

# THE TAKEOVER PANEL

**OFFERS BY**  
**SILVESTOR UK PROPERTIES LIMITED ("SILVESTOR")**  
**AND**  
**CWG ACQUISITION LIMITED ("CWG")**  
**FOR**  
**CANARY WHARF GROUP PLC ("CANARY WHARF")**

In order to provide an orderly framework for resolution of the competing offers for Canary Wharf and in accordance with Rule 32.5 of the Code, Silvestor, CWG and Canary Wharf have agreed the following, with the consent of the Panel Executive.

1. The offer timetable shall be extended such that the date on which the Canary Wharf shareholder meetings to approve the Silvestor scheme of arrangement (the "Scheme Meetings") shall be Tuesday 27 April and the latest date by which CWG's offer may become or be declared unconditional as to acceptances will (except as set out below or with the consent of the Panel) be Tuesday 4 May or, if any of the Scheme Meetings are adjourned, postponed or otherwise delayed, 7 days after such Scheme Meetings are actually held (and those meetings have closed) provided that such meetings must have been held (and have closed) on or prior to Tuesday 4 May.
2. The latest time by which either bidder will be permitted to announce a revised offer (other than in accordance with the following procedure or with the consent of the Panel) shall be 5.00pm on Tuesday 13 April. Any party that announces a revised offer before such time must (except with the consent of the Panel) post its revised offer or scheme document within 7 days of the announcement of the revision.

3. If a competitive situation still exists at 5.00pm on Tuesday 13 April then the procedure set out below (the "Auction Procedure") shall operate.
4. If either bidder proposes to announce a revised offer at any time after 5.00pm on Tuesday 13 April, the full text of a firm revised offer announcement (the "Offer Announcement") must be delivered to a Regulatory Information Service for publication at approximately 5.00pm on the relevant day.
5. If either bidder announces a revised offer on Wednesday 14 April (the "Auction Start Date") each bidder shall then be able to announce a revised offer on Thursday 15 April. If neither of the bidders announces a revised offer on Wednesday 14 April, the Auction Procedure shall then end and no new or revised offers may be announced thereafter. Any party that announces a revised offer on Wednesday 14 April must (except with the consent of the Panel) post its revised offer or scheme document on or before Wednesday 21 April (unless such party subsequently revises its offer in accordance with the remainder of the Auction Procedure as described below in which case it shall only be required to comply with the requirements to post any such further revised offer or scheme document as described below).
6. If either bidder announces a revised offer on Thursday 15 April, each bidder shall then be able to announce a revised offer on Friday 16 April. If neither of the bidders announces a revised offer on Thursday 15 April, the Auction Procedure shall then end and no new or revised offers may be announced thereafter. Any party that announces a revised offer on Thursday 15 April must (except with the consent of the Panel) post its revised offer or scheme document on or before Thursday 22 April (unless such party subsequently revises its offer in accordance with the remainder of the Auction Procedure as described below in which case it shall only be required to comply with the requirements to post any such further revised offer or scheme document as described below).

7. No new or revised offer may be announced by either bidder after Friday 16 April and the Auction Procedure shall then end. Any party that announces a revised offer on Friday 16 April must (except with the consent of the Panel) post its revised offer or scheme document on or before Friday 23 April.
8. Each bidder may only make one Offer Announcement each day during the Auction Procedure (including on the Auction Start Date) and any such Announcement must follow the procedure described in paragraph 4 above.
9. If either or both bidders announces a revised offer before or during the Auction Procedure and at the end of the Auction Procedure Silvestor's offer is still to be implemented by means of a scheme of arrangement and CWG is proceeding by way of offer, then the offer timetable shall be further extended, such that:
  - the Scheme Meetings (if Silvestor has revised) must be held no less than 14 days after any revised scheme documentation is posted to Canary Wharf shareholders and in any event the Scheme Meetings must have closed no later than Friday 14 May; and
  - the latest date by which CWG's offer may become or be declared unconditional as to acceptances will be 7 days after the Scheme Meetings have been held (and have closed).

If either or both bidders announces a revised offer before or during the Auction Procedure and at the end of the Auction Procedure CWG's offer is to be implemented by means of a scheme of arrangement and Silvestor is proceeding by way of an offer, then the provisions of this paragraph will be amended accordingly.

10. If CWG's offer remains by means of an offer and, prior to the commencement of any Auction Procedure, Silvestor announces a revised offer to proceed by means of an offer rather than by a scheme of arrangement then, unless the Auction Procedure then proceeds (and one of the parties bids in the Auction

Procedure), the latest date by which either offer may become or be declared unconditional as to acceptances will be 14 days (or such later date as may be required to comply with SEC tender offer rules) after posting the revised offer which must be posted within 7 days of such announcement. If either or both bidders announces a revised offer during the Auction Procedure and at the end of the Auction Procedure Silvestor is proceeding by means of an offer rather than a scheme of arrangement (and CWG is still proceeding by way of offer), then the offer timetable will be extended, such that the latest date by which either offer may become or be declared unconditional as to acceptances will be Friday 7 May, or such later date as may be required to comply with SEC tender offer rules.

11. Except with the consent of the Panel, and for so long as Silvestor is proceeding by way of a scheme of arrangement, CWG shall not be permitted to waive condition (o) to its offer (which provides, broadly, that CWG's offer will lapse if Silvestor's offer is approved by Canary Wharf shareholders).
12. Neither bidder (nor any person acting in concert with it) may acquire any Canary Wharf shares or warrants (or any rights to acquire shares or warrants) after 5.00pm on Tuesday 13 April until the end of the Auction Procedure, other than with the consent of the Panel. Thereafter until the end of the offer period, and other than with the consent of the Panel, neither bidder (nor any person acting in concert with it) may acquire any Canary Wharf shares or warrants (or any rights to acquire shares or warrants) on better terms than those made available under its offer. These restrictions shall not prevent the Reichmann interests being able to acquire Canary Wharf shares by exercising the Reichmann warrants.
13. A revised offer need not be superior to any offer made by the other bidder.
14. In the event that the Silvestor scheme fails or is withdrawn, Silvestor and its concert parties will not until the end of the offer period make any public statement in relation to any of (i) the failed Silvestor offer; (ii) any future intentions regarding a new offer from Silvestor or its concert parties; or (iii)

the CWG offer. Subject to the fiduciary duties of its board, Canary Wharf will not, until the end of the offer period, make any public statement in relation to future intentions regarding a new offer from Silvestor or its concert parties without the prior consent of the Panel. In the event that the CWG offer fails, lapses or is withdrawn CWG and its concert parties will not until the end of the offer period make any public statement in relation to any of (i) the failed CWG offer; (ii) any future intentions regarding a new offer from CWG or its concert parties; or (iii) the Silvestor offer. Subject to the fiduciary duties of its board, Canary Wharf will not, until the end of the offer period, make any public statement in relation to future intentions regarding a new offer from CWG or its concert parties without the prior consent of the Panel. For the purpose of this paragraph, a "public statement" is any statement made to any person who is not a concert party of the party making the statement, its immediate advisers or the Panel.

15. Formula offers will not be permitted.
16. The Panel reserves the discretion to amend the rules set out above as it sees fit.

7 April 2004