

IRISH TAKEOVER PANEL

Report for the year ended 30 June, 2002

This annual report of the Irish Takeover Panel is made to
Mary Harney, T.D., Minister for Enterprise, Trade and Employment as
required by section 19 of the Irish Takeover Panel Act, 1997

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Members of the Panel

Irish Association of Investment Managers	
Irish Clearing House Limited	– Nominated by the Irish Bankers Federation
Irish Stock Exchange Limited	
Law Society of Ireland	
Brian Walsh	– Nominated by the Consultative Committee of Accountancy Bodies - Ireland

Directors of the Panel

Chairperson	Daniel O’Keeffe, S.C.	} } Appointed by the Governor of } the Central Bank of Ireland
Deputy Chairperson	William M. McCann, FCA	}
	Leonard Abrahamson (Alternate: Brendan O’Connor)	Appointed by the Irish Stock Exchange
	Thomas Byrne (Alternate: John Butler)	Appointed by the Irish Bankers Federation
	Ann Fitzgerald (Alternate: Philip Sykes)	Appointed by the Irish Association of Investment Managers
	Daniel J. Kitchen	Appointed by the Consultative Committee of Accountancy Bodies - Ireland
	Brian J. O’Connor (Alternate: Laurence Shields)	Appointed by the Law Society of Ireland

Director General (and Secretary of the Panel)

Miceal Ryan

Introduction

The Irish Takeover Panel (“the Panel”) is the statutory body responsible for monitoring and supervising takeovers and other relevant transactions in Ireland. The Panel was established by the Irish Takeover Panel Act, 1997 (“the Act”); it is incorporated as a company limited by guarantee. The Panel is responsible for making Rules to ensure that takeovers and other relevant transactions comply with the General Principles set out in the Schedule to the Act. These General Principles are designed to ensure fair and equal treatment of all shareholders in relation to takeovers. The Rules also serve to provide an orderly framework within which takeovers can be conducted.

The Panel has extensive powers under the Act to make rulings and give directions, to hold hearings, to summon witnesses and to require production of documents and other information, where these are appropriate in the discharge of its statutory functions.

Chairperson's Statement

The Panel had another busy year meeting on 25 occasions to consider regulatory issues. The year saw the completion of the largest takeover since the Panel's establishment five years ago, the takeover of eircom plc by Valentia Telecommunications Limited.

In July 2001 the proposed European Takeover Directive failed to achieve the simple majority required in a vote in the European Parliament. Subsequently, the European Commission set up a high level group of company law experts to report on the following issues:

- how to ensure the existence of a level playing field in the European Union concerning the equal treatment of shareholders across Member States;
- the definition of the notion of an "equitable price" to be paid to minority shareholders; and
- the right for a majority shareholder to buy out minority shareholders.

The expert group issued its report in January of this year and, in general, the Panel would support the broad thrust of the recommendations in the report. However, the Panel would have some concerns regarding the implementation of certain aspects of the report. These concerns, in the main, centre around the introduction of a "break-through" rule which would enable an offeror to break through mechanisms and structures which may frustrate an offer. While the Panel is of the view that the introduction of such a rule is unlikely to give rise to major difficulties for those companies coming under its jurisdiction, nevertheless, the Panel is of the view that certain aspects of the "break-through" rule need to be clarified. It is also understood that some Member States may have some difficulties with some aspects of the report and it remains to be seen what proposals the European Commission bring forward. The Panel awaits developments with interest.

The Competition Act, 2002 ("the 2002 Act") will bring about a number of changes to the existing law on mergers and acquisitions. Under the 2002 Act a new regime of merger control will come into force on 1 January, 2003. Rule 12(a) of the Takeover Rules sets down those conditions which must be included as a term of an offer where such offer would constitute a proposed merger or takeover under the existing merger control regime. The Panel is currently reviewing Rule 12 to determine what amendments are appropriate in light of the new merger control regime. An amended Rule 12 will be published in due course.

Historically in Ireland the acquisition of control of a public quoted company has usually been effected by means of a takeover offer. However, in recent years schemes of arrangement

under section 201 of the 1963 Act (“takeover schemes”) have increasingly been used to effect such control. A takeover scheme also constitutes a “takeover” within the meaning of the Irish Takeover Panel Act, 1997 (“the 1997 Act”) and accordingly, it falls within the Panel’s duty under section 7(1) of that Act to monitor and supervise such takeovers. Rule 41 provides, inter alia, that the Panel can make such rulings and give such directions in relation to a takeover scheme as it thinks fit, having regard to the General Principles. Section 9 of the 1997 Act empowers the Panel to regulate such takeover schemes.

Certain specific Rules (predominantly dealing with the acquisition of securities) apply to takeover schemes irrespective of whether a takeover scheme is an “offer” within the meaning of the 1997 Act. However, the remaining Rules do not apply to such schemes and furthermore, there is no general jurisdiction at present which applies these Rules *mutatis mutandis* to takeover schemes. Having regard to the specific nature of takeover schemes, the Panel is currently drafting a new set of Rules which would apply specifically to such schemes. It is envisaged that these new Rules would come into effect towards the middle of next year. In the interim, the Panel will continue to regulate takeover schemes pursuant to the authority granted to it under section 9 of the 1997 Act.

I would like to welcome Tom Byrne on his appointment as a Director of the Panel. Mr. Byrne replaced Roisin Brennan as the nominee of the Irish Bankers Federation. On behalf of the Board and myself, I would like to thank Roisin for her contribution and support.

Daniel O’Keeffe

Chairperson

30 September, 2002

Director General's Report

The Panel supervised seven takeovers during the year including two offers for eircom plc. The takeover of eircom plc was the most significant transaction during the year and gave rise to a number of substantive issues for the Panel. Other transactions before the Panel included the offers for Golden Vale plc, Ire-Text Group plc, James Crean plc, and Aminex plc and the acquisition of ACC Bank plc. Further details on these takeovers are set out in Appendix 2. While no offers had been made by 30 June, 2002, the then proposed takeovers of Jefferson Smurfit Group plc, Green Property plc and Parthus Technologies plc generated a substantial level of regulatory activity for the Panel during the last four months of the year.

Rule 19.4 and websites

Rule 19.4 requires that no person publish an advertisement in connection with an offer or possible offer during the course of an offer unless the advertisement falls within one of the categories listed in the Rule, nor, with two exceptions, should any person publish an advertisement unless its content has been approved by the Panel. The Panel has considered the application of Rule 19.4 to offer connected material published on websites. The Panel will regard any public notice published, by whatever means, by or on behalf of an offeror or an offeree during the course of an offer as constituting a commercial advertisement. Subject to the exceptions outlined below, such a notice will be regulated under Rule 19.4. Firm intention announcements, offer documents, first response circulars, Rule 17 announcements and other documents or announcements which are central to the offer procedure and are regulated elsewhere in the Rules will not be subject to Rule 19.4. Subject to these exceptions, it follows therefore that material published on websites will be regulated under Rule 19.4.

Relevance of exempt status

When a market-maker or fund manager is connected with an offeror or an offeree, exempt status is relevant only where the sole reason for the connection is that the market-maker or fund manager is controlled by, controls or is under the same control as a financial adviser acting in relation to the offer for the offeror or, as the case may be, the offeree.

In circumstances where it is not publicly known that a fund manager or market-maker is connected with an offeror or an offeree for reasons other than that outlined above, the Panel will normally continue to regard the exempt status of the fund manager or the market-maker as relevant. In this regard, the Panel will normally consider an issue as being publicly known where there has been rumour or speculation in relation to that issue. In relevant cases, the Panel should be consulted at an early stage.

Fair procedures

In accordance with its procedures the Panel will seek the comments of all interested parties, as determined by the Panel, in circumstances where, for example, the Panel is considering a complaint by a party or is investigating a possible breach of the Rules. On occasion, communications have been forwarded to the Executive with the instruction that such communications should not be given to other interested parties. Fair procedures require that all interested parties should have an opportunity to comment on the content of such communications prior to the Panel making a determination on the relevant issue before it. Consequently, material submitted to the Executive in these circumstances must be submitted on the basis that the material will be circulated to all such interested parties, as determined by the Panel.

Statements of shareholder support

Rule 19 requires, inter alia, that information released during the course of an offer must satisfy the standards of accuracy, completeness and fair presentation as would be required of a prospectus. In a competitive or hostile takeover the intentions of offeree shareholders are of particular importance. Statements concerning such intentions must not be made unless the up to date intentions of the relevant shareholder have been clearly stated to the offeree or its advisers or where relevant to the offeror or its advisers. The Panel should be consulted in advance of any such statements being made. In such circumstances, the Panel will require any such statement to be verified to its satisfaction and this may include immediate confirmation being given directly to the Panel by the relevant shareholder.

Rule 8 disclosures

Where an offeror has been the subject of an announcement that talks are taking place, the offeror and all persons acting in concert with it must disclose all dealings under Rule 8.1 and such disclosures must include the identity of the offeror as required by Rule 8.6. This applies regardless of whether or not the identity of the offeror has been disclosed in the aforementioned announcement.

Financial statements

In the year to 30 June, 2002 operating income increased by over 13% to € 997,776. The increase was as a result of increased income from document charges and the contract note levy. Expenditure for the year fell nearly 20% to € 620,122 primarily as a result of a substantial reduction in professional fees following the publication of new Rules on 1 July, 2001.

A significant proportion of the Panel's income is fee income generated from takeover and trading activity and is therefore of a volatile nature and consequently, extremely difficult to predict at the outset of a financial year. The Panel's objective is to maintain sufficient cash resources to cope with any unforeseeable substantial reduction in income or substantial increase in expenditure. Investments and cash balances at 30 June, 2002 were € 1.5 million.

Miceal Ryan

Director General

30 September, 2002

Directors' Report

The directors present their report and audited financial statements for the year ended 30 June, 2002.

Principal activities, review of operations and future developments

The Irish Takeover Panel is a public company limited by guarantee formed and registered under the Companies Acts 1963 to 2001. The company was incorporated on 29 April, 1997 in accordance with the Irish Takeover Panel Act, 1997 ("the Act") to:

- a) monitor and supervise takeovers and other relevant transactions so as to ensure that the provisions of the Act and any rules thereunder are complied with; and
- b) make rules under the provisions of the Act in relation to takeovers and other relevant transactions.

A review of operations and future developments is contained in the Chairperson's Statement and the Director General's Report.

Results and transfers to reserves

The results for the year are set out in the Income and Expenditure Account on page 17. An amount of €400,000 (2001: €126,974) was transferred from the Income and Expenditure Account to a contingency reserve.

Health and safety of employees

It is the policy of the company to ensure the safety, health and welfare of employees by maintaining a safe place and system of work. This policy is based on the requirements of employment legislation including the Safety, Health and Welfare at Work Act, 1989.

Post balance sheet events

There were no material events since the end of the financial year.

Auditors

In accordance with section 160 (2) of the Companies Act, 1963, KPMG, Chartered Accountants, continue in office.

On behalf of the Board

D. O'Keeffe
Chairperson

W. M. McCann
Deputy Chairperson

30 September, 2002

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure for that period. In preparing these financial statements, the directors are required to;

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2001 and all Regulations to be construed as one with those Acts. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

On behalf of the Board

D. O'Keeffe
Chairperson

W. M. McCann
Deputy Chairperson

30 September, 2002

Independent Auditors' Report to the members of the Irish Takeover Panel

(limited by guarantee)

We have audited the financial statements on pages 16 to 23.

Respective responsibilities of directors and auditors in relation to the financial statements

The directors are responsible for preparing the directors' report and, as described on page 13, the financial statements in accordance with applicable Irish law and accounting standards. Our responsibilities, as independent auditors, are established in Ireland by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts. As also required by the Acts, we state whether we have obtained all the information and explanations we require for our audit, whether the financial statements agree with the books of account and report to you our opinion as to whether:

- the company has kept proper books of account
- the directors' report is consistent with the financial statements;

We also report to you if, in our opinion, information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the affairs of the company at 30 June, 2002 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2001 and all Regulations to be construed as one with those Acts.

We have obtained all the information and explanations we considered necessary for the purpose of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the Directors' Report on page 12 is consistent with the financial statements.

KPMG

Chartered Accountants

Registered Auditors

30 September, 2002

Financial Statements

Statement of accounting policies

Basis of preparation

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, and comply with the financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland.

Operating income

This represents primarily the invoiced value of annual and document charges that the company is entitled to levy and Contract Note levies on dealings in quoted securities of relevant companies collected through brokers on an accruals basis.

Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost less accumulated depreciation. Depreciation is calculated to write off the original cost of tangible fixed assets over their expected useful lives at the following annual rates:-

Fixtures and fittings	5 years
Computers	3 years
Motor vehicle	4 years

Valuation of investments

Interest bearing securities are carried at cost, which excludes accrued income.

Cash flow statement

The company is exempted from the preparation of a cash flow statement as it qualifies as a small company under the Companies (Amendment) Act, 1986.

Pensions

Pensions costs are charged to the Income and Expenditure Account on an accruals basis.

Financial Statements

Income and Expenditure Account

for the year to 30 June, 2002

	<i>Note</i>	Year ended 30 June, 2002	Year ended 30 June, 2001
		€	€
Operating income	<i>1</i>	997,776	879,925
Operating expenditure	<i>2</i>	(620,122)	(773,074)
		<hr/>	<hr/>
Operating surplus		377,654	106,851
Interest income		48,426	56,557
		<hr/>	<hr/>
Operating surplus after interest		426,080	163,408
		<hr/>	<hr/>
Surplus for the financial year		426,080	163,408
Accumulated surplus at beginning of year		177,636	141,202
Transfer to contingency reserve		(400,000)	(126,974)
		<hr/>	<hr/>
Accumulated surplus at end of year		203,716	177,636
		<hr/> <hr/>	<hr/> <hr/>

The results derive from continuing operations.

There were no recognised gains or losses in the financial year or preceding financial year other than those included above in the Income and Expenditure Account.

On behalf of the Board

D. O Keeffe
Chairperson

W. M. McCann
Deputy Chairperson

Financial Statements

Balance Sheet

as at 30 June, 2002

		30 June, 2002	30 June, 2001
	<i>Note</i>	€	€
Fixed assets			
Tangible fixed assets	6	21,246	29,389
		<hr/>	<hr/>
Current assets			
Debtors and prepayments	7	57,763	56,342
Investments	8	1,362,052	952,304
Cash at bank		152,562	130,939
		<hr/>	<hr/>
		1,572,377	1,139,585
Current liabilities			
Creditors: amounts falling due within one year	9	(37,603)	(39,034)
		<hr/>	<hr/>
Net current assets		1,534,774	1,100,551
		<hr/>	<hr/>
Total assets less current liabilities		1,556,020	1,129,940
		<hr/>	<hr/>
Accumulated surplus and reserve			
Contingency reserve	10	1,352,304	952,304
Income and Expenditure account		203,716	177,636
		<hr/>	<hr/>
		1,556,020	1,129,940
		<hr/> <hr/>	<hr/> <hr/>

On behalf of the Board

D. O'Keeffe
Chairperson

W. M. McCann
Deputy Chairperson

Financial Statements

Notes

1 Operating income	Year ended 30 June, 2002	Year ended 30 June, 2001
	€	€
Relevant company annual charges	543,645	552,350
Document charges	273,721	207,366
Contract Note levies	171,787	111,715
Other	8,623	8,494
	997,776	879,925
	997,776	879,925

2 Operating expenditure	Year ended 30 June, 2002	Year ended 30 June, 2001
	€	€
Operating expenditure includes:		
Depreciation	20,105	16,226
Auditors' remuneration	2,500	2,539

3 Employees

The average number of persons employed by the company and the employee costs during the year were as follows:

Number:	Year ended 30 June, 2002	Year ended 30 June, 2001
	Number	Number
Administration	5	5
Directors	7	7

Financial Statements

Notes (continued)

3 Employees (continued)

Costs:	Year ended 30 June, 2002	Year ended 30 June, 2001
	€	€
Salaries	223,178	226,681
Directors' remuneration	164,717	176,836
Social Welfare costs	25,413	13,212
Pension costs (note 4)	30,639	31,745
	<hr/>	<hr/>
	443,947	448,474
	<hr/> <hr/>	<hr/> <hr/>

4 Pension costs	Year ended 30 June, 2002	Year ended 30 June, 2001
	€	€
Pension charge	30,639	31,745
	<hr/>	<hr/>

The company makes contributions to a defined contribution scheme for certain employees, the assets of which are vested in independent trustees for the benefit of members and their dependants. The contributions for the year totalling € 30,639 are included within operating expenditure. At 30 June, 2002 € 5,121 (2001: € 4,565) was prepaid within debtors in relation to this scheme.

5 Taxation

Under the provisions of the Finance Act, 1997 the company is exempt from Corporation Tax on its income.

Financial Statements

Notes *(continued)*

6 Tangible fixed assets

	Motor vehicle €	Fixtures and fittings €	Computers €	Total €
<i>Cost</i>				
At 30 June, 2001	31,743	41,453	4,960	78,156
Additions	—	—	11,963	11,963
	_____	_____	_____	_____
At 30 June, 2002	31,743	41,453	16,923	90,119
	=====	=====	=====	=====
Depreciation:				
At 30 June, 2001	15,872	27,935	4,960	48,767
Charge for year	7,936	8,182	3,988	20,106
	_____	_____	_____	_____
At 30 June, 2002	23,808	36,117	8,948	68,873
	=====	=====	=====	=====
<i>Net book amount:</i>				
At 30 June, 2001	15,871	13,518	—	29,389
	_____	_____	_____	_____
At 30 June, 2002	7,935	5,336	7,975	21,246
	=====	=====	=====	=====

Financial Statements

Notes *(continued)*

7 Debtors and prepayments	as at 30 June, 2002	as at 30 June, 2001
	€	€
Debtors	6,646	10,625
Prepayments and accrued income	51,117	45,717
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	57,763	56,342
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

All amounts fall due within one year.

8 Investments	as at 30 June, 2002	as at 30 June, 2001
	€	€
Commercial paper	1,362,052	952,304
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

9 Creditors: amounts falling due within one year	as at 30 June, 2002	as at 30 June, 2001
	€	€
Trade creditors	209	669
PAYE and Social Welfare insurance	3,615	3,403
Accrued expenses	33,779	34,962
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	37,603	39,034
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

Financial Statements

Notes *(continued)*

10	Contingency reserve	as at 30 June, 2002	as at 30 June, 2001
		€	€
	At beginning of year	952,304	825,330
	Transfer from Income and Expenditure Account	400,000	126,974
	At end of year	1,352,304	952,304

11 Approval of financial statements

The Board of Directors approved these financial statements on 30 September, 2002.

Appendix 1

Administrative Appendix

Relevant Companies

The Irish Takeover Panel Act, 1997 (“the Act”) established the Irish Takeover Panel as the body responsible for the monitoring and supervision of takeovers and certain other transactions in relation to securities in relevant companies in Ireland. A relevant company is defined in the Act to include public limited companies or other bodies corporate incorporated in Ireland whose securities are currently being traded, or (if the subject of a takeover or other relevant proposal) were traded within the previous five years, on a market regulated by a recognized stock exchange. In addition, the Minister, after consultation with the Panel, may prescribe any other public limited company as a relevant company in order to secure the protection of its investors. On 26 March, 2001 the Irish Takeover Panel Act, 1997 (Relevant Company) Regulations, 2001 came into operation pursuant to section 2(c) of the Act. These Regulations extended the definition of “relevant company” in the Act to include companies incorporated in Ireland and trading on the London Stock Exchange, the New York Stock Exchange, Nasdaq, Nasdaq Europe or the Neuer Markt. At 30 June, 2002 76 companies were deemed relevant for the purposes of the Act (see Appendix 3).

The Rules

In addition to its supervisory function, the Panel is also entrusted with a rulemaking function. The Irish Takeover Panel Act, 1997, Takeover Rules, 2001 (“the Rules”) and the Irish Takeover Panel Act, 1997, Substantial Acquisition Rules, 2001 which came into effect on 1 July, 2001. These Rules have been made principally to ensure that takeovers and other relevant transactions comply with the principles (referred to in the Rules as “the General Principles”) set out in the Schedule to the Act. The Rules also provide an orderly framework within which takeovers are conducted. They are not concerned with the financial or commercial advantages or disadvantages of a takeover, which are matters for the companies concerned and their shareholders. Neither are the Rules concerned with issues such as competition and merger policies, which are regulated under different legislation. Whilst the Rules are similar to the City Code of the UK Panel on Takeovers and Mergers however, there are significant differences at the detail level.

Members of the Panel and Board of Directors

The Members of the Panel are representative of bodies professionally involved in the securities markets and in the field of takeovers. They comprise the following five bodies, or in certain cases, their corporate or personal nominee:

Consultative Committee of Accountancy Bodies – Ireland

Law Society of Ireland

Irish Association of Investment Managers

Irish Bankers Federation

Irish Stock Exchange Limited

If deemed necessary, the Minister may alter this list by introducing appropriate regulations. Each of the aforementioned bodies has appointed a director to the Board of the Panel. In addition, the Governor of the Central Bank of Ireland has appointed the Chairperson and Deputy Chairperson to the Board.

The Act also provides for the Governor of the Central Bank and the five nominating bodies to designate one or more alternates for each director appointed by them, and four of the nominating bodies have done so. This facilitates the functioning of the Panel when directors are unavailable or are faced with a potential conflict of interest in relation to a case under consideration. Finally, there is also a provision for up to three additional directors to be co-opted by the existing directors. To date, no additional directors have been co-opted. The Board is often required to meet at short notice in order to consider issues requiring urgent decisions.

The Executive

The day-to-day work of the Panel is carried out by the Executive through the office of the Director General. The Executive deals with the general administration of the Panel and the Rules, including consideration of queries and submissions which do not require reference to the Board. The Executive is available for consultation and to give guidance before and during takeover transactions. The Executive is also responsible for monitoring dealings in the shares of relevant companies to ensure compliance with the Rules.

Enforcement of the Rules

The Act gives the Panel statutory authority to make rulings as to whether any activity or proposed activity complies with the General Principles and the Rules. The Panel is also empowered to give directions to any party to a takeover to do or refrain from doing anything

specified by the Panel. The Panel may also investigate a person's conduct where it reasonably believes that a contravention of the General Principles or Rules has occurred or may occur. Where appropriate, the Panel may advise, admonish or censure such a person in relation to his or her conduct. In order to carry out its functions, the Panel may conduct a hearing in relation to the matter concerned. For the purposes of such a hearing, the Panel has the same powers, rights and privileges as are vested in the High Court in relation to compelling attendance, examining on oath and compelling the production of documents. The Act also affords witnesses before the Panel the same immunities and privileges as witnesses before the High Court.

Access to Reports

Where it deems it necessary, the Panel (under section 21 of the Act) may require a Court-appointed inspector to furnish it with a copy of a report provided to the Court or the Minister under the Companies Act, 1990. Similarly, the Panel may require a recognised Stock Exchange to furnish it with a copy of any report given to the Director of Public Prosecutions in respect of an insider dealing offence. To date, no such requests have been made.

Charges

In order to defray the expenses incurred in the performance of its functions under the Act, the Panel is authorised to impose charges on relevant companies, on offerors who are not relevant companies, on dealings in the securities of relevant companies and on documentation submitted to the Panel in accordance with the Rules or in relation to Panel proceedings. The consent of the Minister to the current level of charges, which are set out on pages 27 and 28, has been obtained.

Panel Charges

made under section 16 of the Act and effective from 1 July, 2002.

1. *Annual charge payable by relevant companies*

Relevant companies pay an annual charge to the Panel based on Market Capitalisation as at 30 June in each year. The scale is as follows:

Market Capitalisation	Annual Charge
€ Million	€
over 1,250	18,750
625 – 1,250	12,500
125 – 625	6,250
62 – 125	5,000
31 – 62	3,750
12 – 31	2,500
Under 12	1,250

2. *Charge on transactions in securities of relevant companies*

Charges are made on contracts in respect of dealings in securities of relevant companies. This charge amounts to € 1.25 on each contract note in respect of transactions valued at more than € 12,500.

3. *Document charges - takeovers and other relevant transactions*

A document charge is made in respect of documents furnished to the Panel under the rules in connection with takeovers and other relevant transactions. The scale for these charges is:

Value of the Offer	Charge
€ Million	€
Under 5	2,500
5 - 15	10,000
15 - 35	17,500
35 - 65	35,000
65 - 125	50,000
Over 125	62,500

The charge in respect of “whitewash” waiver applications is € 2,500.

4. *Charge on offerors which are not relevant companies*

Where an offeror is not a relevant company, or a subsidiary of a relevant company, a charge is made additional to the document charge as set out above. This charge is made for an amount equal to the annual charge payable by a relevant company having a market capitalisation equal to that of the offeree at the offer price.

5. *Document charge - proceedings of the Panel*

The Panel is empowered to charge up to € 900 per document in respect of documents furnished to the Panel by a person in relation to proceedings to the Panel.

There are provisions for certain of the above charges to be mitigated in certain circumstances. Further details can be obtained from the Executive.

Appendix 2

Takeovers supervised by Irish Takeover Panel

1 July, 2001 to 30 June, 2002

eircom plc Recommended cash offer by Valentia Telecommunications Limited, a company owned, directly or indirectly, by entities affiliated to Providence Equity Partners Inc., Soros Fund Management LLC, eircom ESOP Trustee Limited, Goldman Sachs Group Inc. and Lionheart Ventures (Overseas) Limited.

eircom plc Recommended cash offer by eIsland plc, a company controlled by Mr. Denis O'Brien.

James Crean plc Recommended cash offer by Monset Limited, a company controlled by Mr. Raymond McLoughlin.

Golden Vale plc Recommended offer by Kerry Group plc.

Ire-Tex Group plc Recommended cash offer by Nobleford Investments Limited, a company controlled by Mr. Paul Burke.

ACC Bank plc Acquisition of ACC Bank plc by Rabobank, a Dutch co-operative bank.

Aminex plc Offer by Apple Oil and Gas plc.

Note: The following companies were in an Offer Period at 30 June, 2002 but offers had not been made for any of the companies at that date:

Jefferson Smurfit Group plc

Green Property plc

Parthus Technologies plc

Gresham Hotel Group plc

Appendix 3

List of Relevant Companies under the Irish Takeover Panel Act, 1997 as at 30 June, 2002

Abbey plc	Glanbia plc	Oakhill Group plc
Allied Irish Banks plc	Glencar Mining plc	Oglesby and Butler Group plc
Alltracel Pharmaceuticals plc	Grafton Group plc	Ormonde Mining plc
Alphyra Group plc	Greencore Group plc	Ovoca Resources plc
Aminex plc	Green Property plc	
Anglo Irish Bank Corporation plc	Gresham Hotel Group plc	Parthus Technologies plc
Arcon International Resources plc		Petrel Resources plc
Ardagh plc		Paddy Power plc
Arnotts plc	Heiton Holdings plc	Providence Resources plc
	Hibernia Foods plc	
Bank of Ireland Group	Horizon Technology Group plc	Qualceram Shires plc
Barlo Group plc		
Bula Resources (Holdings) plc	IAWS Group plc	Rapid Technology Group plc
	ICON plc	Readymix plc
Celtic Resources Holdings plc	IFG Group plc	Reflex Group plc
Conduit plc	Independent News & Media plc	Riverdeep Group plc
Conroy Diamonds and Gold plc	IONA Technology plc	Ryanair Holdings plc
CPL Resources plc	Irish Continental Group plc	
CRH plc	Irish Life & Permanent plc	
	IWP International plc	Sherry FitzGerald Group plc
Datalex plc		SmartForce plc
DCC plc	Jurys Doyle Hotel Group plc	SMF Technologies plc
Donegal Creameries plc		Jefferson Smurfit Group plc
Dragon Oil plc	Kenmare Resources plc	
Dunloe Ewart plc	Kerry Group plc	Trinity Biotech plc
	Kingspan Group plc	Trintech Group plc
Elan Corporation plc		
Ennex International plc	Marlborough International plc	
	McInerney Holdings plc	Unidare plc
FBD Holdings plc	Minco plc	United Drug plc
First Active plc	Minmet plc	
Fyffes plc	Norish plc	Waterford Wedgwood plc

Appendix 4

During the course of the financial year the Panel exercised certain of its powers under the Irish Takeover Panel Act, 1997 as follows:

Rulings

The Panel issued one hundred rulings during the year of which forty three related to the takeover of eircom plc. A further thirty three rulings were made in relation to the takeover of Aminex plc while nine rulings were made in relation to the proposed takeover of Jefferson Smurfit Group plc. The majority of the remaining rulings related to the takeover of Golden Vale plc, the proposed takeover of Green Property plc and the granting of exempt status to certain market-makers and fund managers.

Derogations

The Panel granted seventeen derogations during the year of which seven related to the takeover of eircom plc and four related to the takeover of James Crean plc. The remaining derogations related to the takeovers of Golden Vale plc, ACC Bank plc, Aminex plc and the proposed takeover of Jefferson Smurfit Group plc.

Waivers

Six waivers were granted during the year. The waivers were in respect of Rule 9 (mandatory offer and its terms), Rule 2.6 (obligation on the offeree to circulate announcements), Rule 28 (profit forecasts), Rule 10.6 (unconditionality as to acceptances), Rule 19.3 (avoidance of misleading statements) and Rule 20.1 (equality of information to shareholders).

Directions

The Panel issued five directions during the year, of which four related to the takeover of eircom plc. The remaining direction related to the takeover of Aminex plc.

