

# THE TAKEOVER PANEL

## OFFER BY

**SILVESTOR UK PROPERTIES LIMITED ("SILVESTOR")**

**FOR CANARY WHARF GROUP PLC ("CANARY WHARF")**

The Executive notes certain comments attributed to Silvestor which were reported in newspapers over the weekend of 14/15 February and yesterday indicating that Silvestor might improve the terms of its offer for Canary Wharf.

One of the fundamental objectives of the Code is the preservation of a fair market in the shares of companies which are involved in takeovers. In particular, during the course of an offer, and especially in a contested or hostile situation, any suggestion of the possibility of a revision to an offer will be of particular sensitivity and could lead to there having been a false market in the shares of the offeree company in the event that no such revision materialises. Rule 19.3 of the Code therefore prohibits an offeror from making a statement to the effect that it may improve its offer without committing itself to doing so and specifying the improvement.

The Code also requires that information about companies involved in an offer must be made equally available to all shareholders as nearly as possible at the same time and in the same manner. Accordingly, all parties involved in takeovers and their advisers must take the utmost care in any discussions, whether formal or informal, with shareholders and others, such as journalists or investment analysts, not to release any material new information or significant new opinions relating to the offer.

The comments reported in the newspapers could therefore not have been made by or on behalf of Silvestor in accordance with the provisions of the Code.

The Executive has investigated the source of these comments and has received assurances from the advisers to Silvestor that the newspaper reports did not accurately reflect the underlying discussions.

Shareholders in Canary Wharf should therefore not assume that these comments were made with the authority of Silvestor or any other party associated with Silvestor and they should, accordingly, be disregarded.

17 February 2004