

THE TAKEOVER PANEL

Proprietors of Hay's Wharf Limited

("Hay's Wharf")

On 5th April 1974 the Panel imposed certain restrictions on St. Martins Property Corporation Limited ("St. Martins") in respect of its holding of 34.5% of Hay's Wharf. These restrictions were imposed because of St. Martins' failure to fulfil its obligation under the Code to implement a bid for Hay's Wharf. Later in 1974, Kuwait Investment Office ("KIO") acquired the entire share capital of St. Martins. It was subsequently arranged that KIO itself should become directly subject to the same restrictions as those formerly imposed on St. Martins. The restrictions ensure that KIO may not vote its holding nor increase or dispose of it. This latter restriction goes on to provide "KIO will, however, be entitled to accept a general offer made by an unconnected third party but only with the consent of the Panel if that offer is not recommended by the Hay's Wharf board".

In the context of the currently announced take-over proposals by Ocean Transport & Trading Limited ("Ocean") and, having in mind the possibility that the Panel might at some stage be approached for the kind of consent contemplated in the restrictions, the Panel has decided that it is in the interests of Hay's Wharf shareholders for these restrictions to be generally reviewed.

Having regard particularly to the passage of time since the restrictions were originally imposed, the Panel is unable to visualise that, if a request by KIO was made, the Panel would withhold consent for KIO to accept a bid from Ocean or another unconnected third party whether recommended by the board of Hay's Wharf or not. However, in the interests of all the share-holders of Hay's Wharf, the Panel considers it necessary that KIO should be as free as possible to base its decision of whether to accept any possible bid purely on commercial criteria. In the Panel's view, the desirable degree of objectivity on the part of KIO would be difficult to achieve if KIO is placed

in the position where the acceptance of a bid might, irrespective of its merits, be preferable to a return to the position of being locked into a large holding of Hay's Wharf without many of the rights that such a holding would normally confer on the owner. Accordingly, with the consent of the board of Hay's Wharf, the Panel has decided that all the restrictions currently imposed on KIO should now permanently be lifted.

3rd May 1977