

THE TAKEOVER PANEL

CHARTER INTERNATIONAL PLC (“CHARTER”)

MELROSE PLC (“MELROSE”)

Following recent representations made by the advisers to Charter, the Panel Executive has been considering the application of Rule 2.4(b) of the Code to the announcement made by Melrose, on 29 June 2011, in which it confirmed that it had made an approach that may lead to an offer for Charter.

Following discussions with both parties’ advisers, the Panel Executive has ruled that, unless the Panel Executive consents otherwise, Melrose must, by 5.00 p.m. on 6 September 2011, either announce a firm intention to make an offer for Charter under Rule 2.5 of the Code or announce that it does not intend to make an offer for Charter. In the event that Melrose announces that it does not intend to make an offer for Charter, Melrose and any person(s) acting in concert with it will, except with the consent of the Panel Executive, be bound by the restrictions contained in Rule 2.8 of the Code for six months from the date of such announcement.

Each of the parties has accepted this ruling.

11 August 2011