

THE TAKEOVER PANEL

BENLOX HOLDINGS PLC ("BENLOX") / STOREHOUSE GROUP PLC ("STOREHOUSE")

The Panel refers to the statement made by Ifincorp Earl at the Panel's request on 30 October stating that Dr Ashraf Marwan is deemed to be acting in concert with Benlox and giving details of his dealings in both Benlox and Storehouse shares.

It was a matter of public record that Dr Marwan owned over 20% of Benlox and that he had accepted an invitation to join the Benlox board. Therefore Ifincorp Earl, Benlox and Dr Marwan should have recognised their concertedness before the Panel's intervention or at least discussed the matter with the Panel executive. As a result of their failure to do so and subsequent dealings by Dr Marwan in both Benlox and Storehouse shares, a number of breaches of the City Code have occurred, specifically of Rules 4.2 (prohibited dealings by the offeror and concert parties) and 7.3 (purchases of offeror shares prior to purchases of offeree shares). Rule 8 (dealings during the offer period - announcements) has also been breached.

The Panel does not believe that any serious consequences flow from these breaches and does not therefore propose to take any further action in respect of them. The Panel is however of the view that this conduct falls short of the standards required of advisers and parties involved in a take-over.

6 November 1987