



MERGER ANNOUNCEMENT 28 AUGUST 2012

Competition Authority Clears the Acquisition of Affiliates and Assets of RK Netmedia Inc

The Competition Authority has today cleared the proposed acquisition by Manwin Holding S.à.r.l. of sole control of certain affiliates and assets of RK Netmedia Inc. The transaction was notified under the Competition Act 2002 on 7 August 2012.

The Authority has formed the view that the proposed transaction does not raise any competition concerns in the State. The companies have been informed of the decision that the proposed transaction will not lead to a substantial lessening of competition in any markets for goods or services in the State.

As with all media mergers, the parties may only proceed with this merger if the Minister for Jobs, Enterprise and Innovation does not direct the Authority to carry out a full investigation (Phase 2) within 10 days of the date of the Authority's decision. The Authority will publish a public version of the reasons for its determination on its website (www.tca.ie) no later than 27 October 2012 after allowing the parties the opportunity to request that confidential information is removed from the published version.

Notes

Manwin Holding S.à.r.l., headquartered in Luxembourg, is active in the production and distribution of adult entertainment products. Such products comprise adult entertainment film, video and picture content, primarily distributed via the internet. In the State, Manwin generates revenue from online subscriptions to its adult entertainment websites. Manwin also owns the Playboy TV channel which is available in the State through Sky and UPC.

RK Netmedia Inc (referred to as "the RK Companies"), headquartered in the United States, are active in the production and distribution of adult entertainment products. The RK Companies operate the Reality Kings Network, consisting of 37 websites which offer adult entertainment products. In the State, the RK Companies generate revenue only from online subscriptions to their adult entertainment websites.

For further information contact:

Clodagh Coffey, Communications Manager, The Competition Authority
Tel: 01 8045406 Mobile: 087 915 5406 email: cc@tca.ie