimal balance of debt and equity. The capital structure of the Local World Group consists of debt, which includes the borrowings (note 21), cash and cash equivalents (note 15) and equity attributable to equity holders of the parent comprising share capital and reserves (note 24).

GEARING RATIO

The Board reviews the capital structure, including the level of gearing and interest cover, as required. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital.

SIGNIFICANT ACCOUNTING POLICIES

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument, are disclosed in note 3.

CATEGORIES OF FINANCIAL INSTRUMENTS

The Local World Group's significant financial assets are cash and trade and other receivables which are classified as loans and receivables and are accordingly held at amortised cost. Trade and other payables, bank overdrafts and bank facility are all designated as other financial liabilities and held at amortised cost.

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Local World Group's finance function co-ordinates access to financial markets and monitors and manages the financial risks relating to the operations of the Local World Group. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

The Local World Group seeks to minimise the effects of these risks by using derivative financial instruments where appropriate to hedge these exposures. The Local World Group does not enter in to or trade financial instruments, including derivative financial instruments, for speculative purposes. No derivative financial instruments have been entered into in 2013 or 2014. Since the reporting date an interest rate swap has been entered into.

The Local World Group's finance function provides regular updates to the Board covering compliance with covenants and other treasury related matters.

MARKET RISK

The Local World Group's activities expose it primarily to the financial risks of changes in interest rates. The Local World Group undertakes limited transactions denominated in foreign currencies.

INTEREST RATE RISK MANAGEMENT

The Local World Group is exposed to interest rate risk on its bank facility. The Local World Group's exposures to interest rates on the financial assets and liabilities are detailed in the liquidity risk management section of this note.

INTEREST RATE SENSITIVITY ANALYSIS

A 1 per cent. increase in interest rates has been used and represents the assessment of a reasonably possible change. If interest rates had been 1 per cent. higher/lower and all other variables were held constant, the Local World Group's profit for 2014 would decrease/increase by £0.2 million (2013: £0.3 million).

OTHER PRICE RISKS

The Local World Group has no significant listed equity investments and is not directly or indirectly exposed to equity price risk.

CREDIT RISK MANAGEMENT

Credit risk refers to the risk that a counter-party with the Local World Group will default on its contractual obligations resulting in financial loss to the Local World Group. The Local World Group has adopted a policy of only dealing with creditworthy counterparties that are rated the equivalent to investment grade and above. This information is supplied by independent rating agencies where available and, if not, the Local World Group uses other publicly available financial information and its own trading records to rate its major customers.

The Local World Group's exposure and credit ratings of its counterparties are reviewed by the finance function and where material the Board.

Trade receivables consist of a large number of customers spread across diverse sectors. Ongoing credit evaluation is performed on the financial condition of trade receivables. The Local World Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Local World Group defines counterparties as having similar characteristics if they are connected entities. Concentration of credit risk with a single counterparty is limited by reference to the long-term credit ratings assigned for that counterparty by Standard and Poor's.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial information, which is net of impairment losses, represents the Local World Group's maximum exposure to credit risk.

LIQUIDITY RISK MANAGEMENT

Liquidity risk results from having insufficient financial resources to meet day-to-day fluctuations in working capital and cash flow. Ultimate responsibility for liquidity risk management rests with the Board. The Local World Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

LIQUIDITY RISK AND INTEREST RISK TABLES

Detail of the Local World Group's remaining contractual maturity for its non-derivative financial instruments is in note 21. The Local World Group expects to meet its other obligations from cash held on deposit and operating cash flows.

29 Acquisitions

Effective 31 December 2012, the Local World Group acquired the majority of the trade, trading assets and employees of Iliffe News and Media Group and the trade, trading assets and employees of Northcliffe Media Limited. The consideration of £95.2 million comprised cash of £80.0 million, issued shares of £14.6 million and acquisition costs of £1.5 million less working capital of £0.9 million. The fair value of the net assets acquired of £95.2 million comprised other intangible assets relating to publishing rights and titles of £91.1 million, tangible fixed assets of £6.9 million and debtors of £28.1 million less creditors of £30.9 million.

30 Related party transactions

Transactions between Local World and its subsidiaries, which are related parties of Local World, have been eliminated on consolidation and are not disclosed in this note. Transactions with the retirement benefit scheme are disclosed in note 27. Details of other related party transactions are disclosed below.

TRADING TRANSACTIONS

Sales of goods and services to related parties would be made at the Local World Group's usual list prices less average volume discounts. Purchases were made at market prices discounted to reflect volume purchase and the relationship between the parties. Any outstanding amounts will be settled by cash payment.

Daily Mail and General Trust plc

The Local World Group earned revenue of £54.7 million (2013: £57.2 million) and the Local World group incurred charges for the services received of £20.4 million (£22.7 million). The net amount outstanding at the reporting date amounted to £4.3 million (£4.4 million).

Yattendon Group plc

The Local World Group earned revenue of £nil (2013: £0.1 million) and the Local World Group incurred charges for services received of £9.1 million (2013: £7.0 million). The net amount outstanding at the reporting date amounted to £1.3 million (2013: £0.3 million).

Trinity Mirror plc

The Local World Group earned revenue of £nil (2013: £nil) and the Local World Group incurred charges for services received of £7.6 million (2013: £7.2 million). The net amount outstanding at the reporting date amounted to £0.5 million (2013: £0.5 million).

COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management includes the non-executive directors, the executive directors and the direct reports of the Chief Executive.

	2014 £m	2013 £m
Short-term employee benefits	**1.5**	1.7
Compensation for loss of office	**—**	0.6
	1.5	2.3

Retirement benefits comprising contributions to the defined contribution pension scheme amounted to £31,000 (2013: £20,000).

The remuneration of directors and other key executives is determined by the Remuneration Committee having regard to competitive market position and performance of individuals.

31 Post balance sheet events

In January 2015, the Local World Group repaid the existing bank loan of £10 million and signed a new £50 million bank loan that facilitated a dividend distribution of £60 million. The £50 million facility is repayable over 4 years with linear amortisation. Interest is set at a variable rate of LIBOR plus a range between 1.75 per cent. and 2.75 per cent. on the principal amount, the exact amount of which is dependent on covenant testing. Dividend payments of £50 million on 27 January 2015 and £10 million on 5 February 2015 were received from a subsidiary company, Local World Limited and dividend payments of £50 million on 28 January 2015 and £10 million on 6 February 2015 were paid to the Local World Group's ordinary shareholders.

Part B: Accountant's Report on the Historical Financial Information on Local World

Deloitte LLP,
Athene Place,
66 Shoe Lane,
London EC4A 3BQ

The Board of Directors
on behalf of Trinity Mirror Plc
One Canada Square,
Canary Wharf,
London
E14 5AP

Numis Securities Limited
The London Stock Exchange Building
Paternoster Square
London
EC4M 7LT

28 October 2015

Dear Sirs

Trinity Mirror plc/Local World Holdings Limited (Local World and, with its subsidiaries, the Local World Group)

We report on the financial information for the 52 weeks ended 29 December 2013 and the 52 weeks ended 28 December 2014 set out in Part A of Part IV of the Class 1 Circular relating to the acquisition of Local World dated 28 October 2015 by Trinity Mirror plc (the "Company") (the "Circular"). This financial information has been prepared for inclusion in the Circular on the basis of the accounting policies set out in notes 1–3 to the financial information. This report is required by Listing Rule 13.5.21R and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

The Directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to ordinary shareholders as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R(6), consenting to its inclusion in the Circular.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Circular, a true and fair view of the state of affairs of the Local World Group as at 29 December 2013 and as at 28 December 2014 and of its profits, cash flows and changes in equity for the 52 weeks ended 29 December 2013 and the 52 weeks ended 28 December 2014 in accordance with International Financial Reporting Standards as adopted by the European Union and has been prepared in a form that is consistent with the accounting policies adopted in the Company's latest annual accounts.

Yours faithfully

Deloitte LLP

Chartered Accountants

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PART V
UNAUDITED PRO FORMA FINANCIAL INFORMATION FOR THE ENLARGED GROUP

Part A: Unaudited Pro Forma Financial Information

The unaudited pro forma statement of net assets of the Enlarged Group has been prepared in a manner consistent with the accounting policies to be adopted by Trinity Mirror in preparing the financial statements for the 52 week period ending 27 December 2015, on the basis set out in the notes below and in accordance with Annex I item 20.2 and Annex II items 1 to 6 of the Prospectus Rules as applied by Listing Rule 13.3.3R.

The unaudited pro forma statement of net assets of the Enlarged Group has been prepared to illustrate the effect on net assets of Trinity Mirror of the Acquisition and the Equity Placing as if they had taken place as at 28 June 2015.

The unaudited pro forma financial information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and, therefore, does not represent the Trinity Mirror Group's or Enlarged Group's actual financial position or results.

The unaudited pro forma statement of net assets has been prepared on the basis set out in the notes below.

Unaudited pro forma statement of net assets of the Enlarged Group as at 28 June 2015

Pro forma balance sheet

GBP £ million	TM 28-Jun-15	LW 28-Dec-14	Pro Forma Adjustments	Pro Forma Net Assets
Non current assets	[1]	[2]		
Goodwill	12	—	118[4]	130
Intangible assets	668	91	—	759
Property, plant and equipment	307	8	—	315
Investment in associates	24	—	(5)[5]	19
Retirement benefit asset	18	—	—	18
Deferred tax asset	59	—	—	59
Derivative financial instruments	1	—	—	1
	1,089	**99**	**113**	**1,301**
Current assets				
Inventories	6	1	—	7
Trade and other receivables	101	29	(1)[5]	129
Cash and cash equivalents	92	27	(61)[3,4]	58
	199	**57**	**(62)**	**194**
Total assets	**1,288**	**156**	**51**	**1,495**
Non current liabilities				
Borrowings	64	—	80[4]	144
Retirement benefit obligations	309	—	—	309
Deferred tax liabilities	177	8	—	185
Provision for other liabilities and charges	12	3	—	15
	562	11	80	653
Current liabilities				
Borrowings	—	10	—	10
Trade and other payables	88	29	6[4,5]	123
Current tax liabilities	9	2	—	11
Provision for other liabilities and charges	29	2	—	31
	126	43	6	175
Total liabilities	688	54	86	828
Net assets	600	102	(35)	667

1 Trinity Mirror's financial information as at 28 June 2015 has been extracted, without material adjustment, from Trinity Mirror's unaudited consolidated financial statements for the 26 weeks ended 28 June 2015.

2 Local World's financial information as at 28 December 2014 has been extracted, without material adjustment, from the historical financial information in Part A of Part IV.

3 Reflects the impact of the Equity Placing which raised net proceeds of £34.8 million after expenses of £0.6 million.

4 Reflects the impact of the Acquisition of the remaining interest in Local World as follows:

(a) The gross purchase consideration of £154.4 million plus adjustment for net debt, working capital and debt like items of £27.0 million (Total Consideration) will be payable as a combination of the issuance of Trinity Mirror ordinary shares to certain shareholders (Equity Consideration) and cash (Cash Consideration)

The Total Consideration payable is set out below:

	£m
Equity Consideration	5.3
Cash Consideration	176.1
Total Consideration	181.4

(i) The Equity Consideration has been calculated with reference to the Placing Price, and results in certain shareholders holding 1.2 per cent. of the Enlarged Group's issued share capital following the Acquisition.

(ii) The Cash Consideration has been calculated with reference to the criteria set out within the SPA.

(iii) The Cash Consideration will be funded by the Equity Placing of £34.8 million (net of costs) set out in Note 3, an assumed drawdown of £80.0 million of the New Debt Facility and £61.3 million of cash balances held by Trinity Mirror.

(b) The adjustment to goodwill has been calculated as follows:

	£m
Total Consideration	181.4
Fair value of equity interest held	38.6
Net assets of Local World acquired	(102.4)
Pro forma goodwill adjustment	117.6

(i) The Acquisition will be accounted for using the acquisition method of accounting. The excess of consideration over the book value of net assets has all been reflected in goodwill.

(ii) A fair value exercise will be completed post completion of the acquisition which may result in fair value adjustments and a different allocation of the excess of consideration over the net assets acquired.

(c) Reflects the estimated transaction costs of £6.0 million which will be charged to the income statement as a non-recurring item.

5 Intra-group eliminations reflect adjustments to remove:

(a) The investment in associates has been eliminated and a credit to the income statement in respect of the value of the 20 per cent. held has been included as a non-recurring item.

(b) Trading balances as of 28 December 2014 between Trinity Mirror and Local World.

6 No adjustment to the balance sheet has been made to reflect the trading results of Trinity Mirror since 28 June 2015 or of Local World since 28 December 2014.

Part B: Accountant's report on the unaudited pro forma financial information for the Enlarged Group

Deloitte LLP,
Athene Place,
66 Shoe Lane,
London EC4A 3BQ

The Board of Directors
on behalf of Trinity Mirror Plc
One Canada Square,
Canary Wharf,
London
E14 5AP

Numis Securities Limited
The London Stock Exchange Building
Paternoster Square
London
EC4M 7LT

28 October 2015

Dear Sirs,

Trinity Mirror plc (the Company)

We report on the pro forma financial information (the "**Pro forma financial information"**) set out in Part A of Part V of the Class 1 circular dated 28 October 2015 (the "**Circular"**), which has been prepared on the basis described in notes 1-6, for illustrative purposes only, to provide information about how the Acquisition might have affected the financial information presented on the basis of the accounting policies to be adopted by the Company in preparing the financial statements for the 52 weeks ending 27 December 2015. This report is required by the Commission Regulation (EC) No 809/2004 (the **Prospectus Directive Regulation**) as applied by Listing Rule 13.3.3R and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company (the "**Directors"**) to prepare the Pro forma financial information in accordance with Annex II items 1 to 6 of the Prospectus Directive Regulation as applied by Listing Rule 13.3.3R.

It is our responsibility to form an opinion, as to the proper compilation of the Pro forma financial information and to report that opinion to you in accordance with Annex II item 7 of the Prospectus Directive Regulation as applied by Listing Rule 13.3.3R.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to ordinary shareholders as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 13.4.1R (6), consenting to its inclusion in the Circular.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards or practices.

Opinion

In our opinion:

(a) the Pro forma financial information has been properly compiled on the basis stated; and

(b) such basis is consistent with the accounting policies of the Company.

Yours faithfully

Deloitte LLP

Chartered Accountants

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Deloitte LLP is the United Kingdom member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, whose member firms are legally separate and independent entities. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

PART VI
ADDITIONAL INFORMATION

1. Responsibility statement

The Company and the Directors, whose names appear in paragraph 5 below, accept responsibility for the information contained in this Circular. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Company information

The Company was incorporated and registered in England and Wales on 11 November 1904 as the Liverpool Daily Post The Liverpool Mercury and the Liverpool Echo Limited. The Company changed its name to the Liverpool Daily Post and Echo Limited on 17 December 1923. On 15 February 1982, the Company re-registered as a public limited company with registered number 82548 and changed its name to The Liverpool Daily Post and Echo Public Company. The Company changed its name to Trinity International Holdings Public Limited Company on 11 January 1985. On 5 May 1998, the Company changed its name to Trinity Public Limited Company. The Company changed its name to Trinity Mirror plc on 6 September 1999.

The Company is a public company limited by shares, and is domiciled in the United Kingdom. The principal laws and legislation under which the Company operates are the Companies Act 2006 and the regulations made thereunder. The Company's registered office is at One Canada Square, Canary Wharf, London E14 5AP and its telephone number is +44 (0)20 7293 3000.

3. Information about the Ordinary Shares

The Ordinary Shares issued as Consideration Shares will be ordinary shares in registered form and may be held in certificated form or in uncertificated form, and title to such Ordinary Shares may be transferred by means of a relevant system (as defined in the Regulations). Where Ordinary Shares are held in certificated form, share certificates will be sent to the registered members by first class post. Where Ordinary Shares are held in paperless form, the Company's registrar, Equiniti, will transfer the Ordinary Shares through the CREST system. Where the registered member is resident overseas the Ordinary Shares are transferred through the CREST system to the beneficial owner's CREST appointed partner and from there they can be transferred to the beneficial owner's preferred holding vehicle.

4. Acquisition Resolution

As described in paragraph 10 of Part I (*Letter from the Chairman of Trinity Mirror plc*), it is proposed that the Acquisition Resolution be passed at the General Meeting. The Acquisition Resolution proposes that the Acquisition be approved and the Directors be authorised to take all steps as may be necessary, expedient or desirable to implement the Acquisition.

The Acquisition Resolution will be proposed as an ordinary resolution. The Acquisition Resolution must be approved by Shareholders who together represent a simple majority of the Ordinary Shares being voted (whether in person or by proxy) at the General Meeting. The Acquisition will not proceed unless the Acquisition Resolution is passed.

5. Directors

The names and principal functions of the Directors are as follows:

Name	Position
David Grigson	Chairman
Simon Fox	Chief Executive
Vijay Vaghela	Group Finance Director
Jane Lighting	Senior Independent Director
Lee Ginsberg	Non-executive Director
David Kelly	Non-executive Director
Helen Stevenson	Non-executive Director

6. Directors' interests in the Company

Directors' interests in Ordinary Shares

The beneficial interests of the directors and their families in the Ordinary Share capital of the Company as at the Latest Practicable Date was as follows:

Director	Ordinary Shares
David Grigson	200,000
Simon Fox	62,659
Vijay Vaghela	502,873
Jane Lighting	34,800
Lee Ginsberg	0
David Kelly	0
Helen Stevenson	10,000

Directors' interests under Employee Share Schemes

In addition to their interests detailed above, as at the Latest Practicable Date, the following Directors held interests under Trinity Mirror employee share schemes:

Director	Unvested and subject to performance conditions	Unvested but subject to other conditions[(1)]	Vested but not exercised[(2)]
Simon Fox	1,498,735	70,519	1,573,510
Vijay Vaghela	1,074,094	60,646	0

(1) Shares awarded under the Deferred Share Award Plan are subject to continued employment and shares awarded under the Restricted Share Plan are subject to a malus provision.

(2) Represents LTIP awards which have vested and are capable of being exercised but have not yet been exercised. These awards may be exercised from 30 August 2015 until 29 February 2016.

7. Directors' service contracts and letters of appointment

Save as set out in this paragraph 7, there are no existing or proposed service agreements or letters of appointment between the Directors and any member of the Trinity Mirror Group.

Directors' Details of Appointment

Director	Commencement	Expiry
Simon Fox	August 2012	The agreement is terminable by either party on 12 months' notice. All directors are subject to annual re-election at the AGM.
Vijay Vaghela	April 2003	The agreement is terminable by either party on 12 months' notice. All directors are subject to annual re-election at the AGM.
David Grigson	January 2012	Letter of appointment was for an initial period of three years. All directors are subject to annual re-election at the AGM.
Lee Ginsberg	January 2014	Letter of appointment is for an initial period of three years. All directors are subject to annual re-election at the AGM.
David Kelly	December 2014	Letter of appointment is for an initial period of three years. All directors are subject to annual re-election at the AGM.
Jane Lighting	January 2008	Letter of appointment was for an initial period of three years. All directors are subject to annual re-election at the AGM.
Helen Stevenson	January 2014	Letter of appointment is for an initial period of three years. All directors are subject to annual re-election at the AGM.

Executive Directors' Remuneration

The table below sets out a single figure for the total remuneration received by each Executive Director for the financial year ending 28 December 2014:

Director	Salary £'000	Pension benefit[2] £'000	Taxable benefits[3] £'000	Single-year variable[4] £'000	Multiple-year variable[5] £'000	Total £'000
Simon Fox	500	75	22	172	1,016	1,785
Vijay Vaghela[1]	421	111	12	148	1,269	1,961

(1) Vijay Vaghela's base salary excludes amount of salary sacrificed for pension contributions.

(2) Includes the value of cash supplements received by directors in lieu of pension contributions, the value of any salary sacrificed for pension contributions and the value of contributions made by Trinity Mirror on behalf of the director direct to the pension scheme.

(3) Incorporates the value of all tax assessable benefits arising from employment with Trinity Mirror related to the provision of car and fuel allowance and healthcare cover.

(4) Annual bonus paid for performance over the relevant financial year. Annual bonus is paid 50 per cent. in cash and 50 per cent. in restricted shares under the Restricted Share Plan. Restricted shares must be held for three years and are subject to forfeiture provisions. Awards may be reduced if the malus rules apply, i.e. in the event of a significant deterioration in the underlying financial health of Trinity Mirror, conduct harmful to Trinity Mirror's reputation, fraud or material misstatement of results.

(5) Reflects the value of LTIP awards which vested on performance to the relevant financial year end. For 2014, 62.6 per cent. of the 2012 LTIP grant will vest on performance, and in 2013, 52.0 per cent. of the 2011 LTIP grant vested on performance. In line with regulations, the market value of the 2012 LTIP awards is estimated using the volume-weighted average market value of the shares over the final quarter of the 2014 financial year which is 153.21 pence per share. The value of the 2011 LTIP awards has been calculated using the spot share price of 193.00 pence on the date of vesting (31 March 2014) which is higher than the price of 156.54 pence used to estimate the value in the Annual Report for 2013. The value of the 2012 LTIP awards will be amended to reflect the share price on the date of vesting of 25 June 2015 (30 August 2015 for the Chief Executive's award) in the Annual Report for 2015.

Executive Directors' service contracts

Simon Fox

Mr Fox was appointed as Chief Executive on 30 August 2012. His appointment may be terminated by either party giving to the other 12 months' written notice. Trinity Mirror reserves the right to make a payment in lieu of notice equivalent to 12 months' basic salary (or, if notice has already been given, basic salary during the remainder of the notice period). The payment in lieu of notice shall not include any bonus, payment in respect of benefits or payment in respect of any holiday entitlement. Where notice of termination has been served by Trinity Mirror or Mr Fox, Trinity Mirror reserves the right to put Mr Fox on garden leave for the notice period or remainder of the notice period.

Vijay Vaghela

Mr Vaghela was appointed as Group Finance Director in May 2003 and he entered into a service agreement on 18 April 2003. His appointment may be terminated by either party giving to the other 12 months' written notice, to expire at the end of any calendar month thereafter. The appointment may also be determined by Mr Vaghela reaching the age of 60 or such other normal retirement date as Trinity Mirror may decide. Trinity Mirror reserves the right to make a payment in lieu of notice; subject to certain conditions such payment will be the aggregate of a sum equal to 12 months' salary, his pension benefits and any bonus payment he would have been entitled to if he had worked for the full period of the relevant financial year.

Each of the Executive Directors is subject to annual re-election at the Company's Annual General Meeting.

Benefits

Mr Vaghela is entitled to permanent health insurance, medical insurance for himself, his wife and any dependent children up to the age of 18, life assurance equivalent to four times his current salary, subject to certain conditions and a car allowance.

Mr Fox is entitled to permanent health insurance, medical insurance for himself, his wife and any dependent children up to the age of 21, life assurance equivalent to four times his current salary, subject to certain conditions and a car allowance.

The Executive Directors are entitled to be reimbursed for all reasonable expenses properly incurred in the course of their duties.

The Executive Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006. The Company maintains appropriate directors' and officers' liability insurance for its directors and officers which provides cover for any legal action brought against them.

Bonuses

Executive Directors' bonuses are based 75 per cent. on Trinity Mirror Group Adjusted Operating Profit and 25 per cent. on publishing digital revenue growth. Performance against targets is disclosed in the Annual Report on Remuneration, if no longer deemed by the Directors to be commercially sensitive.

For Executive Directors, the maximum annual bonus opportunity is 75 per cent. of base salary. Any annual bonus earned is payable 50 per cent. in cash and 50 per cent. is delivered in the form of restricted share awards.

Performance measures, targets and weightings are set at the start of the year. At the end of the year, the Remuneration Committee determines the extent to which the targets have been achieved. For on-target performance, the bonus opportunity is typically up to 50 per cent. of maximum. For threshold performance, the bonus opportunity is typically up to 20 per cent. of maximum. Additional shares representing reinvested dividends may be released following the vesting of any restricted share award.

The measures selected may vary each year depending on business context and strategy, and will be weighted appropriately according to business priorities. Financial measures will represent the majority of the total bonus opportunity and will include, but not be limited to, Trinity Mirror Group Adjusted Operating Profit. The Remuneration Committee has discretion in exceptional circumstances to adjust the formulaic bonus outcomes within the limits of the plan to ensure alignment of pay with the underlying performance of the business and to ensure fairness to both shareholders and participants or, in exceptional circumstances, to withhold bonus from an individual if his or her conduct was such that it was detrimental to the customers or reputation of the Trinity Mirror Group.

The Restricted Share Plan is designed to provide further alignment with the interests of shareholders by deferring an element of the annual bonus and delivering it in the form of restricted share awards over Company shares. Restricted shares may not normally be transferred or otherwise disposed of by a participant for a period of three years from the date of grant. Executive Directors are required to retain all of the shares released to them, after the sale of sufficient shares to meet any income tax or national insurance payments obligations of the executive director, until such time as minimum shareholding guidelines are met. Restricted shares are subject to a malus provision which allows the Committee to determine that some or all of the shares may not be released to a participant at the end of the three-year period if during the three-year restricted period: there has been a significant deterioration in the underlying financial health of the Company; a material restatement of the Company's accounts as a result of a participant's conduct; a participant has deliberately misled the Company, the market or shareholders regarding the Company's financial performance; or a participant's actions have caused harm to the Company's reputation.

Pensions

All of the Trinity Mirror Group's defined benefit schemes were closed to future accrual on 31 March 2010.

Vijay Vaghela participated in the contributory MGN Pension Scheme until it closed to future accrual on 31 March 2010. From 1 April 2010 until 31 March 2011, he participated in the Trinity Mirror Pension Plan (a defined contribution plan). From 1 April 2011, his contributions to the Plan are made under the terms of a salary sacrifice arrangement that was introduced from that date.

Simon Fox receives an annual cash sum to use for pension purposes equivalent to 15 per cent. of base salary.

The Executive Directors are covered for lump sum death benefits equivalent to four times base salary. Vijay Vaghela's spouse is also entitled to a pension if death occurs in service.

As an executive director subject to the earnings cap, Mr Vaghela receives an annual cash sum equivalent to 30 per cent. of salary in excess of the cap.

Confidentiality and post-termination restrictive covenants

The Executive Directors' service agreements contain customary undertakings relating to confidentiality, non-competition and non-solicitation of employees and customers. The Non-Executive Directors' letters of appointment contain customary undertakings relating to confidentiality.

Non-Executive Directors' letters of appointment and terms of service

Each Non-Executive Director is engaged under a letter of appointment. Non-Executive Directors are appointed for an initial term of three years, unless otherwise terminated earlier by and at the discretion of either party by written notice, and may be invited to serve subsequent terms. Prior to seeking re-election at the end of their initial term by shareholders, the Nomination Committee meets to consider whether his or her performance continues to be effective and whether he or she demonstrates a commitment to the role.

In line with the UK Corporate Governance Code, all Directors including Non-Executive Directors are subject to re-election annually at the Company's Annual General Meeting.

The Non-Executive Directors will be reimbursed for all reasonable expenses properly incurred in the course of their duties.

The Non-Executive Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006. The Company maintains appropriate directors' and officers' liability insurance for its directors and officers which provides cover for any legal action brought against them.

Non-Executive Directors' Remuneration

Fee levels are reviewed annually, with any adjustments generally effective 1 January in the year following review. The fees paid to the Chairman are determined by the Committee and the fees paid to the Non-Executive Directors are determined by the Board. Additional fees are payable for acting as Senior Independent Director and as Chairman of the Audit & Risk and Remuneration Committees. When reviewing fee levels, time commitment, responsibilities and the market positioning of fees against sector comparators and FTSE-listed companies of similar size and complexity, are taken into account.

Non-Executive Director fee increases are applied in line with the outcome of the annual fee review. There is no prescribed maximum. The maximum aggregate annual fee for all Non-Executive Directors provided in the Company's Articles of Association is £700,000.

The following Non-Executive Director fee policy was in place for the 52 weeks ended 28 December 2014:

Role	Fee
Chairman base fee	£190,000
Non-Executive Director base fee	£ 40,000
Additional fee for Senior Independent Director	£ 20,000
Additional fee for chairing Audit & Risk Committee	£ 15,000
Additional fee for chairing Remuneration Committee	£ 15,000

The table below sets out a single figure for the total remuneration received by each Non-Executive Director for the 52 weeks ended 28 December 2014:

Director	Base fee £'000	Other fees £'000	Total £'000
David Grigson	190	—	190
Jane Lighting[(1)]	40	22	62
Lee Ginsberg[(2)]	40	15	55
David Kelly[(3)]	3	—	3
Helen Stevenson[(4)]	40	9	49

(1) The fees paid to Jane Lighting for 2014 reflect her Chairmanship of the Remuneration Committee until 15 May 2014 and her appointment as Senior Independent Director on 13 March 2014.

(2) The fees paid to Lee Ginsberg for 2014 reflect his appointment to the Board and appointment as Audit Committee Chairman from 1 January 2014.

(3) The fees paid to David Kelly for 2014 reflect his appointment to the Board on 1 December 2014.

(4) The fees paid to Helen Stevenson for 2014 reflect her appointment to the Board on 1 January 2014 and appointment as Remuneration Committee Chairman from 15 May 2014.

The Board expects that non-executive directors will acquire shares in the Company equal in value to one times their annual fee during a period of three years from the date of their appointment.

It is the policy of the Board that non-executive directors are not eligible to participate in any of Trinity Mirror's bonus, long-term incentive or pension schemes.

8. Significant shareholders

As at the close of business on the Latest Practicable Date, so far as the Directors are aware, no person other than those listed below was interested, directly or indirectly, in three per cent. or more of the issued share capital of the Company:

Shareholder	Number of Ordinary Shares	Per cent. of total voting rights
Schroder Investment Management	33,975,585	13.18
Aberforth Partners	28,870,685	11.20
Aviva Investors	25,761,969	9.99
Standard Life Investments	17,765,814	6.89
J.P. Morgan Asset Management	16,863,410	6.54
Dimensional Fund Advisors	13,223,409	5.13
Premier Fund Management	13,166,248	5.11
Majedie Asset Management	9,516,401	3.69
LSV Asset Management	9,318,694	3.62

9. Material contracts

Trinity Mirror

Save for the material contracts described in this paragraph 9, no contracts (other than contracts entered into in the ordinary course of business) have been entered into in the two years preceding the date of this Circular by Trinity Mirror or another member of the Trinity Mirror Group which are, or may be, material to Trinity Mirror or contain a provision under which Trinity Mirror has an obligation or entitlement which is, or may be, material to Trinity Mirror or such other member of the Trinity Mirror Group, in each case as at the date of this Circular.

Share Purchase Agreement

Please see Part III (*Summary of the Principal Terms of the Acquisition and The Heads of Terms*) of this Circular for a summary of the principal terms and conditions of the Share Purchase Agreement.

New Debt Facility

Under the terms of the New Debt Facility, the banks have agreed to provide the Company with a 5 year amortising term loan facility of £80 million to be used for payment to the Sellers of the purchase price and the payment of fees, costs and expenses relating to the Acquisition and the refinancing of certain existing indebtedness of Local World. The New Debt Facility also includes an uncommitted accordion facility of up to £20 million which can be applied for the general corporate purposes of the Trinity Mirror Group.

The availability period in respect of the term facility ends on the date falling 60 days after the date of the New Debt Facility and in respect of the accordion facility ends on the date falling 60 days after the establishment of such accordion facility. Repayments under the term facility are to commence 12 months after first utilisation of the term facility and repayments shall be made at each 6 month interval thereafter. The accordion facility shall be repaid in instalments which represent the same proportion as the term facility loans that are repayable on each repayment date in respect of the term facility.

The New Debt Facility permits voluntary prepayments and voluntary cancellation of undrawn amounts, subject to payment of applicable break costs. Mandatory prepayment provisions in the event of illegality or a change of control of the Company are also included in the New Debt Facility. To the extent that any member of the Trinity Mirror Group receives cash proceeds from the disposal of (i) all or any part of the Proposed On-Sale Portfolio to The Trustees of the 2008 Appointed Fund of Lord Iliffe's Settlement dated 1 April 1969 or any of its affiliates or (ii) any of the assets or undertaking comprising the newspaper business of the Trinity Mirror Group in order to comply with any condition imposed by the Competition and Markets Authority in order to approve the Acquisition, such proceeds (after deducting reasonable and properly incurred taxes, fees, costs or expenses) must be applied in prepayment pro rata to all outstanding term facility loans and accordion facility loans in amounts equal to the amount of such disposal proceeds. In addition, if any member of the Trinity Mirror Group raises long term debt maturing after the termination date in respect of the New Debt Facility, the Company shall prepay outstanding term facility loans and accordion facility loans in an amount equal to the lower of (i) the amount then outstanding under the New Debt Facility and (ii) an amount equal to 50% of the net proceeds of such long term debt.

The New Debt Facility is made available on a certain funds basis so that the banks are obliged to lend save in certain limited circumstances and are only able to cancel their commitments under the New Debt Facility during the certain funds period in such limited circumstances, being the breach of any major representations or major undertakings, the occurrence of a major default, bank illegality or change of control. The certain funds period shall run from the date on which the New Debt Facility is signed until the Long Stop Date.

The New Debt Facility otherwise contains standard representations, undertakings and events of default for a facility of this nature which, in most cases, each member of the Trinity Mirror Group will need to observe. Certain members of the Trinity Mirror Group provide a guarantee in favour of each of the finance parties under the New Debt Facility in relation to the Company's obligations under the New Debt Facility and the related finance documents.

Placing Agreement

On 28 October 2015, the Company, Numis Securities Limited and Barclays Bank PLC (together, the "Joint Bookrunners") entered into the Placing Agreement pursuant to which (i) Numis was appointed to act as sponsor to the Company in connection with the Acquisition and (ii) the Joint Bookrunners were appointed to act as joint bookrunners to the Company in connection with the Equity Placing. The Equity Placing is underwritten. Under the Placing Agreement the Joint Bookrunners have severally agreed to use reasonable endeavours to procure, as agents for the Company, placees for the Placing Shares at the Placing Price, failing which, to themselves take up the Placing Shares on the same terms.

The Placing Agreement is conditional upon, amongst other things, admission of the Placing Shares occurring on or before 8.00am on 30 October 2015 (or such later date as the Company and the Joint Bookrunners may agree). Under the Placing Agreement, the Company gave certain customary undertakings, representations and warranties to the Joint Bookrunners in relation to the Equity Placing, the Acquisition and the Trinity Mirror Group and its business. In addition, the Company gave customary indemnities to the Joint Bookrunners and certain indemnified persons connected with each of them. The Joint Bookrunners have the right to terminate the Placing Agreement in certain circumstances prior to admission of the Placing Shares, including in the event of a breach of the warranties.

Local World

No contracts (other than contracts entered into in the ordinary course of business) have been entered into in the two years preceding the date of this Circular by Local World or another member of the Local World Group which are, or may be, material to Local World or contain a provision under which Local World has an obligation or entitlement which is, or may be, material to Local World or such other member of the Local World Group, in each case as at the date of this Circular.

10. Litigation

Trinity Mirror

Save for those matters described below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) nor have there been any during the twelve months preceding the date of this Circular which may have, or have had in the recent past, significant effects on Trinity Mirror's financial position or profitability.

Trinity Mirror continues to cooperate with the MPS in respect of Operation Elveden (the investigation relating to alleged inappropriate payments to public officials) and Operation Golding (the investigation into alleged phone hacking). In September 2013 Trinity Mirror announced that its subsidiary, MGN, had been notified by the MPS that the MPS were at a very early stage in investigating whether MGN was criminally liable in relation to phone hacking. MGN currently faces a significant number of civil claims for misuse of private information. In July 2014, after Trinity Mirror's ongoing investigations revealed that phone hacking had taken place at MGN, a provision of £4.0 million was made to cover the cost of dealing with and resolving civil claims from individuals. In the second half of the 2014 financial year, a number of claims were settled and MGN admitted liability to a number of individuals who had sued for interception of their voicemails many years ago. As Trinity Mirror progressed with dealing with the civil claims, it became evident that the cost of resolving these claims would be higher than previously envisaged. Therefore, the provision of £4.0 million at the 2014 half year for resolving phone hacking claims was increased by a further £8.0 million. In May 2015, following the release of the judgment and conclusion of the civil trial for assessment of damages for eight representative claimants arising from phone hacking, Trinity Mirror made a further provision of £16.0 million to cover the costs of dealing with and resolving the historical legal issues in relation to phone hacking. This judgment was the subject of an appeal to the Court of Appeal by MGN which was heard on 20 and 21 October 2015 and in respect of which the judgment is awaited. There can be no assurance that MGN will be successful in its appeal. Civil claims continue to be advanced against MGN and it remains uncertain as to how these matters will progress, whether further allegations or claims will be made and their financial impact. MGN continues to resolve civil claims but there is potential for further and/or increased liabilities to arise from the outcome or resolution of the ongoing historical legal issues, including as a result of the judgment of the Court of Appeal, which may require Trinity Mirror to reassess the sufficiency of, and potentially increase, its current provision. Due to the present uncertainty in respect of the nature, timing or measurement of any such liabilities it is too soon to be able to reliably estimate how these matters will proceed and their financial impact.

Local World

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Local World is aware) nor have there been any during the twelve months preceding the date of this Circular which may have, or have had in the recent past, significant effects on Local World's financial position or profitability.

11. Related Party Transactions

Save as disclosed in paragraph 6 of Part I (*Letter from the Chairman of Trinity Mirror plc*), neither the Company nor any member of the Trinity Mirror Group has entered into any related party transactions (which for these purposes are those set out in the standards adopted according to Regulation (EC) No 1606/2002) with any related party during the period beginning 31 December 2012 up to the date of this Circular.

12. No Significant Change

Trinity Mirror

There has been no significant change in the financial or trading position of Trinity Mirror since 28 June 2015, being the date to which the Company prepared its last interim financial statements.

Local World

There has been no significant change in the financial or trading position of Local World since 28 December 2014, being the last date to which the financial information on Local World, presented in Part IV (*Historical Financial Information Relating to Local World*), has been prepared.

13. Enlarged Group working capital statement

The Company is of the opinion that, taking into account the net proceeds of the Equity Placing, cash resources and bank facilities available to the Enlarged Group, the Enlarged Group has sufficient working capital for its present requirements, that is, for at least 12 months following the date of publication of this Circular.

14. Consents

Deloitte LLP has given and not withdrawn its consent to the inclusion in this Circular of its report in Part IV (*Historical Financial Information Relating to Local World*) in the form and context in which it is included.

Deloitte LLP has given and not withdrawn its consent to the inclusion in this Circular of its report in Part V (*Unaudited Pro forma Financial Information for the Enlarged Group*) in the form and context in which it is included.

Each of Numis and Barclays has given and not withdrawn its written consent to the issue of this Circular with references to their names being included in the form and context in which they appear.

15. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ from the date of this Circular up to and including the date of the General Meeting and for the duration of the General Meeting:

(a) the Company's Articles of Association;

(b) the Company's 2013 Annual Report and 2014 Annual Report;

(c) the Share Purchase Agreement;

(d) the consent letters referred to in paragraph 14 of this Part VI (*Additional Information*);

(e) the report of Deloitte LLP set out in Part B of Part IV (*Historical Financial Information relating to Local World*);

(f) the report of Deloitte LLP set out in Part B of Part V (*Unaudited Pro forma Financial Information for the Enlarged Group*); and

(g) this Circular and the Form of Proxy.

PART VII
DEFINITIONS

The following definitions apply throughout this Circular, unless the context requires otherwise:

"Acquisition"	means the proposed acquisition of all of the Local World Shares not already owned by the Company;
"Acquisition Resolution"	means the resolution set out in the Notice of General Meeting;
"Adjusted EBITDA"	means Adjusted Operating Profit excluding the depreciation of fixed assets;
"Adjusted Operating Profit"	means operating profit excluding non-recurring items, restructuring charges in respect of cost reduction measures, pension administrative expenses and the amortisation of intangible assets;
"Admission"	means (i) the admission of the Consideration Shares to the Official List of the UKLA becoming effective in accordance with the Listing Rules; and (ii) admission of the Consideration Shares to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with the Admission and Disclosure Standards of the London Stock Exchange (as amended from time to time);
"Act" or **"Companies Act"**	means the Companies Act 2006, as amended from time to time;
"Barclays"	means Barclays Bank PLC, acting through its Investment Bank;
"Board"	means the Directors of the Company from time to time;
"Business Day"	means any day on which banks are generally open in London for the transaction of business other than a Saturday or Sunday or public holiday;
"Circular"	means this document;
"CMA"	means the Competition and Markets Authority;
"Company"	means Trinity Mirror plc, a company incorporated in England & Wales with registered no. 82548;
"Completion"	means completion of the Acquisition pursuant to the terms of the Share Purchase Agreement;
"Conditions"	means the conditions to Completion as set out in the Share Purchase Agreement;
"Consideration Shares"	means the Ordinary Shares to be issued by the Company to certain of the Sellers pursuant to the Share Purchase Agreement;
"CREST"	means the relevant system (as defined in the Regulations) in respect of which Euroclear is the operator (as defined in the Regulations);
"CREST Manual"	means the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended since);
"CREST Proxy Instruction"	means a properly authenticated CREST message appointing and instructing a proxy to attend and vote in place of a Shareholder at the General Meeting and containing the information required to be contained in the CREST Manual;

"Directors" or "Board of Directors"	means the directors of the Company whose names appear in the section entitled *Directors, Company Secretary, Registered Office and Advisers*;
"Disclosure and Transparency Rules"	means the disclosure rules and transparency rules made by the UK Listing Authority under Section 73A of the FSMA as amended from time to time;
"Enlarged Group"	means the Company and its subsidiaries and subsidiary undertakings, including Local World and its subsidiaries and subsidiary undertakings, after the Acquisition and from time to time thereafter;
"Equity Placing"	means the placing of the 22,398,041 new Ordinary Shares in connection with the Acquisition, as announced by the Company on 28 October 2015;
"Euroclear"	means Euroclear UK & Ireland Limited;
"FSMA"	means the Financial Services and Markets Act 2000, as amended from time to time;
"General Meeting"	means the general meeting of the Company to consider and, if thought fit, approve the Acquisition Resolution;
"Heads of Terms"	means the Heads of Terms between Trinity Mirror and the Honourable Edward Richard Iliffe in relation to the sale of the businesses and assets of certain local newspaper titles currently owned by Local World;
"Joint Bookrunners"	means Numis and Barclays in their capacity as joint bookrunners in connection with the Equity Placing;
"IFRS"	means International Financial Reporting Standards as adopted by the European Union;
"IPSO"	means the Independent Press Standards Organisation;
"Latest Practicable Date"	means 27 October 2015 being the latest practicable date prior to the publication of this Circular;
"Listing Rules"	means the listing rules made by the UK Listing Authority under section 73A of the FSMA as amended from time to time;
"London Stock Exchange"	means London Stock Exchange plc;
"Local World"	means Local World Holdings Limited, a company incorporated in England & Wales with registered no. 8290481;
"Local World Group"	means Local World and its subsidiaries and subsidiary undertakings from time to time;
"Local World Shares"	means the ordinary shares in the capital of Local World;
"Long Stop Date"	means the date which is 60 days after the signing of the New Debt Facility, being (i) the date by which the Conditions must be satisfied in order for Completion to occur pursuant to the terms of the Share Purchase Acquisition and (ii) the end of the certain funds period pursuant to the New Debt Facility;
"New Debt Facility"	the £80 million term loan facilities agreement dated 28 October 2015 entered into between, amongst others, the Company as parent and original borrower, The Royal Bank of Scotland plc and Barclays Bank plc as co-ordinators, bookrunners and mandated lead arrangers, certain other banks as bookrunners, mandated lead arrangers and lenders, certain members of the Trinity Mirror Group as guarantors and The Royal Bank of Scotland plc as agent;

"Notice of General Meeting" . . . means the notice of the General Meeting included at the end of this Circular;

"Official List" . . . . means the official list of the UK Listing Authority;

"Numis" . . . . means Numis Securities Limited;

"Ordinary Shares" . . . . means the ordinary shares of nominal value of 10 pence each in the capital of the Company, including, if the context requires, the Consideration Shares;

"Placees" . . . . means persons who agree to take up the Placing Shares at the Placing Price pursuant to the Equity Placing;

"Placing Agreement" . . . . means the placing agreement dated 28 October 2015 and entered into between the Company and the Joint Bookrunners;

"Placing Price" . . . . means 158 per Placing Share;

"Placing Shares" . . . . means the 22,398,041 new ordinary shares of 10 pence each, representing 8.7 per cent. of the capital of the Company before the Placing, issued by the Company pursuant to the Placing

"Pounds Sterling" or "£" . . . . . . means the lawful currency of the United Kingdom from time to time;

"Proposed On-Sale" . . . . means the proposed purchase by the Honourable Edward Richard Iliffe, or a company controlled by him, of the businesses and assets of certain of the local newspaper titles currently in the Local World portfolio to be acquired by the Company pursuant to the Acquisition, as further described in Part III of this Circular;

"Proxy Form" . . . . means the form of proxy for the General Meeting to be sent to Shareholders;

"Regulations" . . . . means the Uncertificated Securities Regulations 2001 of the United Kingdom;

"Sellers" . . . . means Daily Mail and General Holdings Limited, the Honourable Edward Richard Iliffe, the Trustees of the 1997 A&M Funds of Lord Iliffe's Settlement Dated 1 April 1969, Torchlight Fund LP, David Montgomery, Rowanmoor Trustees Limited, re DM, Odey European Inc. OEI MAC Inc. and Glenrinnes Farms Limited;

"Shareholder" . . . . means a holder of Ordinary Shares and "Shareholders" shall be construed accordingly;

"Share Purchase Agreement" or **"SPA"** . . . . means the agreement entered into on 28 October 2015 between the Sellers and the Company;

"Sponsor" . . . . means Numis;

"UKLA" or **"UK Listing Authority"** . . . . means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part V of the FSMA and any successor(s) thereto;

"Trinity Mirror" or **"Trinity Mirror Group"** . . . . means the Company and its subsidiaries and subsidiary undertakings from time to time;

"Trustees" . . . . means the trustees of the Trinity Mirror Pension Schemes;

"Trinity Mirror Pension Schemes" . . . . means the existing defined benefit schemes of the Trinity Mirror Group;

"Unaudited Pro Forma Financial Information" . . . . has the meaning given to it in Part V (*Unaudited Pro Forma Financial Information for the Enlarged Group*);

"United Kingdom" or **"UK"** . . . . means the United Kingdom of Great Britain and Northern Ireland;

"United States" or **"US"** . . . . . . means the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction;

"US Securities Act" . . . . means the US Securities Act of 1933, as amended; and

"VWAP" . . . . means volume-weighted average price.

References to a "company" in this Circular shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.

NOTICE OF GENERAL MEETING

TRINITY MIRROR PLC

(Incorporated in England and Wales with registered number 82548)

Notice of General Meeting

Notice is given that a General Meeting (the "General Meeting") of Trinity Mirror plc (the "Company") will be held at 11.30 am on Friday, 13 November 2015 at the Quayside Room, Museum of London Docklands, No.1 Warehouse, West India Dock Road, London E14 4AL in order to consider and, if thought fit, to pass the following Resolution.

Capitalised terms used in this Notice of General Meeting (the "Notice") which are not defined shall have the meaning ascribed to them in the circular to Shareholders dated 28 October 2015 (the "Circular") of which this Notice forms part.

The Resolution will be proposed as an ordinary resolution.

Resolution

THAT the proposed acquisition by the Company of the ordinary shares in the capital of Local World Holdings Limited not already owned by the Company, on the terms and subject to the conditions of the Share Purchase Agreement (as summarised in Part III of the Circular dated 28 October 2015), and the associated and ancillary agreements and arrangements contemplated by the Share Purchase Agreement be approved and that any and all of the Directors (or any duly constituted committee thereof) be authorised to:

(i) take all steps as may be necessary, expedient or desirable and do all necessary or appropriate things in relation thereto; and

(ii) implement the same and agree and make non-material modifications, variations, revisions or amendments in relation to the foregoing as they may in their absolute discretion deem necessary, expedient or desirable.

By order of the Board of Directors,
Jeremy Rhodes
Company Secretary
28 October 2015

Registered Office:
One Canada Square
Canary Wharf
London E14 5AP

Notes

Shareholders entitled to attend and vote

1 Holders of Ordinary Shares, or their duly appointed representatives are entitled to attend, vote and speak at the General Meeting. A member so entitled may appoint (a) proxy(ies), who need not be (a) member(s), to attend, vote and speak on his/her behalf.

2 Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (as amended) and for the purposes of section 360B of the Companies Act 2006, the Company specifies that only those shareholders registered in the register of members of the Company as at 6:00 pm on 11 November 2015 (the "Specified Time") (or, if the General Meeting is adjourned to a time more than 48 hours after the Specified Time, by, 6:00 pm on the day which is two days prior to the time of the adjourned General Meeting) shall be entitled to attend and vote at the General Meeting in respect of the number of shares registered in their name at that time. If the General Meeting is adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast at the adjourned meeting). Changes to entries on the relevant register of securities after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

Voting by proxy

3 A Proxy Form is enclosed with this document, and members who wish to use it should see that it is deposited, duly completed, together with any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority) with the Company's Registrar, Equiniti, not less than 48 hours before the time fixed for the General Meeting. Completion and posting of the Proxy Form will not preclude shareholders from attending and voting in person at the General Meeting should they wish to do so.

4 Members are entitled to appoint a proxy in respect of some or all of their shares. Members are also entitled to appoint more than one proxy. If a member appoints more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member. A space has been included on the Proxy Form to allow members to specify the number of shares in respect of which that proxy has been appointed. Members who return the Proxy Form duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their shares.

5 If you do not have a Proxy Form and believe that you should have one, or if you require additional forms, please contact Equiniti by telephone on 0871 384 2235 (please note lines are open from 8.30 am to 5.30 pm Monday to Friday (excluding bank holidays) calls to this number are charged at 10 pence per minute plus your phone company's access charge) or +44 (0) 121 415 7047 if you are based overseas or in writing to Equiniti, Aspect House, Spencer Road, Lancing BN99 6DA.

6 Shareholders who prefer to register the appointment of their proxy electronically via the Internet can do so through the Equiniti website at www.sharevote.co.uk, where full instructions on the procedure are given. The Voting ID, Task ID and Shareholder Reference Number printed on the Proxy Form will be required to use this electronic proxy appointment system. Alternatively, shareholders who have already registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk. Once logged in, simply click 'View' on the 'My investments' page and then click on the link to vote, and follow the on-screen instructions.

A proxy appointment made electronically will not be valid if sent to any address other than those provided or if received after 11:30 am on 11 November 2015. Please note that any electronic communication found to contain a computer virus will not be accepted.

Electronic proxy appointment through CREST

7 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer

to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com).

The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in the Notice of General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the time-stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting services providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages.

Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com). The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

Nominated Persons

8 The right to appoint a proxy does not apply to persons who have been nominated by a shareholder to enjoy rights under section 146 of the Act (a "Nominated Person"). A copy of this notice is therefore sent to a Nominated Person for information purposes only. A Nominated Person may have a right under an agreement with the shareholder by whom he was nominated to be appointed (or to have someone else appointed) as a proxy for the General Meeting. Alternatively, if a Nominated Person does not have such a right, or does not wish to exercise it, they may have a right under such an agreement to give instructions to the shareholder as to the exercise of voting rights.

Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy information rights (or, perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.

Voting by corporate representatives

9 Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Questions at the General Meeting

10 Any member attending the General Meeting has a right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the General Meeting or would involve the disclosure of confidential information, (b) the answer has already been

given on a website in the form of an answer to a question or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

Documents available for inspection

11 Copies of the Company's Articles of Association, the Company's 2013 Annual Report and 2014 Annual Report, the Share Purchase Agreement, the consent letters referred to in paragraph 14 of Part VI (*Additional Information*), the report of Deloitte LLP set out in Part B of Part IV *(Historical Financial Information relating to Local World*), the report of Deloitte LLP set out in Part B of Part V (*Unaudited Pro forma Financial Information for the Enlarged Group*), the Circular and the Form of Proxy will be available for inspection at any time during normal business hours on each business day (except public holidays) until the date of the General Meeting at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ.

All such documents will also be available for inspection at the Quayside Room, Museum of London Docklands, No.1 Warehouse, West India Dock Road, London E14 4AL from 10.30 am on 13 November 2015 until the conclusion of the General Meeting.

Total voting rights

12 As at 27 October 2015 being the last practicable date prior to publication of this Notice, the Company's issued share capital consists of 257,690,520 Ordinary Shares with a nominal value of 10 pence carrying one vote each. Therefore, the total voting rights in the Company as at 27 October 2015 are 257,690,520. The Company does not hold any Ordinary Shares in treasury.

13 The contents of this Notice of General Meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the General Meeting as at 27 October 2015, being the latest business day prior to the printing of this Notice, and if applicable, any members' statements, members' resolutions or members' matters of business received after the date of this Notice will be available on the Company's website: www.trinitymirror.com.

Automatic poll voting

14 The resolution to be put to the meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the General Meeting. The results of the poll will be published on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.

15 Shareholders are advised that, unless otherwise stated, any telephone number, website and email address set out in this Notice of General Meeting, Proxy Form, or Chairman's letter contained in the Circular should not be used for the purpose of serving information on the Company (including the service of documents or information relating to the proceedings at the General Meeting).

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