

THE TAKEOVER PANEL

GUINNESS PLC ("GUINNESS") / THE DISTILLERS COMPANY PLC ("DISTILLERS")

The Panel Executive is issuing this statement in response to matters raised in recent press reports.

In January 1987 the Panel decided and stated publicly that it would await the outcome of the enquiries into the affairs of Guinness by the DTI Inspectors and of any legal consequences before, if appropriate, considering disciplinary action against persons alleged to have been involved in breaches of the Code in connection with Guinness's takeover of Distillers. It is understood that the trial of Mr Ward is due to start in September.

The action by the Panel, whereby Guinness paid compensation amounting to approximately £75 million to some former Distillers shareholders, was specifically stated not to be of a disciplinary nature. In its 1989 statement, dealing with this matter, the Panel stated:

- "(a) the Executive must remain entitled at the appropriate time to take disciplinary proceedings against any of those involved with the offer; and
- (b) the Executive should not be prevented from considering any Code issues which may arise in the light of any facts which subsequently appear, but are as yet not revealed."

This remains the position.

14 February 1992