

**This document is important and requires your immediate attention.** If you are in any doubt as to what action to take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in Daily Mail and General Trust plc (the **Company**), please send this document and the accompanying form of proxy 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.

# Daily Mail and General Trust plc

## Notice of Annual General Meeting and Other Business

**The Notice of the Annual General Meeting of the Company to be held at 11.00 a.m. on Wednesday, 4th February, 2004 is set out on pages 6 and 7.**

To be valid for use at the Annual General Meeting, the accompanying form of proxy must be completed, signed and returned, in accordance

with the instructions printed on it, to the Company's Registrars, Lloyds TSB Registrars, The Causeway, Worthing, West Sussex BN99 6ZL so as to be received as soon as possible but in any event by not later than 11.00 a.m. on Monday, 2nd February, 2004.

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## Circular

### Daily Mail and General Trust plc

Registered in England No: 184594

#### Directors

The Viscount Rothermere

C J F Sinclair

J P Williams

J G Hemingway

Sir Patrick Sergeant

S M Gray

N H Hakkarainen

I G Park

F P Lowy

D M M Dutton

Professor K Schwab

P M Dacre

P M Fallon

C W Dunstone

F P Balsemão

#### Registered Office

Northcliffe House

2 Dery Street

Kensington

London W8 5TT

Tel: 020 7938 6000

To the holders of Ordinary Shares of Daily Mail and General Trust plc (the **Company**) and, for information only, to the holders of 'A' Ordinary Non-Voting Shares and to members of the Company's Executive Share Option Schemes.

22nd December, 2003

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## Chairman's letter

Dear Shareholder,

### Introduction

You will find enclosed with this letter a notice convening the Annual General Meeting of the Company to be held at 11.00 a.m. on 4th February, 2004 in the Garner Room at the Commonwealth Institute, 230 Kensington High Street, London W8. The formal notice convening the Annual General Meeting is set out on page 6 of this document and contains details of the resolutions to be put to Ordinary shareholders at the meeting.

### Appointment and reappointment of directors

Niilo Hakkarainen and Sir Patrick Sergeant have decided to stand down as Directors of the Company at the conclusion of the Annual General Meeting on 4th February, 2004. I have paid tribute to both Directors in my Chairman's Statement in the Annual Report which accompanies this circular.

David Dutton and Frank Lowy will be proposed for reappointment at the Annual General Meeting in accordance with the Company's articles of association. Brief biographical details of these Directors appear in the Annual Report and Accounts for the year ended 28th September, 2003 which accompanies this circular. Mr Lowy has been an independent non-executive Director for nine years and is over 70 years of age, but his contribution continues to be effective and to demonstrate commitment to the role.

Two new non-executive Directors will be proposed for appointment to the Board with such appointment to take effect from the end of the Annual General Meeting. Tom Gillespie, 65, is the former senior partner of the Canadian law firm, Ogilvy Renault, and now runs his own business. He has advised the Company on legal matters in Canada over many years and is not regarded by

the Board as independent in terms of the revised Combined Code. David Verey, 53, is an investment banker by background and currently Senior Advisor to the Blackstone Group International. He worked for Lazards for 29 years, ultimately as Chairman, and was then Deputy Chairman of Cazenove. He is regarded by the Board as independent in terms of the revised Combined Code and it is intended that he will be appointed to the Audit Committee.

### Items of Special Business

The items of special business to be proposed at the Annual General Meeting are explained below.

#### Resolution 9

This special resolution provides the company with a general authority to repurchase up to an aggregate of 1,988,000 Ordinary Shares of 12½ pence each and up to an aggregate of 38,138,000 'A' Ordinary Non-Voting Shares of 12½ pence each of its own shares in the market at or between the maximum and minimum prices specified in the resolution giving the authority. This maximum number of shares each represented approximately 10% of the total number of relevant shares in issue on 22nd December, 2003.

The authority provided by this resolution will expire at the conclusion of the next Annual General Meeting. It is anticipated that renewal of the authority (in respect of up to 10% of the Company's issued ordinary share capital from time to time) will be requested at subsequent Annual General Meetings. The authority will only be exercised if the Directors believe that to do so would result in an increase in earnings per share and, taking into account the Company's cash resources and capital requirements, it is considered to be in the best interests of shareholders generally.

## Chairman's letter

Continued

The total number of options to subscribe for 'A' Ordinary Non-Voting Shares outstanding at 22nd December, 2003 was 5,009,235 representing approximately 1.25% of the issued share capital of the Company at that date. If the authority to repurchase shares under this resolution was exercised in full and all of the repurchased shares were cancelled, the total number of options to subscribe for 'A' Ordinary Non-Voting shares outstanding at 22nd December, 2003 would, assuming no further 'A' Ordinary Non-Voting shares are issued after that date, represent 1.39% of the issued share capital.

Whilst no purchase of shares has been made pursuant to the existing authority obtained at the 2003 Annual General Meeting, the Board considers it desirable that the power to make such purchases under appropriate circumstances remains available and this authority will also permit purchase of shares to hold as treasury shares as described below.

### Treasury shares

Since 1st December, 2003, when the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 took effect, companies have been able to hold repurchased shares as treasury shares rather than cancelling them. Pursuant to the regulations, the treasury shares can be subsequently cancelled, sold for cash or used to satisfy share options and share awards under employee share option schemes.

The Directors would consider exercising the authority provided by this resolution to acquire and hold as treasury shares the shares currently held to satisfy share options under the Company's 1997 Executive Share Option Scheme and to acquire shares to satisfy any future share options under that scheme and any share awards under the DMGT Executive Bonus Scheme 2002.

The Directors believe holding such shares as treasury shares will provide the Company with increased flexibility in managing its share capital.

The Directors would consider holding as treasury shares any shares the Company repurchases pursuant to the authority provided by this resolution. In relation to any repurchased shares held in treasury, unless such shares are subsequently cancelled, earnings per share will only be increased on a temporary basis until such time as the shares are subsequently sold out of treasury.

This resolution complies with the current guidelines issued by the investor protection committees and the Directors will have regard to any guidelines issued by investor protection committees which may be published at the time of any such purchase, holding or resale of treasury shares.

### Resolution 10

The proposal to use treasury shares to satisfy share options under the Company's 1997 Executive Share Option Scheme and share awards arising under the DMGT Executive Bonus Scheme 2002 (the **Share Schemes**) requires changes to the rules of the Share Schemes which require prior shareholder approval by ordinary resolution. Accordingly, Resolution 10 to be proposed at the Annual General Meeting seeks authority to amend the rules of the Share Schemes to allow share options and share awards to be satisfied by the Company using treasury shares.

### Resolution 11

This ordinary resolution authorises your Board to allot shares of the Company having an aggregate nominal value of the unissued share capital of the Company. This represents approximately 1.68% of the Company's issued share capital at

# 5 Chairman's letter

Continued

22nd December, 2003. As at 22nd December, 2003 no shares in the Company are held as treasury shares. This authority will expire at the conclusion of the next Annual General Meeting or 4th May, 2005, whichever is earlier. The Directors have no present intention of exercising the authority conferred by this resolution. This authority complies with the guidelines issued by the investor protection committees.

## Resolution 12

This special resolution empowers the Board to allot shares of the Company (pursuant to the authority obtained in Resolution 11) and to sell treasury shares for cash as if the pre-emption provisions of section 89 of the Companies Act 1985 do not apply. This power would, however, be limited to the allotment of shares, or the sale of treasury shares for cash, having the same aggregate nominal value as those authorised to be allotted pursuant to Resolution 11 (approximately 1.68% of the Company's issued share capital at 22nd December, 2003). The power provided by this Resolution will expire at the conclusion of the next Annual General Meeting or 4th May, 2005, whichever is the earlier. This power complies with the guidelines issued by the investor protection committees.

These and other resolutions are set out in the Notice of Meeting on pages 6 and 7.

## Action to be taken

Enclosed with this letter, for Ordinary shareholders only, is a form of proxy relating to the resolutions to be proposed at the Annual General Meeting. Ordinary shareholders are requested to complete, sign and return the form of proxy in accordance with the directions on it as soon as possible, but in any event so as to arrive at the offices of the Company's Registrars, Lloyds TSB Registrars, The Causeway, Worthing, West Sussex BN99 6ZL

no later than 48 hours before the time appointed for the Annual General Meeting. Completion and return of the form of proxy will not prevent you from attending and voting at the meeting if you so wish.

## Recommendation

Your Directors unanimously believe that the proposals to renew the authority of the Company to purchase its own shares and to renew the power of the Directors to allot unissued shares and to allot such unissued shares for cash other than pro-rata to the existing shareholders are in the best interests of the Company and its shareholders as a whole. They therefore recommend shareholders to vote in favour of the resolutions to be proposed at the Annual General Meeting, as they intend to do in respect of their own holdings which amount to a total of 12,555,764 Ordinary Shares representing approximately 63.1% of the issued voting equity share capital of the Company as at 22nd December, 2003.

Yours faithfully,

**The Viscount Rothermere**  
Chairman  
Daily Mail and General Trust plc

Northcliffe House  
2 Derry Street  
Kensington  
London W8 5TT  
Telephone 020 7938 6000  
Facsimile 020 7938 4626

Registered number 184594  
Registered in England  
VAT number 243-5711-74

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## Notice of Meeting

### Daily Mail and General Trust plc

Notice is hereby given that the Eighty Second Annual General Meeting of the Company will be held in the Garner Room at the Commonwealth Institute, 230 Kensington High Street, London W8 on Wednesday, 4th February, 2004 at 11.00 a.m. for the purpose of considering the ordinary business of the meeting as set out below and considering as special business and, if thought fit, passing the Special Resolutions set out at numbers 9 and 12 and the Ordinary Resolutions set out at numbers 10 and 11:

### As Ordinary Business

1. To receive the Directors' Report, the audited accounts for the year ended 28th September, 2003 and the Auditors' Report thereon.
2. To declare a final dividend on the Ordinary and 'A' Ordinary Non-Voting Shares.
3. To confirm the following resolution of which special notice has been given: that Mr Lowy, who is 73 years of age, be re-elected as a Director.
4. To re-elect Mr Dutton as a Director.
5. To appoint Mr Gillespie as a Director with effect from the end of the Annual General Meeting;
6. To appoint Mr Verey as a Director with effect from the end of the Annual General Meeting;
7. To re-appoint Deloitte & Touche LLP as Auditors and to authorise the Directors to determine their remuneration.
8. To approve the Remuneration Report for the year ended 28th September, 2003.

### As Special Business

9. That the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of Section 163(3) of the Companies Act 1985 (as amended)) on the London Stock Exchange of up to:

(a) an aggregate of 1,988,000 Ordinary Shares of 12½ pence each in its capital at not more than the lower of 5% above the average of the middle market quotation taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date of purchase and £18.75 per share and at not less than 12½ pence per share (in each case exclusive of expenses);

(b) an aggregate of 38,138,000 'A' Ordinary Non-Voting Shares of 12½ pence each in its capital at not more than the lower of 5% above the average of the middle market quotation taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date of purchase and £18.75 per share and at not less than 12½ pence per share (in each case exclusive of expenses);

(c) and that the authority conferred by this Resolution shall expire on the date of the next Annual General Meeting after the passing of this Resolution (except in relation to the purchase of shares the contract for which was concluded before such date and which would or might be executed wholly or partly after such date);

(d) and that upon the passing of this Resolution, the Resolution passed as Resolution 10 at the Annual General Meeting on 12th February, 2003 shall be of no further force or effect.

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## Notice of Meeting

Continued

10. That the rules of the Daily Mail and General Trust plc 1997 Executive Share Option Scheme and the DMGT Executive Bonus Scheme 2002, the amended draft rules of which are produced to this meeting and signed by the Chairman for the purposes of identification, be amended in the manner described on page 4 to enable share options and awards to be satisfied using treasury shares and that the Directors be authorised to take all actions which they consider necessary or expedient in connection with the implementation of the amendments;

11. That, the authority conferred on the Directors by Article 7.1 of the Company's articles of association be renewed for a period expiring at the next Annual General Meeting of the Company after the date on which this Resolution is passed or on 4th May, 2005, whichever is the earlier, and for that period the Section 80 amount shall be £840,985.

12. That, subject to the passing of the Resolution numbered 11, the Directors be authorised to allot securities for cash in accordance with the power conferred on the Directors by Article 7.2 of the Company's articles of association, and to sell treasury shares for cash, for a period expiring at the end of the next Annual General Meeting of the Company after the date on which this Resolution is passed or on 4th May, 2005, whichever is the earlier, and for that period the Section 89 amount is £840,985.

By order of the Board

**N D Jennings, FCA**  
22nd December, 2003

(i) Any person holding Ordinary shares and entered on the register of members of the Company at 6.00 p.m. on Monday, 2nd February, 2004 (a **member**) is entitled to attend and vote at this meeting pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Any changes to the register of members after the above time and date shall be disregarded in determining the rights of any person to attend and/or vote at the meeting.

(ii) A member entitled to attend the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. The Form of Proxy and the authority (if any) under which it is signed or a notarially certified copy of such authority must be deposited at the office of the Company's Registrars, Lloyds TSB Registrars, The Causeway, Worthing, West Sussex BN99 6ZL, not less than 48 hours before the time fixed for the meeting.

(iii) Particulars of contracts of service or letters of reappointment of Directors will be available for inspection at the Registered Office of the Company during usual business hours until the date of the meeting and in the Garner Room at the Commonwealth Institute, 230 Kensington High Street, Kensington, London W8 from 10.45 a.m. until the conclusion of the meeting there on Wednesday, 4th February, 2004.

(iv) Brief biographies of the Directors seeking re-election appear in the Annual Report and Accounts for the year ended 28th September, 2003 which accompanies this circular.

