

THE TAKEOVER PANEL

TRAFALGAR HOUSE PUBLIC LIMITED COMPANY ("TRAFALGAR HOUSE")/ NORTHERN ELECTRIC PLC ("NORTHERN")

The Panel Executive has now received representations from both Trafalgar House and Northern concerning the application of Rule 35.1 of the Code. This Rule prevents an offeror making a new offer within 12 months of its previous offer lapsing subject to certain exceptions. Both parties have also expressed their views publicly through press releases.

Having considered the representations of the parties, the Executive has ruled that Rule 35.1 should not be waived in the present circumstances and therefore Trafalgar House should not be permitted to make its proposed £9.50 per share offer at this time. Trafalgar House has appealed that decision to the full Panel. It is expected that the appeal will be heard on Friday 17 March.

15 March 1995