

THE TAKEOVER PANEL

FIRST TECHNOLOGY PLC (“FIRST TECHNOLOGY”)

HONEYWELL INTERNATIONAL INC (“HONEYWELL”)

The Executive notes the announcement released by Honeywell this morning indicating that it is considering whether to raise its offer for First Technology.

Rule 19.3 of the Code states that “an offeror must not make a statement to the effect that it may improve its offer without committing itself to doing so and specifying the improvement”. The Executive regards Honeywell’s statement as a breach of this Rule.

Honeywell has confirmed to the Executive that there can be no certainty that an increased offer will ultimately be made.

23 January 2006