

REMUNERATION REPORT

This report has been prepared in accordance with the Directors' Remuneration Report Regulations 2002 and meets the relevant requirements of the Listing Rules of the Financial Services Authority. As required by the Regulations, a resolution to approve the report will be proposed at the Annual General Meeting of the Company at which the approval will be sought for the adoption of the Accounts.

The Remuneration Committee

The Remuneration Committee, which was established in 1992, is responsible inter alia for overall Group remuneration policy and for setting the remuneration, benefits and terms and conditions of employment of the Company's executive Directors. The Committee's terms of reference, which were revised by the Board in October, 2004, are available on the Company's website.

The members of the Committee are the Viscount Rothermere, its chairman, Mr Gray and Mr Park. Mr Park was appointed in November 2003, replacing Mr Hakkarainen and Mr Hemingway. The Combined Code recommends that a remuneration committee should be composed entirely of independent non-executive directors. The Board considers it wholly appropriate that the Viscount Rothermere, as Chairman of the Board and as the Company's largest shareholder, is a member of the Committee. He does not participate in discussions regarding his own remuneration. While Mr Gray and Mr Park are not considered by the Board to be independent as defined by the Revised Code, the Board does consider them to act independently as regards remuneration issues. The Committee met six times during the year and all meetings were attended by all serving Directors, except that Mr Park was unable to attend one brief meeting held at short notice.

The Committee seeks the recommendations of the Chief Executive, who usually attends meetings of the Committee by invitation other than when his own remuneration is being discussed, as regards the remuneration of the other executive Directors and of the divisional managing directors. It also seeks input from the Finance Director regarding financial performance and other issues and who also acts as secretary to the Committee. Other executives who attended meetings during the year were the Company Secretary, who presented proposed changes to the DMGT 1997 Executive Share Option Scheme, and the Pensions director who explained forthcoming changes to UK pensions legislation.

The Committee makes reference, where appropriate, to pay and employment conditions elsewhere in the Group, especially when determining annual salary increases, and to external evidence of remuneration levels in other companies, particularly in the media field. It also makes reference to advice sought from external advisors. During the year such advice was received from Watson Wyatt, Deloitte & Touche LLP ('Deloitte'), Freshfields Bruckhaus Deringer ('Freshfields') and Independent Remuneration Solutions ('IRS'). Watson Wyatt provided advice on Directors' and senior executive pensions, advised the Company

and its pension funds on pension issues and provided services on actuarial and investment matters and on overseas benefits. Deloitte, who are the Company's auditors and also provided other services, as set out on page 31, were appointed by management to advise on non-executive Directors' fees. Freshfields, who also provided other legal services, advised on contracts. IRS provided market data and gave advice on best practice. Watson Wyatt, Freshfields and IRS were appointed by the Committee.

Remuneration Policy

The Committee seeks to structure remuneration packages on an individual basis appropriate to the level of responsibility, but generally designed to retain and motivate the individual.

The Chairman is also the largest shareholder in the Company. He has been and will continue to be a long term shareholder. His shareholding provides an alignment with long term shareholders that is not always the case in other companies. In setting his remuneration the Committee has adopted the same policy as for other executive Directors. In the case of Mr Fallon, the Committee considers that his remuneration as executive chairman of Euromoney Institutional Investor plc ('Euromoney'), a separately listed company, should be set by the remuneration committee of that company. The report on this is set out in Euromoney's Annual Report.

The Committee also sets the remuneration packages for the managing directors of the Company's operating divisions and oversees the bonus arrangements established in each division. These are designed individually to reflect the targets and objectives of each division.

The Committee considers that a successful remuneration policy needs to be sufficiently flexible to take account of commercial demands, changing market practice and shareholder expectations. Consequently the policy will apply for 2005, but may require to be amended. Investors will be consulted about any key issues that arise and Ordinary shareholders will be provided with the opportunity to endorse the Company's remuneration policy on a regular basis through the annual vote on the Remuneration Report. Any new long term incentive schemes for the executive Directors would be submitted to shareholders.

Remuneration Components

A significant proportion of the remuneration is performance-related. In 2004, excluding pension entitlements, the target composition of each executive Director's remuneration is shown in the table on page 34. In preparing this table the target figure shown for bonus is 30% of salary, which represents the average payout of the last five years: the LTIP maximum award of 200% salary is averaged over five years and the maximum option award of four times annual earnings is averaged over ten years. Mr Dutton does not have a bonus plan and has a maximum LTIP award of 150% of salary.

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Proportion of fixed versus variable pay

	Fixed Salary %	Variable Bonus %	long term incentives %
The Viscount Rothermere	62%	19%	19%
C J F Sinclair	62%	19%	19%
J P Williams	62%	19%	19%
D M M Dutton	80%	0%	20%
P M Dacre	62%	19%	19%
P M Fallon	13%	87%	0%

The main components of the remuneration package for executive Directors are:

(i) basic salary, reviewed annually;

(ii) where appropriate, annual performance related bonus. The Viscount Rothermere, Mr Sinclair and Mr Williams are members of the DMGT Executive Bonus Scheme ('the Scheme'). The Scheme, introduced in 1993 and renewed in February, 2003, is intended to reward executives for excellent growth in earnings per share by the Group. Earnings per share each year are compared with the equivalent figure three years earlier indexed up by reference to the Retail Price Index. A bonus, calculated as a percentage of salary, is paid for growth in real terms with a higher percentage for higher growth. The maximum bonus which can be earned is 60% of salary for which real growth in earnings per share of 33% over the three years must be achieved. In addition, earnings per share have to increase over the previous year; if they do not, the earned bonus is frozen until there is an increase. The bonus is paid, net of the amount required to meet the related PAYE and employee national insurance liability, in a combination of cash and 'A' Ordinary Non-Voting shares of DMGT, which must be retained for three years. Participants are asked to specify the proportion of the after-tax bonus which is to be applied in the form of shares which must be at least 50%. For other executive Directors, bonuses are paid at the discretion of the Remuneration Committee to reward individual performance;

(iii) share options, designed to provide a long term incentive which aligns their interests to those of shareholders. Share option awards are modest in size. The maximum of all awards for any individual over a ten year period is limited to four times his annual earnings. Options are granted in phased blocks over a number of years. Each award of options has a maximum life of ten years. Awards do not normally vest until three years after the award and two performance conditions have been met. The first condition is that, in respect of four out of six consecutive monthly calculation dates (which start in the thirtieth month following the date of grant of a particular option), the total shareholder return ('TSR') of the Company must exceed that of the FTSE 100 index. Secondly, there must be real growth in earnings per share ('eps') over a period of three consecutive financial years. The Committee believes this approach helps to retain and motivate executives, particularly when an option is in the money, but the performance conditions have not yet been met. It is extremely rare for FTSE 100 companies to have a double test so this makes

DMGT's criteria more difficult to achieve than for other companies. In addition the award sizes are relatively modest compared to some other companies. Ordinary shareholders approved this approach in 1997. The Committee firmly believes that, in this context, retesting is appropriate; and

(iv) where appropriate, a long term incentive plan (LTIP). Under this scheme, established in 2001, executives are invited to commit shares in the Company at a market price equal to a maximum of twice the value of their basic annual salary. If they hold those shares for five years, they will be eligible to receive matching shares on a sliding scale up to 200% of the value of the shares held, dependent on the total shareholder return of the Company compared with a peer group. The peer group which operates was chosen to reflect a range of listed companies in the businesses and locations principally occupied by DMGT.

Awards under the LTIP are subject to stringent performance conditions, which will determine whether, and to what extent, shares under awards will vest. The performance conditions relate to the TSR of the Company initially over a five-year period against a peer group of UK and overseas companies determined by the Committee. TSR is the aggregate of share price growth and dividends paid (assuming that such dividends are reinvested in shares during the five year period), and is commonly adopted as a measure of comparative performance.

This comparator peer group is as follows:

Emap plc
Independent News and Media plc
Pearson plc
Reed Elsevier plc
SMG plc
The News Corporation Ltd
The Thomson Corporation plc
Trinity Mirror plc
United Business Media plc
Gannet Co.inc.
New York Times Co
Tribune Co

Awards will be realisable after the performance period to the extent of the percentage in the right-hand column below according to the Company's place in the list of comparator companies as indicated in the left hand column below:

TSR Ranking within the list of Comparator companies	% of Award capable of realisation
First	200%
Second or third	100%
Fourth, fifth, sixth or seventh	50%
Below seventh (i.e. below median)	0%

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At the end of the five-year performance period, participants may elect either to realise their awards at that time or to extend the performance period to seven years. If they elect to extend the performance period, the level of committed shares must be maintained throughout the extended period. At the end of the seven-year performance period, the Company's TSR performance will be measured. The awards will be realisable after the performance period to the extent of the percentage in the right-hand column below according to the Company's place in the list of comparator companies as indicated in the left-hand column below:

TSR Ranking within the list of Comparator companies	% of Award capable of realisation
First	300%
Second or third	150%
Fourth, fifth, sixth or seventh	75%
Below seventh (i.e. below median)	0%

Performance to date

Year of award	Initial performance period	Position at 3rd October, 2004
2001	01 Jan 2001 to 31 Dec 2005	Fifth
2002	01 Jan 2002 to 31 Dec 2006	Third
2003	01 Jan 2003 to 31 Dec 2007	Fourth
2004	01 Jan 2004 to 31 Dec 2008	Second

No award will be made if performance is below median level.

Share Ownership Guidelines

The Company encourages Directors to own shares in the Company. In total the Directors own 23% of the Company (excluding treasury shares; see page 42 for details of individual holdings).

Executive Directors have a target shareholding of 1.5 times their salary, to be built up over a suitable period. The design of the LTIP encourages executive Directors to achieve this goal which aligns their interests with those of shareholders. The shares held and valued at 3rd October, 2004 as a multiple of salary were:

	Value of shares held at 3rd October, 2004 £ million	Salary multiple
The Viscount Rothermere	704.9	1,550
C J F Sinclair	2.8	3.5
J P Williams	1.5	3.3
D M M Dutton	0.6	2.7
P M Dacre	1.5	1.8
P M Fallon*	3.4	19

* in the case of Mr Fallon, shares in Euromoney are included of which he is an executive director.

Pensions

The Group operates a two-tier defined benefit pension scheme for senior employees (including most of the Company's executive Directors), details of which are given on page 41. One of the Company's executive Directors is subject to the Inland Revenue pensionable earnings' cap and a funded unapproved retirement benefits scheme has been put in place for him on the same terms as for other capped senior executives. The assets of this Scheme are held independently from the Group's finances and are administered by Trustees. It is the Company's policy that annual bonuses, payments under the Executive Bonus Scheme and benefits in kind are not pensionable.

The current arrangements have been successful in helping to retain and reward long serving executives. The Committee has reviewed in detail the impact of the proposed new pensions regime from 6th April, 2006, which will be significant, and is developing a new policy designed to maintain the benefits to the Company as far as is possible, taking account of the potential additional costs involved.

Non-Executive Directorships

The Company allows its executive Directors to take a very limited number of outside directorships. Individuals retain the payments received from such services since these appointments are not expected to impinge on their principal employment. This does not apply where a Group executive serves as a non-executive director of a company because the Group has a significant interest, as in the case of GWR Group plc. In this case, all fees are paid to the Company. The revised Combined Code recommends that executives should normally hold only one non-executive directorship. Mr Sinclair previously held two, but stood down as a director of Schroders plc in April.

Service Contracts

Contracts of service are negotiated on an individual basis as part of the overall remuneration package and their length is inevitably conditioned by external competitive pressures. For this reason, the contracts of some of the executive Directors exceed the one year recommended in the Combined Code. The Committee believes that the length of contract should be appropriate to the individual. Thus where DMGT employs individuals with unique talents within the areas of business within which it operates, the Committee believes that they should have longer contracts. The Chairman and Mr Dutton have contracts of up to one year in duration. Mr Sinclair and Mr Williams have agreed to reduce their contract length from two years to one year over a four-year period. Mr Dacre has a rolling two-year contract which the Committee considers wholly appropriate for his particular responsibilities and for the industry in which he works. The Committee differentiates between what might be termed "corporate executives" and "media executives" whom it wishes to tie in to the Group and to prevent from working for competitors. Mr Dacre is a media executive, whereas Messrs Sinclair and Williams are corporate executives, operating in a market where one year contracts are increasingly the norm. Mr Fallon also has a rolling two-year contract; as explained on page 33, this is a matter for the Euromoney remuneration committee.

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Details of these service contracts are set out below:

	Date of Contract	Notice Period	Company with whom contracted
The Viscount Rothermere	17 Oct, 94	1 month	DMGT
C J F Sinclair	26 Nov, 03	1 year 6 months*	DMGT
J P Williams	30 Nov, 04	1 year 6 months*	DMGT
D M M Dutton	27 Nov, 02	1 year	DMGT
P M Dacre	13 July, 98	2 years	DMGT
P M Fallon	02 June, 86	2 years	Euromoney

* The notice periods of Messrs Sinclair and Williams will reduce to one year and three months as of 1st October, 2005 and to one year as of 1st October, 2006.

In the event of earlier termination of their contracts, each Director is entitled to compensation equal to their basic salary, benefits, pension entitlement and, as appropriate, bonus or profit share for their notice period. In the case of Mr Sinclair, the pension entitlement is for a two-year period, regardless of his notice period.

The contracts of Mr Sinclair and Mr Williams include mitigation arrangements in the event of the Director obtaining alternative employment during the notice period. This mitigation does not apply to their pension benefit, given their uncapped status that cannot be replicated elsewhere. Share options would be treated as for any member of the scheme, depending on the reason for termination of the contract. Mr Sinclair is entitled, on a change of control of the Company, to give notice under his contract within sixty days of the change of control, and to receive compensation for basic salary and benefits for a two-year period.

Mr Fallon has a second service contract with Euromoney Publications (Jersey) Limited ('EPJ'), a subsidiary of Euromoney dated 4th May, 1993. This contract has the same terms as his first contract, except that termination does not include a car allowance as Mr Fallon does not receive this benefit from EPJ.

Non-executive Directors are appointed for specified terms and are subject to re-election by the Ordinary shareholders at the Annual General Meeting following appointment, and thereafter at least every three years. Each appointment can be terminated before the end of the three-year period, with no notice or fees due. The dates of the appointment or subsequent re-appointment of the non-executive Directors are set out below:

	Date of appointment/ re-appointment
C W Dunstone	13 Feb, 2002
J G Hemingway	13 Feb, 2002
S M Gray	13 Feb, 2002
K Schwab	13 Feb, 2002
F P Balsemão	12 Feb, 2003
I G Park	12 Feb, 2003
F P Lowy	04 Feb, 2004
T S Gillespie	04 Feb, 2004
D J Verey	04 Feb, 2004

Directors retiring by rotation and standing for re-election at the forthcoming Annual General Meeting are shown in the Directors' Report on page 29.

Non-Executive Directors' Remuneration

The remuneration of non-executive Directors is determined by the Board. Fees payable are reviewed annually, including a comparison with the level of fees paid by other companies of similar size and complexity; these fees are shown in the table below. A recommendation to the Board on this subject is then made. The basic fee as a Director was raised to £24,000 per annum on 1st January, 2003 and an increase to £25,000 per annum has been made with effect from 1st October, 2004.

In addition, fees are paid for membership of Board committees. These have been reviewed and changes were introduced with effect from 1st January, 2004 to reflect the differing workloads and responsibilities of the committees. Committee fees range from £4,000 per annum to £12,500 per annum. In addition the Audit Committee chairman receives a fee of £25,000 per annum. No increase is being made for the year to 2nd October, 2005.

Audited information

Directors' Remuneration

(a) The total amounts of the remuneration and other benefits of the Directors of the Company for the years ended 3rd October, 2004 and 28th September, 2003 are shown below for Directors:

	2004 £000	2003 £000
Aggregate emoluments	3,513	3,369
Gains on share options	–	942
Amounts receivable under long term incentive schemes	2,409	1,247
Sums paid to third parties for Directors' services	73	70
	5,995	5,628

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The emoluments of the Directors are shown below:

	Note	2004 Fees and Salary £000	2004 Benefits in kind (Note ii) £000	2004 Bonus/ Profit share (Note iv) £000	2004 Total £000	2003 Total £000	2004 Pension Contributions (Note v) £000	2003 Pension Contributions (Note v) £000
The Viscount Rothermere	i	546	5	275	826	524	90	85
C J F Sinclair		805	1	466	1,272	765	–	–
J P Williams	ii	467	1	257	725	362	–	–
D M M Dutton		220	–	–	220	202	–	–
P M Dacre		885	77	200	1,162	899	–	–
P M Fallon	iv	195	2	1,211	1,408	1,448	539	139
J G Hemingway		73	–	–	73	70	–	–
S M Gray		95	–	–	95	79	–	–
I G Park	vi	40	–	–	40	111	–	–
F P Lowy		24	–	–	24	22	–	–
K Schwab		24	–	–	24	22	–	–
C W Dunstone		34	–	–	34	31	–	–
F P Balsemão		27	–	–	27	20	–	–
T S Gillespie		16	–	–	16	–	–	–
D J Verey		22	–	–	22	–	–	–
Sir Patrick Sergeant		17	–	–	17	101	–	–
N H Hakkarainen		10	–	–	10	30	–	–
		3,500	86	2,409	5,995	4,686	629	224

Notes to Directors' Remuneration

(i) The figure given for 'fees and salary' for the Viscount Rothermere includes £89,750 (2003 £56,000) paid to him as part of the Funded Unapproved Retirement Benefits Scheme (see Note iii to Directors' Pensions' Entitlements on page 41).

(ii) During the prior year, Mr Williams took ten weeks' unpaid leave of absence from the Company.

(iii) Benefits in kind include the taxable value of company cars, fuel allowances, company contributions to medical insurance plans and, in the case of Mr Dacre, of accommodation provided for him in Central London.

(iv) Group earnings per share for the year ended 3rd October, 2004, calculated on a consistent basis with previous years, before amortisation of intangible assets, but after deducting cumulative amortisation on disposal, if any, of intangible assets, have shown a real increase over the three years of 33.6% which, under the Scheme, results in the full bonus being earned to Scheme members of 60%.

A discretionary bonus was awarded to Mr Dacre for his contribution to the success of the Associated Newspapers' titles.

Mr Fallon is entitled to 6.49% of the pre-tax profit earned by Euromoney, which has a comprehensive profit sharing scheme that links the pay of its executive directors to the profits of that group.

(v) Pension contributions are those made to money purchase schemes as set out on page 41.

(vi) In addition to his fees as a Director of the Company, Mr Park received a fee and use of a car as chairman of Northcliffe Newspapers until he stood down in May 2003.

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Daily Mail and General Trust Long Term Incentive Plan

The Daily Mail and General Trust Long Term Incentive Plan (the LTIP) is designed to align the interests of participants and shareholders by requiring participants to make a substantial investment in the Company as a condition to participating in the LTIP. Further, the LTIP will only provide rewards for participants if the Company achieves exceptional returns for shareholders; this is achieved by calibrating participants' rewards by reference to the Company's performance against a peer group of comparable media companies. The LTIP is supervised by the Committee and is operated in conjunction with an employee discretionary trust (the 'Trust'). The Trust will acquire 'A' Ordinary Non-Voting Shares in the Company ('shares') to satisfy awards under the LTIP. The Committee intends to operate the LTIP annually.

Prospective participants are invited by the Committee to agree to commit shares to the LTIP. Usually invitations are made in tranches over a period of two to four years, and individuals are

given six months to make commitments in order to allow for them to make purchases of shares, where appropriate. Once an individual has agreed to commit shares which are owned by him or by his close family, the Trustee of the Trust ('the Trustee') decides whether to make an award of an equal number of shares to those committed.

Awards under the LTIP have been made to five executive directors. In 2001, Messrs Sinclair, Williams and Dacre were invited to commit shares in two equal annual tranches in the case of Messrs Sinclair and Dacre, and in three equal annual tranches in the case of Mr Williams. In 2002, Mr Dutton was invited to commit shares in three tranches and the Viscount Rothermere was invited to commit shares in four tranches. In June 2004, each Director was invited to commit further shares so as to include an allowance for increases in their salary since the original grants. Having received agreements to commit shares, the Trustee made the awards set out in the table below:

'A' Ordinary Non-Voting shares in award	At 29th September, 2003	Awarded during year	Vested during year	At 3rd October, 2004	Award Price £	Date of Award	End of initial performance period
The Viscount Rothermere	28,800	–	–	28,800	6.45	18 Jul 02	31 Dec 06
	34,929	–	–	34,929	5.325	18 Jul 03	31 Dec 07
	–	38,681	–	38,681	7.035	15 Sep 04	31 Dec 08
	63,729	38,681	–	102,410			
C J F Sinclair	88,800	–	–	88,800	7.43	18 Jul 01	31 Dec 05
	88,800	–	–	88,800	7.43	28 Aug 02	31 Dec 06
	–	46,816	–	46,816	7.035	15 Sep 04	31 Dec 08
	177,600	46,816	–	224,416			
J P Williams	32,700	–	–	32,700	7.43	18 Jul 01	31 Dec 05
	32,700	–	–	32,700	7.43	28 Aug 02	31 Dec 06
	32,850	–	–	32,850	7.43	24 Jul 03	31 Dec 07
	–	36,149	–	36,149	7.035	15 Sep 04	31 Dec 08
	98,250	36,149	–	134,399			
P M Dacre	63,093	–	–	63,093	7.43	02 Nov 01	31 Dec 05
	29,707	–	–	29,707	7.43	11 Jan 02	31 Dec 05
	92,800	–	–	92,800	7.43	19 Sep 02	31 Dec 06
	185,600	–	–	185,600			
D M M Dutton	10,094	–	–	10,094	7.43	10 Oct 02	31 Dec 06
	14,084	–	–	14,084	5.325	18 Jul 03	31 Dec 07
	–	25,587	–	25,587	7.035	15 Sep 04	31 Dec 08
	24,178	–	–	49,765			
	549,357	147,233	–	696,590			

The awards made to Messrs Sinclair, Williams and Dacre, prior to 2004, were made at the market price at the date of the initial invitation in 2001. All other awards have been made at the market price at the date of each invitation. The invitations to Messrs. Sinclair, Williams and Dacre in 2004 included an amount of shares designed to remove this inconsistency. On 14th October, 2004, Mr Dacre was awarded 32,974 shares at £7.035, increasing his committed shares to 218,574; the initial performance period on this further award ends on 31st December, 2008.

Graphs

Graphs of DMGT's performance against each of its comparators for each of these periods are set out on page 40.

The graphs on page 39 compare the DMGT total shareholder return with that of the FTSE 100 index and of the media index over a period of five years, as required by the Directors' Remuneration Report Regulations 2002. As a constituent of both indices, the Directors regard them as the most appropriate indices for purposes of comparison of the Group's performance. Additional graphs on that page illustrate performance over an eighteen year period for which data is available.

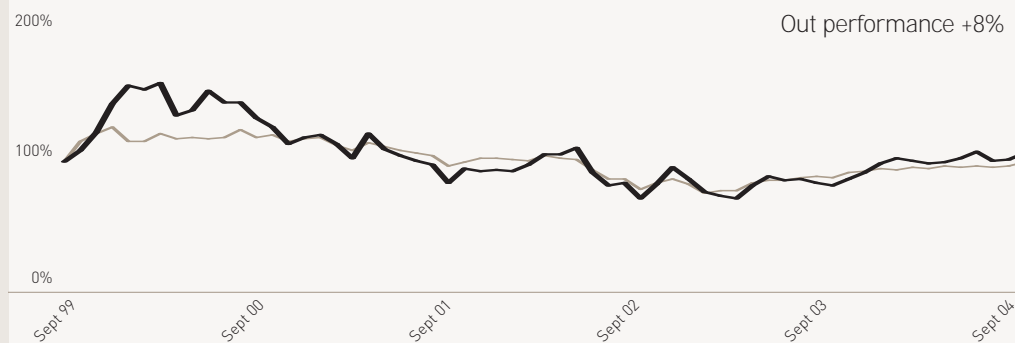
The graphs on pages 39 and 40 are unaudited.

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Unaudited information

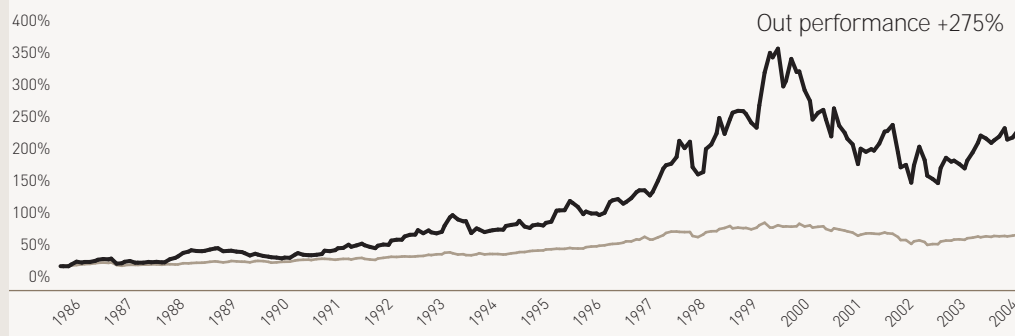
Total Shareholder Return:
DMGT vs FTSE 100 1999-2004



Key

— DMGT 'A' TSR
— FTSE 100 TSR

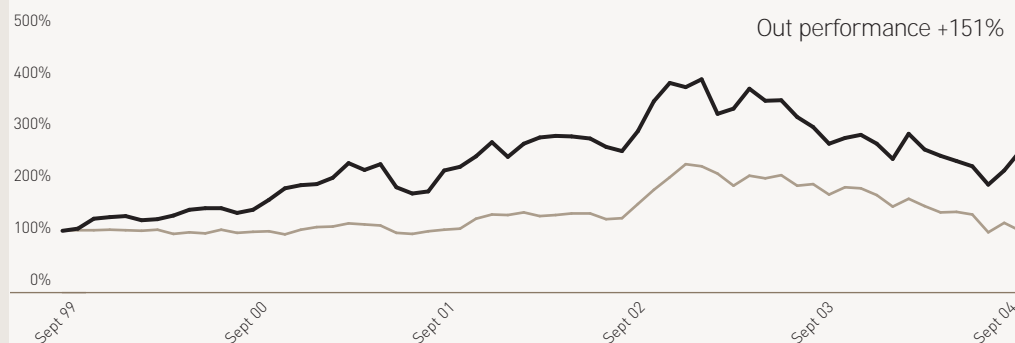
Total Shareholder Return:
DMGT vs FTSE 100 1986-2004



Key

— DMGT 'A' TSR
— FTSE 100 TSR

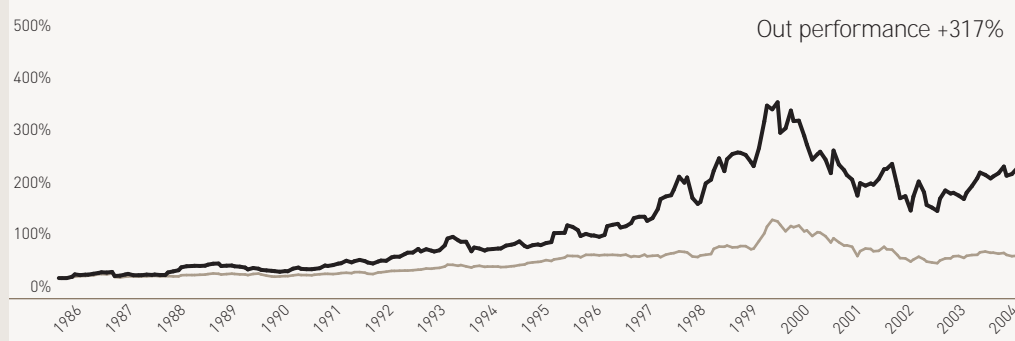
Total Shareholder Return:
DMGT vs Media 1999-2004



Key

— DMGT 'A' TSR
— Media Sector TSR

Total Shareholder Return:
DMGT vs Media Sector 1986-2004



Key

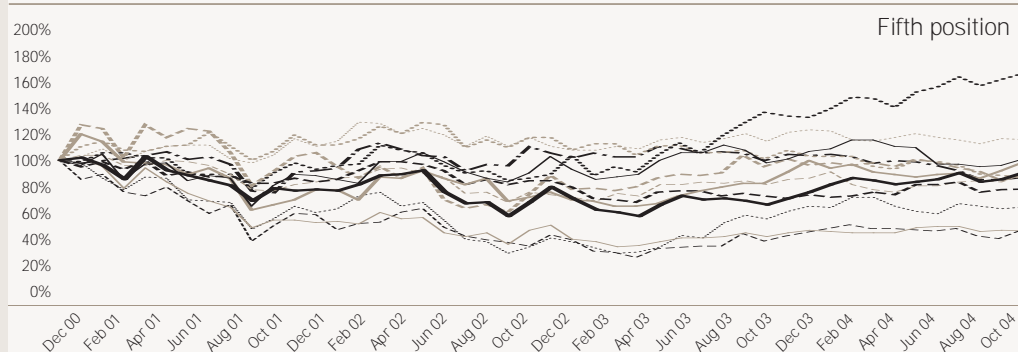
— DMGT 'A' TSR
— Media Sector TSR

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Total Shareholder Return:

TSR DMGT vs Media Comparators 2001-2004

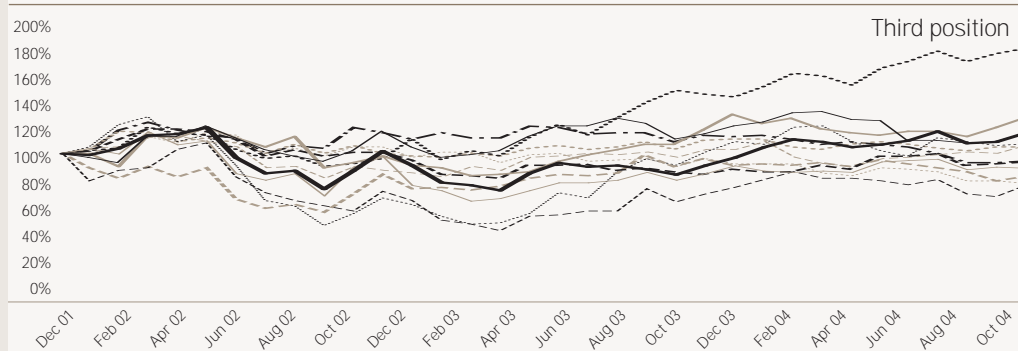


Key

- DMGT 'A'
- EMAP
- Independent News & Media
- Pearson
- Reed Elsevier
- SMG
- News Corporation
- Thomson Corporation
- Trinity Mirror
- United Business Media
- Gannett Co
- New York Times Co
- Tribune Co

Total Shareholder Return:

TSR DMGT vs Media Comparators 2002-2004

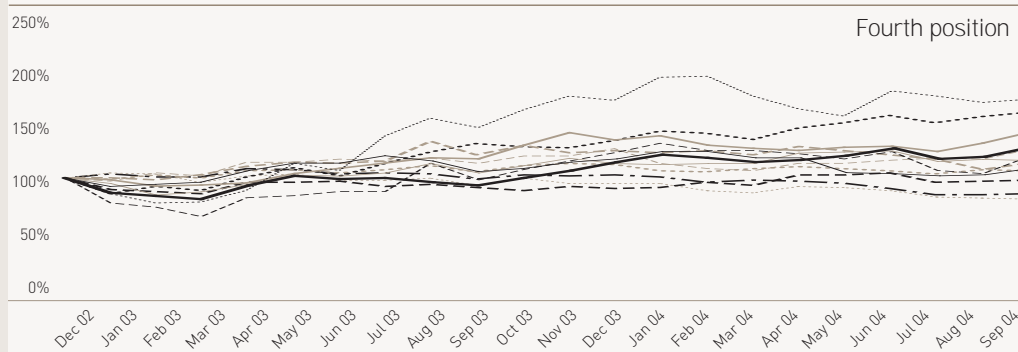


Key

- DMGT 'A'
- EMAP
- Independent News & Media
- Pearson
- Reed Elsevier
- SMG
- News Corporation
- Thomson Corporation
- Trinity Mirror
- United Business Media
- Gannett Co
- New York Times Co
- Tribune Co

Total Shareholder Return:

TSR DMGT vs Media Comparators 2003-2004

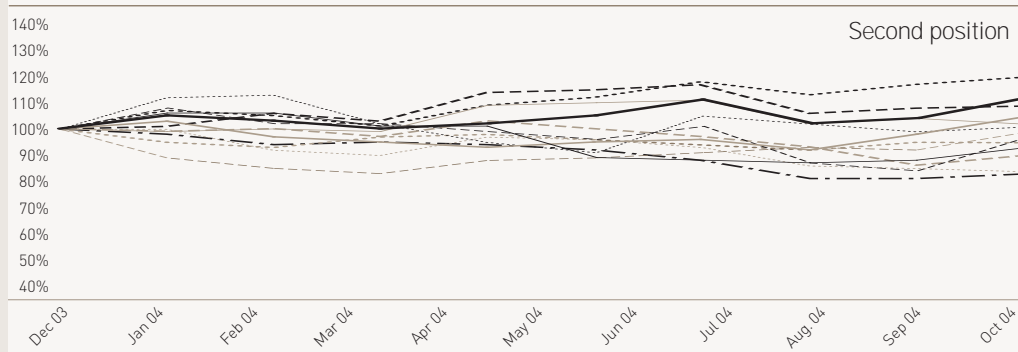


Key

- DMGT 'A'
- EMAP
- Independent News & Media
- Pearson
- Reed Elsevier
- SMG
- News Corporation
- Thomson Corporation
- Trinity Mirror
- United Business Media
- Gannett Co
- New York Times Co
- Tribune Co

Total Shareholder Return:

TSR DMGT vs Media Comparators 2004



Key

- DMGT 'A'
- EMAP
- Independent News & Media
- Pearson
- Reed Elsevier
- SMG
- News Corporation
- Thomson Corporation
- Trinity Mirror
- United Business Media
- Gannett Co
- New York Times Co
- Tribune Co

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Audited information

Accrued entitlements under the DMGT Senior Executives Pension Fund (audited)

Director	Age at 3rd October, 2004 Years	Accrued Pension Entitlement at 28th September, 2003 £000	Inflationary increase £000	Real increase in accrued pension £000	Accrued Entitlement at 3rd October, 2004 £000	Transfer value as at 28th September, 2003 £000	Transfer value of real increase in accrued pension £000	Other changes to transfer value £000	Transfer value as at 3rd October, 2004 £000
The Viscount Rothermere	36	18	–	2	20	93	12	12	117
C J F Sinclair	56	426	12	24	462	6,134	383	888	7,405
J P Williams	51	187	6	12	205	1,823	135	313	2,271
P M Dacre	55	448	12	35	495	6,151	538	922	7,611

Accrued benefits under the Mail Newspapers Pension Scheme

Director	Age at 3rd October, 2004 Years	Accrued Pension Entitlement at 28th September, 2003 £000	Inflationary increase £000	Real increase in accrued pension £000	Accrued Entitlement at 3rd October, 2004 £000	Transfer value as at 28th September, 2003 £000	Transfer value of real increase in accrued pension £000	Other changes to transfer value £000	Transfer value as at 3rd October, 2004 £000
P M Fallon	58	6	1	–	7	93	–	11	104

Notes to Directors' Pension Entitlements

(i) The DMGT Senior Executives Pension Fund, of which four executive Directors are members, does not currently require a contribution from its members. The normal retirement age under the Fund for this group is sixty. For each Director, the accrued entitlement at 3rd October, 2004 represents the annual pension that is expected to be payable on eventual retirement, given the length of service and salary of each Director at this date. A spouse's/dependant's pension equal to two thirds of the Director's pension is incorporated and the Director can elect to receive the pension from age fifty, subject to a discount if retirement takes place before sixty. The pension, when in payment, will receive annual increases in line with inflation, which may be limited when inflation exceeds 5% per annum.

(ii) All transfer values have been calculated on the basis of actuarial advice in accordance with 'Retirement Benefit Schemes – Transfer Values (GN11)' published by the Institute of Actuaries and the Faculty of Actuaries. The transfer values of the accrued entitlement represent the value of assets that the pension scheme would need to transfer to another pension provider on transferring the scheme's liability in respect of the Directors' pension benefits. They do not represent a sum paid or payable to individual Directors and therefore cannot be added meaningfully to annual remuneration.

(iii) The Viscount Rothermere is subject to the Inland Revenue pensionable earnings cap. To mitigate the impact of this pension restriction, the Company has formulated a policy under which assets are being held under trust and invested in a funded unapproved retirement benefits scheme. During the year, £89,750 (2003 £84,700) was paid into this trust on his behalf.

(iv) Mr Fallon waived profit share in respect of the current year and of future years of £538,800 (2003 £138,800). This waived profit share was paid into a pension scheme on Mr Fallon's behalf. His pension benefit in the above table relates to a deferred pension in the Mail Newspapers Pension Scheme for pensionable service between 1st April, 1978 and 1st April, 1986. Neither the Group nor Mr Fallon continues to make any contributions to this scheme.

(v) The Company does not make any pension contributions on behalf of Mr Dutton.

REMUNERATION REPORT

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Directors' Interests (audited information)

The number of shares of the Company and of securities of other Group companies in which current Directors or their families had an interest at the dates shown are stated below.

Holdings of 12.5 pence Ordinary and 'A' Ordinary Non-Voting shares in Daily Mail and General Trust plc	Note	At 3rd October, 2004		At 28th September, 2003	
		Ordinary	'A' Ordinary Non-Voting	Ordinary	'A' Ordinary Non-Voting
Beneficial					
The Viscount Rothermere	i	11,827,632	76,821,754	11,827,632	76,821,754
C J F Sinclair	i	–	378,691	–	378,691
J P Williams	i	–	205,517	–	205,517
J G Hemingway		–	200,000	2,000	200,000
S M Gray		4,000	84,000	4,000	84,000
I G Park		4,000	4,000	4,000	4,000
F P Lowy		–	–	–	–
D M M Dutton		–	80,797	–	48,497
K Schwab		–	–	–	–
P M Dacre	i	–	218,574	–	187,574
P M Fallon		–	41,500	–	41,500
C W Dunstone		–	–	–	–
F P Balsemão		–	–	–	–
T S Gillespie		–	5,000	–	5,000*
D J Verey		–	15,000	–	–*
		11,835,632	78,054,833	11,837,632	77,976,533
Non-Beneficial					
The Viscount Rothermere		669,208	5,540,000	669,208	5,540,000
J G Hemingway		4,000	5,540,000	2,000	5,540,000
S M Gray	ii	–	24,500	–	3,646,687
T S Gillespie		–	4,066,639	–	4,471,497*
		673,208	15,171,139	671,208	19,198,184
Total Directors' interests		12,508,840	93,225,972	12,508,840	97,174,717
Less: duplications		(8,000)	(9,606,639)	(8,000)	(10,011,497)
		12,500,840	83,619,333	12,500,840	87,163,220

* as at date of appointment

(i) The figures in the table above include 'A' shares committed by executives under the LTIP, details of which are set out on page 38.

(ii) Mr Gray, as a director of DMGT Trustees Limited, is deemed to have a non-beneficial interest in any shares, purchased by DMGT Trustees Limited, the Trustee of the DMGT Share Trust. No such shares were held at 3rd October, 2004. At 28th September, 2003, the comparable figure was 3,627,687 'A' Ordinary Non-Voting shares.

REMUNERATION REPORT

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Options to acquire

'A' Ordinary Non-Voting shares in the Company	Note	At 29th September, 2003	Granted during year	Exercises during year	At 3rd October, 2004	Exercise Price £	Normal date from which exercisable	Expiry date
The Viscount Rothermere	*	60,000	–	–	60,000	6.475	15 Dec 01	15 Dec 08
	v	36,000	–	–	36,000	10.295	23 Dec 02	23 Dec 09
	vi*	30,000	–	–	30,000	8.34	18 Dec 03	18 Dec 10
	viii	30,000	–	–	30,000	6.45	14 Dec 04	14 Dec 11
		50,000	–	–	50,000	5.73	16 Dec 05	16 Dec 12
		–	40,000	–	40,000	6.075	8 Dec 06	8 Dec 13
		206,000	40,000	–	246,000			
C J F Sinclair	*	28,000	–	–	28,000	4.070625	12 Jun 00	12 Jun 07
	*	20,000	–	–	20,000	6.475	15 Dec 01	15 Dec 08
	v	43,000	–	–	43,000	10.295	23 Dec 02	23 Dec 09
	vi*	70,000	–	–	70,000	8.34	18 Dec 03	18 Dec 10
	viii	50,000	–	–	50,000	6.45	14 Dec 04	14 Dec 11
		75,000	–	–	75,000	5.73	16 Dec 05	16 Dec 12
		–	80,000	–	80,000	6.075	8 Dec 06	8 Dec 13
		286,000	80,000	–	366,000			
J P Williams	*	20,000	–	–	20,000	4.070625	12 Jun 00	12 Jun 07
	*	10,000	–	–	10,000	6.475	15 Dec 01	15 Dec 08
	v	15,000	–	–	15,000	10.295	23 Dec 02	23 Dec 09
	vi*	20,000	–	–	20,000	8.34	18 Dec 03	18 Dec 10
	viii	30,000	–	–	30,000	6.45	14 Dec 04	14 Dec 11
		50,000	–	–	50,000	5.73	16 Dec 05	16 Dec 12
		–	50,000	–	50,000	6.075	8 Dec 06	8 Dec 13
		145,000	50,000	–	195,000			
D M M Dutton	vi*	20,000	–	–	20,000	8.34	18 Dec 03	18 Dec 10
		25,000	–	–	25,000	5.73	16 Dec 05	16 Dec 12
		–	35,000	–	35,000	6.075	8 Dec 06	8 Dec 13
		45,000	35,000	–	80,000			
P M Dacre	*	60,000	–	–	60,000	6.475	15 Dec 01	15 Dec 08
	v	30,000	–	–	30,000	10.295	23 Dec 02	23 Dec 09
	vi*	25,000	–	–	25,000	8.34	18 Dec 03	18 Dec 10
	vii*	60,000	–	–	60,000	7.25	11 Jul 04	11 Jul 11
	viii	60,000	–	–	60,000	6.45	14 Dec 04	14 Dec 11
		100,000	–	–	100,000	5.73	16 Dec 05	16 Dec 12
		–	50,000	–	50,000	6.075	8 Dec 06	8 Dec 13
		335,000	50,000	–	385,000			
		1,017,000	255,000	–	1,272,000			

* vested/exercisable

(i) The table above sets out options granted under the DMGT 1997 Executive Share Option Scheme. All options were granted at market value at the date of grant and none required any payment. They are not normally exercisable before the third anniversary of the date of grant and in all circumstances will lapse if not exercised within ten years.

(ii) No Directors' options lapsed or had their terms and conditions varied during the year.

(iii) The mid-market price of the 'A' Ordinary Non-Voting shares was £7.315 at 3rd October, 2004 and £5.5425 at 28th September, 2003. It ranged from £5.35 to £7.38 during the year.

REMUNERATION REPORT

Continued

(iv) Since June 1997, all grants have been made under the DMGT 1997 Executive Share Option Scheme at prices ranging from £4.070625 to £10.295. These options are normally exercisable only when two demanding performance conditions have been met, as described in note (iii) on page 34.

(v) The TSR condition has not been met so far in respect of the options granted in December 1999. As a consequence, these options have not vested yet. The eps condition was met in the year ended 28th September, 2003.

(vi) Options granted on 18th December, 2000 at £8.34 per share vested on 29th February, 2004 when the TSR condition was met, the eps condition having been met in the year ended 28th September, 2003.

(vii) Options granted on 11th July, 2001 at £7.25 per share vested on 11th July, 2004 since the eps condition was met in the year ended 28th September, 2003 and the TSR condition on 30th April, 2004.

(viii) Options granted on 14th December, 2001 at £6.45 per share will vest on 14th December, 2004 since the TSR condition was met on 30th September, 2004 and the eps condition has also been met since real growth in adjusted earnings per share was achieved in the year, compared to the year ended 30th September, 2001.

(ix) There were 4,700,500 options outstanding under the scheme at the end of the year, as set out in Note 33 to the Balance Sheets. This represents 1.18% of the Company's total issued share capital (excluding treasury shares).

(x) The Company has been notified that, under sections 198 and 204 of the Companies Act 1985, each of the Viscount Rothermere, Mr Hemingway and Mr Gray were deemed to have been interested as shareholders in 12,551,764 Ordinary shares at 3rd October, 2004 and at 28th September, 2003.

(xi) At 3rd October, 2004 and 28th September, 2003, the Viscount Rothermere was beneficially interested in 746,700 ordinary shares of Rothermere Continuation Limited, ('RCL'), the Company's ultimate holding company.

(xii) The Viscount Rothermere was beneficially interested in 68 ordinary shares in Associated Newspapers North America Inc. at 3rd October, 2004 and at 28th September, 2003.

(xiii) Directors' shareholdings in Euromoney were as follows:

	3rd October, 2004	28th September, 2003
Beneficial		
The Viscount Rothermere	20,864	17,470
C J F Sinclair	7,494	7,494
J P Williams	1,825	1,825
P M Fallon	901,061	901,061
	931,244	927,850

(xiv) At 3rd October, 2004, Mr Fallon, held options in Euromoney, normally exercisable as follows:

	3rd October, 2004	28th September, 2003
At £3.54 before 19 June, 2005	346,268	346,268
At £3.9575 before 11 February, 2009	85,000	85,000
At £4.3125 before 25 June, 2009	255,000	255,000
At £2.08 between 01 February and 01 August, 2006	4,543	4,543
	690,811	690,811

The mid-market price of Euromoney's shares was £3.80 at 3rd October, 2004 and £3.75 at 28th September, 2003. It ranged from £3.25 to £4.56 during the year.

(xv) As at 1st December, 2004, Mr Beatty, who was appointed to the Board after the year end, held 27,919 'A' Ordinary Non-Voting shares, all of which had been committed to the LTIP and had options over 123,000 shares, at prices ranging from £5.73 to £10.96.

(xvi) All shareholdings were unchanged at 1st December, 2004.

(xvii) No Director of the Company has or had a disclosable interest in any contract of significance subsisting during or at the end of the year.

(xviii) Disclosable transactions by the Group under FRS 8, Related Party Transactions, are set out in Note 41. There have been no other disclosable transactions by the Company and its subsidiaries with directors of Group companies and with substantial shareholders since the publication of the last Annual Report.

On behalf of the Board

Rothermere

Chairman

1st December, 2004