

THE TAKEOVER PANEL

TRAFALGAR HOUSE PUBLIC LIMITED COMPANY

NORTHERN ELECTRIC PLC

On 21 July 1995 Northern Electric plc ("Northern") announced that it considered the regulatory uncertainty which arose following the announcement on 7 March 1995 by the Director General of Electricity Supply of a review of the price control on the distribution business of the Regional Electricity Companies to have ended.

Northern also announced that it agreed to allow a further offer to be made by Trafalgar House Public Limited Company ("Trafalgar"), if Trafalgar so wished. Prior to Northern's announcement, the Panel Executive had ruled that any new offer by Trafalgar would have to be announced no later than 21 days following confirmation by Northern that it considered regulatory uncertainty had ended.

Trafalgar announced on 21 July 1995 that it had noted the statement by Northern and would be considering its implications and making a further announcement in due course.

In view of ongoing market speculation, pending clarification of Trafalgar's intentions and as a precautionary measure, Northern and Trafalgar will be deemed to be in an offer period from today, with the result that certain dealings by relevant parties must be disclosed in accordance with the Rules of the Code.

24 July 1995