

THE TAKEOVER PANEL

OFFER BY BTR PLC ("BTR") FOR DUNLOP HOLDINGS PLC ("DUNLOP")

The offer document published on 31 January by Morgan Grenfell on behalf of BTR contains, on page 13, a statement setting out the financial effects of acceptance for Ordinary shareholders. This statement compares the value of Dunlop ordinary shares under the offer with their existing value on the basis of the price at which the new Dunlop shares are to be issued under the proposed capital reconstruction.

Dunlop shareholders should be aware that in the Panel's view this comparison has not been presented in an appropriate or helpful manner. Although capital values were not calculated by reference to market values, as is normal, the reason for the departure from normal practice was not clearly stated and the selection of the chosen basis of calculation was not clearly explained and justified.

1 February 1985