

IRISH TAKEOVER PANEL

Report for the year ended 30 June 2013

This annual report of the Irish Takeover Panel is made to
Richard Bruton, T.D., Minister for Jobs, Enterprise and Innovation as required
by section 19 of the Irish Takeover Panel Act, 1997

ANNUAL REPORT 2013

IRISH TAKEOVER PANEL

Report for the year ended 30 June 2013

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Members of the Panel

Irish Association of Investment Managers

Irish Clearing House Limited - Nominated by the Irish Banking Federation

Irish Stock Exchange Limited

Law Society of Ireland

Pat Costello - Nominated by the Consultative Committee of Accountancy Bodies - Ireland

Directors of the Panel

Chairperson	Denis McDonald, S.C.	Appointed by the Governor of the Central Bank of Ireland
Deputy Chairperson	Ann Fitzgerald	Appointed by the Governor of the Central Bank of Ireland
	Thomas Byrne (Alternate: Maurice Crowley)	Appointed by the Irish Banking Federation
	Paul D’Alton	Appointed by the Consultative Committee of Accountancy Bodies – Ireland
	Daniel Kitchen (Alternate: Gerardine Jones)	Appointed by the Irish Stock Exchange
	Frank O’Dwyer	Appointed by the Irish Association of Investment Managers
	Mark Ryan (Alternate: Paul Egan)	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”) and is incorporated as a company limited by guarantee. The Panel is designated as the competent authority under the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 (the “Regulations”) for the purpose of Article 4(1) of the Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids.

The Panel is responsible for making rules to ensure that takeovers (including takeover bids as defined in the Regulations) 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 an exceptionally busy year primarily as a result of two high profile hostile offers and the court actions which were taken in relation to matters arising in connection with those offers to which I refer in more detail below.

Last year's annual report referred to a report published in June 2012 by the European Commission in relation to its review of the Takeover Bids Directive 2004/25/EC. While the Commission decided not to amend the Directive it decided that there was scope for clarification in certain areas. In particular, the Commission proposed the development of guidance to clarify the concept of acting in concert as uncertainty surrounding the concept might impede active and positive engagement in corporate governance by international investors fearful of having to launch a mandatory bid. The Commission suggested that guidance could be drawn up by the European takeover bids network ("TBN") which operates under the auspices of the European Securities and Markets Authority. A small task force comprising members of the TBN was established at the end of 2012 to produce this guidance. The Panel Executive met with other members of the TBN during the year to discuss the draft guidance and it is expected that the finalised guidance for investors will be published sometime later this year.

During the year High Court judicial review proceedings were taken in respect of two decisions of the Panel. The decisions in question related to matters arising in the hostile offers for Aer Lingus Group plc and Elan Corporation plc. In the former case, Aer Lingus sought leave to apply for judicial review in respect of a decision by the Panel that Ryanair Holdings plc was restricted from announcing or making an offer for Aer Lingus under the terms of Rule 35.1(a) of the Irish Takeover Rules for a period of twelve months from 29 August 2012. The High Court refused leave on the basis that the Applicant had not established substantial grounds because it had not shown that the interpretation by the Panel of the rule was wrong or even questionable. Aer Lingus has sought leave to appeal the decision to the Supreme Court. In the second case, Echo Pharma Acquisition Limited ("Royalty Pharma") sought leave to apply for judicial review of a decision of the Panel not to grant consent to it to amend the terms of its offer for Elan. The Panel had ruled that in order to ensure compliance with General Principle 4 and to promote certainty Royalty Pharma should be bound by the terms of its offer. The Applicant withdrew its request for a judicial review of the Panel's decision shortly before the proceedings were due to be heard by the High Court and following the lodgement by the Panel of its Statement of Opposition. In each case, an order for costs was made by the High Court in favour of the Panel. In addition to the judicial review proceedings, a High Court injunction was also sought by one of the parties prohibiting another party from taking a certain course of action during the course of the Royalty Pharma bid for Elan. The parties ultimately agreed in court that the matter should be resolved by the Panel pursuant to the Takeover Rules. Prior to 2013, only one High Court action had been taken in connection with takeovers supervised by the Panel since its inception in 1997. The

Panel hopes that the recent High Court actions do not represent a trend towards a more litigious approach to takeovers in this jurisdiction. If parties do resort to the courts more frequently to resolve issues arising in connection with takeovers, such actions may introduce legal uncertainty into the takeover process and may run the risk of prolonging the bid timetable all of which is unlikely to be in the best interests of shareholders and the market in general. The Panel is an expert group with significant experience in applying its own rules and in dealing with issues arising during the course of a takeover. Since its establishment the Panel has sought to ensure that matters arising during the course of a takeover are dealt with expeditiously.

During the year ended 30 June, 2012 the Panel published three consultation papers in relation to proposed amendments to the Rules. Work has continued over the last fourteen months in implementing the proposed amendments set out in those papers. However, due to issues arising in relation to a small number of the proposed amendments and to the very high level of takeover activity during the year ended 2013, the proposed amendments have not yet been implemented. It is intended that a revised set of rules encompassing the proposed amendments will be published before the end of this calendar year.

Denis McDonald

Chairperson

2 October, 2013

Director General's Report

The level of takeover activity during the year increased substantially with the Panel meeting on fifty-one occasions to consider regulatory and other matters, more than in any other year since the Panel was established. The Panel supervised four takeovers during the year, two of which involved hostile offers. The takeovers supervised during the year are set out in Appendix 1.

The Panel has recently had occasion to consider whether representations and warranties given by an offeror and included as conditions in a securities exchange offer were contrary to Rule 13.1. The latter rule addresses subjective conditions and states that except with Panel consent and except where permitted under Rule 12, an offer shall not be made subject to any condition the satisfaction of which depends solely on subjective judgements by the directors of the offeror or is within their control. The Panel is of the view that the inclusion of offeror representations and warranties as conditions in an offer requires Panel consent as the satisfaction of such conditions may in certain circumstances be within the control of the directors of the offeror. This may be the case notwithstanding that the offeree may have the ability under the offer to waive any and all of the conditions. Furthermore, while the rationale for such conditions is apparent in a securities exchange offer there would appear to be no basis for consenting to their inclusion in a cash offer. Where an offeror is proposing to include such conditions in an offer, Panel consent under Rule 13.1 should be sought in advance of releasing the Rule 2.5 announcement.

The Panel issued one public censure during the year.

Financial statements

Operating income in the 12 months ended 30 June, 2013 increased by 29.6% to €1,122,193. The increase was primarily as a result of a four-fold increase in income from document charges due to the high level of bid activity during the year. Income from contract note levies increased by 14.2% reflecting an increase in trading volumes in the securities of relevant companies. Expenditure for the year amounted to €1,002,482, an increase of 10.4% on the previous year. The Panel's cash balances as at 30 June, 2013 amounted to €2.19 million.

Micéal Ryan

Director General

2 October, 2013

Directors' Report

The directors present their annual report and audited financial statements for the year ended 30 June 2013.

Principal activities, review of operations and future developments

The Irish Takeover Panel (the "Panel") is a public company limited by guarantee formed and registered under the Companies Acts, 1963 to 2009. The company was incorporated on 29 April 1997.

The Panel is the statutory body responsible for monitoring and supervising takeovers and other relevant transactions in Ireland. The Panel is designated as the competent authority under the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 for the purpose of Article 4(1) of the Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids.

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.

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

Principal risks and uncertainties

Under Irish Company Law, the Panel is required to give a description of the principal risks and uncertainties which it faces. The principal risks are:

- a significant reduction in the income from relevant company charges and/or contract note levies; and
- a substantial increase in expenditure.

These risks are monitored by the Panel through its financial reporting procedures. The Panel's objective is to maintain adequate resources to meet any unforeseen substantial reduction in income and any substantial increase in expenditure.

Results for the year

The results for the year are set out in the Income and Expenditure Account on page 14. There was no transfer from the Contingency Reserve to the Income and Expenditure Account during the year (2012: Nil)

Accounting records

The directors believe that they have complied with the requirements of section 202 of the Companies Act, 1990 with regard to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the company are maintained at 76 Merrion Square, Dublin 2.

Post balance sheet events

No material events effecting the financial statements have occurred since the end of the financial year.

Auditor

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

On behalf of the Board

D. McDonald
Chairperson

A. Fitzgerald
Deputy Chairperson

2 October, 2013

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law, the directors have elected to prepare the company financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

The Company's financial statements are required by law to give a true and fair view of the state of affairs of the Company and of its profit or loss 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 that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Acts, 1963 to 2012. They are also responsible 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.

The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Acts, 1963 to 2012.

On behalf of the Board

D. McDonald

Chairperson

A. Fitzgerald

Deputy Chairperson

2 October, 2013

Independent Auditor's Report to the members of the Irish Takeover Panel

We have audited the financial statements of Irish Takeover Panel for the year ended 30 June 2013 which comprise the Income and Expenditure Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with section 193 of the Companies Act 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Ethical Standards for Auditors issued by the Auditing Practices Board.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 30 June 2013 and of its surplus for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Acts 1963 to 2012.

Matters on which we are required to report by the Companies Acts 1963 to 2012

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

The financial statements are in agreement with the books of account and, in our opinion, proper books of account have been kept by the company.

In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2012 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

Colin O'Brien

for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm

1 Stokes Place

St. Stephen's Green

Dublin 2

2 October, 2013

Financial Statements

Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

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 stated at cost less accumulated depreciation.

Depreciation is calculated to write off the original cost of tangible fixed assets over their expected useful lives. A full year's depreciation is charged in the year of acquisition.

Depreciation is applied at the following annual rates:

Fixtures and fittings	20%
Computers	33%
Motor Vehicle	25%

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

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The annual charge is calculated as a percentage of pensionable payroll and is charged to the Income and Expenditure Account on an accruals basis.

Financial Statements

Income and Expenditure Account

For the year to 30 June 2013

	<i>Notes</i>	30 June 2013	30 June 2012
		€	€
Operating income	<i>1</i>	1,122,193	866,009
Operating expenditure	<i>2</i>	(1,002,482)	(908,003)
 		<hr/>	<hr/>
Operating surplus/(deficit)		119,711	(41,994)
Interest income		33,843	43,816
 		<hr/>	<hr/>
Surplus for the financial year	<i>10</i>	153,554	1,822
		=====	=====

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. McDonald
Chairperson

A. Fitzgerald
Deputy Chairperson

Financial Statements

Balance Sheet

as at 30 June 2013

		30 June 2013	30 June 2012
	Notes	€	€
Fixed assets			
Tangible assets	6	13,004	26,681
		_____	_____
Current assets			
Debtors and prepayments	7	105,469	115,680
Cash at bank		2,185,472	1,873,736
		_____	_____
		2,290,941	1,989,416
Creditors: amount falling due within one year	8	(212,966)	(78,672)
		_____	_____
Net current assets		2,077,975	1,910,744
		_____	_____
Total assets less current liabilities		2,090,979	1,937,425
		=====	=====
Accumulated surplus and reserve			
Contingency reserve	9	1,800,000	1,800,000
Income and Expenditure account	10	290,979	137,425
		_____	_____
		2,090,979	1,937,425
		=====	=====
On behalf of the Board			
D. McDonald	A. Fitzgerald		
<i>Chairperson</i>	<i>Deputy Chairperson</i>		

Financial Statements

Notes forming part of the financial statements

1	Operating Income	30 June 2013	30 June 2012
		€	€
	Relevant company annual charges	647,106	627,874
	Document charges	283,500	70,000
	Contract note levies	191,074	167,375
	Other	513	760
		1,122,193	866,009
		1,122,193	866,009

2	Operating expenditure	30 June 2013	30 June 2012
		€	€
	Operating expenditure includes:		
	Depreciation	13,677	18,128
	Auditor's remuneration	6,150	6,050
		19,827	24,178
		19,827	24,178

3 Employees

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

	30 June 2013	30 June 2012
Number:	Number	Number
Administration	4	4
Directors	7	7
	11	11
	11	11

Financial Statements

Notes (continued)

3 Employees (continued)

Costs:	30 June 2013	30 June 2012
	€	€
Salaries	301,849	286,886
Directors' remuneration	278,455	238,218
PRSI costs	33,459	31,833
Pension costs (note 4)	65,698	63,613
	679,461	620,550
	=====	=====

4 Pension costs	30 June 2013	30 June 2012
	€	€
Pension charge	65,698	63,613
	=====	=====

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 €65,698 (2012: €63,613) are included within operating expenditure. At 30 June 2013 €10,950 (2012: €10,950) was prepaid within debtors in relation to this scheme.

5 Taxation

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

Financial Statements

Notes (continued)

6 Tangible assets

	Motor vehicle €	Fixtures and fittings €	Computers €	Total €
<i>Cost:</i>				
At 1 July 2012	44,440	69,128	21,600	135,168
At 30 June 2013	44,440	69,128	21,600	135,168
<i>Depreciation:</i>				
At 1 July 2012	22,220	67,785	18,482	108,487
Charge for year	11,110	1,008	1,559	13,677
At 30 June 2013	33,330	68,793	20,041	122,164
<i>Net book value:</i>				
At 30 June 2013	11,110	335	1,559	13,004
At 30 June 2012	22,220	1,343	3,118	26,681
7 Debtors and prepayments				
			30 June 2013	30 June 2012
			€	€
Debtors			625	-
Prepayments and accrued income			104,844	115,680
			105,469	115,680

Financial Statements

Notes (continued)

8	Creditors: amounts falling due within one year	30 June 2013	30 June 2012
		€	€
	Bank overdraft	19,985	-
	Accrued expenses	105,982	19,730
	PAYE and Social Welfare insurance	83,544	54,793
	Public Service Withholding Tax	3,455	4,149
		-----	-----
		212,966	78,672
		=====	=====
9	Contingency reserve	30 June 2013	30 June 2012
		€	€
	At beginning and end of year	1,800,000	1,800,000
		-----	-----
		=====	=====
10	Income and Expenditure account	30 June 2013	30 June 2012
		€	€
	At beginning of year	137,425	135,603
	Surplus for financial year	153,554	1,822
		-----	-----
	At end of year	290,979	137,425
		=====	=====
11	Approval of financial statements		

The Board of Directors approved these financial statements on 2 October, 2013.

The following appendices do not form part of the audited financial statements

Appendix 1

Administrative Appendix

Relevant Companies

The Irish Takeover Panel, established pursuant to the Irish Takeover Panel Act, 1997 (the “Act”), is the body responsible for monitoring and supervising takeovers and other relevant transactions in relation to securities in relevant companies in Ireland. For the purposes of the Act a relevant company includes 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 the Irish Stock Exchange, the London Stock Exchange, the New York Stock Exchange and Nasdaq but excluding those companies whose only securities authorised to be traded on one or more of those markets during the relevant period are debentures or bonds or other securities in the nature of debentures or bonds that do not confer voting rights in the company.

On 20 May 2006 the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006 (the “Regulations”), which transposed the Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids into Irish Law, came into effect. Under the Regulations those companies a bid in respect of which the Panel has jurisdiction by virtue of Regulation 6 to supervise, are deemed to be relevant companies under the Act.

The Rules

In addition to its supervisory function, the Panel is also entrusted under the Act with a rulemaking function. The Irish Takeover Panel Act, 1997, Takeover Rules, 2007 and the Irish Takeover Panel Act, 1997, Substantial Acquisition Rules, 2007 came into effect on 19 December 2007. In addition, the Irish Takeover Panel Act, 1997, Takeover (Amendment) Rules, 2008 came into effect on 15 September 2008 and the Irish Takeover Panel Act, 1997, Takeover (Amendment) (No.2) Rules, 2008 came into effect on 1 February 2009. These Rules have been made principally to ensure that takeovers (including takeover bids) and other relevant transactions comply with 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.

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 Banking 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 three 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. 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 24 and 25 has been obtained.

Panel Charges

made under section 16 of the Act and effective from 1 July 2013.

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. This scale is as follows:

Market Capitalisation € Million	Annual Charge €
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 € Million	Charge €
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.

Appendix 2

Takeovers supervised by Irish Takeover Panel

1 July 2012 to 30 June 2013

- | | | |
|-------|-----------------------|--|
| (i) | Aer Lingus Group plc | Cash offer by Coinside Limited, a wholly-owned subsidiary of Ryanair Holdings plc |
| (ii) | Abbey plc | Unconditional mandatory cash offer by Gallagher Holdings Limited |
| (iii) | Cooper Industries plc | Recommended acquisition for cash and securities by Eaton Corporation by means of a scheme of arrangement |
| (iv) | Elan Corporation plc | Cash offer by Echo Pharma Acquisition Limited [Royalty Pharma] |

The following companies were in an offer period at 30 June 2013:

Warner Chilcott plc

Elan Corporation plc

Appendix 3

During the course of the year the Panel exercised certain of its powers under the Act as set out below:

Rulings

The Panel issued one hundred and thirteen rulings in respect of the following rules:

Rule	Number of Rulings
2 (confidential information; timing/contents of announcements)	9
3 (independent advice)	2
4 (restrictions on dealings in securities)	7
5 (restrictions on acquisitions)	4
6 (acquisitions resulting in obligation to offer minimum consideration)	1
9 (the mandatory offer and its terms)	9
10 (the acceptance condition)	2
11 (when a cash offer is required – voluntary offers)	1
13 (subjective conditions and materiality)	4
16 (special arrangements with favourable terms)	2
17 (announcement of acceptance levels)	1
19 (communications)	18
21 (frustrating action)	17
27 (documents subsequently despatched to shareholders)	1
28 (profit forecasts)	2
29 (asset valuations)	1
32 (revision of an offer)	2
35 (restrictions following offers and possible offers)	4

40 (reverse takeover transactions)	1
Other	25

Waivers

Twenty two waivers were granted in respect of the following rules:

Rule	Number of Waivers
4 (restrictions on dealings in securities)	2
6 (acquisitions resulting in obligation to offer minimum consideration)	2
9 (the mandatory offer and its terms)	4
11 (when a cash offer is required – voluntary offers)	4
28 (profit forecasts)	3
37 (redemption/purchase by a company of its own securities)	3
Other	4

Derogations

Seventeen derogations were granted during the year. Seven derogations were in respect of Rule 20 (equality of information); five in respect of Rule 24 (offeror documents); two in respect of Rule 30 (despatching and making available the offer document and first response document); and one in respect of each of Rules 10 (the acceptance condition), 28 (profit forecasts) and 31 (timeframe of the offer).

Directions

The Panel gave two directions during the year. These were in respect of Rule 2.1 (confidential information) and Rule 21.1 (frustrating action).

Censures

The Panel administered one censure under section 10(2) of the Act. The censure was administered to Kibo Mining plc details of which were published by the Panel on 21 March 2013.

