

THE TAKEOVER PANEL

LOOKERS PLC
(“LOOKERS”)

PENDRAGON PLC
(“PENDRAGON”)

Following recent representations made by the advisers to Lookers, the Panel Executive has been considering the application of Rule 2.4(b) of the Code to the approach by Pendragon to Lookers. Following discussions with both parties' advisers, the Panel Executive has ruled that Pendragon must, by 12.00 noon on 10 March 2006, either announce a firm intention to make an offer for Lookers under Rule 2.5 of the Code or announce that it does not intend to make an offer for Lookers. No extension to this deadline will be granted, except with the consent of the Panel Executive. In the event that Pendragon announces that it does not intend to make an offer for Lookers, Pendragon and any person acting in concert with it will, except with the consent of the Panel Executive, be bound by the restrictions contained in Rule 2.8 of the Code for six months from the date of such announcement.

Each of the parties has accepted this ruling.

3 February 2006