

THE TAKEOVER PANEL

ABBOT HOLDINGS plc ("ABBOT") / THE BLYSTAD GROUP plc ("TBG")

The Panel met today to hear an appeal by Mr M A McDowell, Mr P A Bews and Mr C A E T Stevenson, who are directors of TBG, against a ruling by the Executive that Abbot does not have an arrangement or understanding with the Blystad brothers, the other directors of TBG and the majority shareholders, in breach of General Principle 1 or Rule 16 of the Code.

The appellant directors, advised by Henry Ansbacher & Co. Limited, contended that there had been an arrangement or understanding between Abbot and the Blystad brothers under which, in return for the Blystads' irrevocable acceptance of the offer which has been announced for TBG, Abbot had agreed to procure that TBG would not presently pursue enforcement proceedings for recovery of a loan to a company in which the Blystad brothers are interested.

The Panel was not satisfied that any breach of the Code, as alleged, had been established by the evidence. The Panel could not infer from the evidence that the Blystad brothers had been induced by Abbot to accept the offer by means of a special benefit not conferred on the other shareholders.

1 October 1992