IRISH TAKEOVER PANEL

Report for the year ended 30 June 2016

This annual report of the Irish Takeover Panel is made to

Mary Mitchell O'Connor, T.D., Minister for Jobs, Enterprise and Innovation as

required by section 19 of the Irish Takeover Panel Act, 1997

Irish Takeover Panel (Registration No. 265647), Lower Ground Floor, 76 Merrion Square, Dublin 2

IRISH TAKEOVER PANEL

Report for the year ended 30 June 2016

Contents

Members of the Panel

Irish Association of Investment Managers	
Irish Clearing House Limited	- Nominated by the Banking & Payments Federation Ireland
Irish Stock Exchange plc	
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 Banking & Payments Federation Ireland
	Paul D'Alton	Appointed by the Consultative Committee of Accountancy Bodies - Ireland
	Daniel Kitchen (Alternate: Hugh McCutcheon)	Appointed by the Irish Stock Exchange
	Frank O'Dwyer	Appointed by the Irish Association of Investment Managers
	Paul Egan (Alternate: Lorcan Tiernan)	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 quite a busy year although much of it was concentrated in the first half of the year. The most significant and high profile takeover overseen by the Panel during the past year was without doubt the offer by Mylan Inc. for Perrigo Company plc. This was one of the largest hostile takeovers ever and required a huge amount of input and time on the part of both the Panel and the Executive. The offer represented the highest value transaction ever regulated by the Panel and, not surprisingly, attracted considerable international media attention.

The transaction raised a number of material issues for the Panel not least because it was a very large cross-border transaction involving multiple jurisdictions. A major issue raised during the transaction was whether Mylan had under the Irish Takeover Panel Rules ("Rules") made a valid offer to Perrigo shareholders in Israel. In a decision published on 13 October 2015 the Panel ruled, inter alia, that having regard to the definition of "offer" in the Irish Takeover Panel Act 1997 ("Act") and to the meaning of "offer" under the Rules it is not a requirement of either the Act or the Rules that an "offer" to be a lawful and valid offer under the Act or the Rules must be lawfully and validly made in accordance with the laws of every jurisdiction in which an offeree shareholder might reside. The transaction was also the first occasion in which the Panel consented under Rule 13.2 to the issue of a pre-conditional firm intention announcement. Such consent was necessary in order to afford Mylan sufficient time to obtain the necessary regulatory clearances associated with the transaction. The time required to obtain such clearances extended significantly beyond the timetable envisaged under the Rules. It is likely that the number of pre-conditional offers will increase in the future in light of the increasing size and cross-border nature of many of the transactions being regulated by the Panel. It is very important that the Panel be consulted in good time if any offeror wishes to proceed by way of a pre-conditional offer.

In May 2016 the Panel participated in a conference hosted by Trinity College Dublin reflecting on the tenth anniversary of the implementation of the Takeovers Directive. The conference brought together takeover regulators from a number of EU countries and also academics, practitioners and public policy makers to discuss and reflect upon the experiences of practitioners and regulators working with national laws implementing the Directive. The conference provided a very useful opportunity for participants to exchange views on a number of important issues which have arisen in practice in dealing with the operation of the requirements of the Directive. The issues debated included the topics of mandatory bids and frustrating action.

The Panel continues to be an active participant at meetings of the ESMA's Takeover Bids Network which continues to be a very useful forum for the Panel and its counterparts in other Member States to exchange views and experiences in the area of takeover bids.

Denis McDonald
Chairperson 12 October, 2016

Director General's Report

While the Panel had another busy year much of the activity was concentrated in the first six months up to 31 December 2015. During this time the Panel was required to meet on thirty seven occasions to consider regulatory matters primarily in connection with issues related to the takeovers of Perrigo Company plc and King Digital Entertainment plc. The second half of the year was, in contrast, relatively quiet with the Panel required to meet on only nine occasions. Since the year end, activity has begun to increase again. The takeovers supervised by the Panel during the year are set out in Appendix 2.

In November 2015 the Panel, in response to issues raised in a specific case, issued a guidance note on how it will interpret Rule 32.1(b) where an offeror, in a securities exchange offer, has made a "no increase statement" prior to Day 46. In summary, the Panel will interpret Rule 32.1(b) as applying from the date of the offeror's "no increase statement". However, the Panel is likely normally to consent to the issue of announcements up to Day 46 in and relating to the ordinary course of business that the offeror is compelled by law or regulation to release. The Panel should be consulted in good time where it is proposed to release any announcement which may fall within the scope of Rule 32.1(b).

The Panel recently had occasion to consider an inadvertent breach of Rule 9 by a professional investment management organisation whose internal control and monitoring systems were not sufficiently robust to prevent the organisation crossing the 30% threshold. While Note 3 on the Notes on Possible Waivers and Derogations from Rule 9 specifically anticipates the possibility of a person incurring a mandatory offer obligation as a result of an inadvertent mistake, the Panel regards it as particularly disappointing when professional management organisations fail to monitor their aggregate holdings in individual relevant companies. While the triggering of a mandatory offer obligation as a result of an inadvertent mistake is not a common occurrence, nevertheless, the Panel would urge all investors to ensure that their systems are sufficiently robust to prevent an unintended triggering of a mandatory offer obligation.

At a conference hosted by Trinity College Dublin's Law School in May 2016 reflecting on the tenth anniversary of the implementation of the Takeovers Directive the Director General presented a paper on the regulation of corporate inversions. The presentation touched on a number of important aspects of the Rules which require careful consideration in such transactions. It was noted that as these companies typically have securities listed on NASDAQ or NYSE and are subject to the securities laws of the US, the Panel is frequently requested to waive or derogate a number of the Rules in order to facilitate the proposed takeover. Some of the areas highlighted in the presentation included Rule 10 dealing with acceptances of an offer; Rule 13.1 and subjective conditions; the need for shareholder approval under Rule 16.2 in relation to management incentivisation proposals; Rule 28 profit forecasts and fairness opinions; and the offer timetable as provided for under Rule 30.

During the year, the Panel administered one private censure.

Financial Statements

Operating income in the twelve months ended 30 June 2016 increased by approximately 31% to €1,149,777. The increase was due to a very substantial increase in income from document charges while income from contract note levies was also significantly ahead of the previous year. Expenditure for the year amounted to €870,241, an increase of 5.8% on the previous year. While staff salaries and directors' remuneration remained more or less in line with the previous year, the primary contributor to the increase in expenditure was due to an increase in legal fees arising from the very high level of takeover activity during the year. The Panel's cash balances as at 30 June 2016 amounted to €2.69 million.

Miceal Ryan
Director General

12 October, 2016

Directors' Report

The directors present their annual report and audited financial statements for the year ended 30 June 2016.

Principal activities, review of operations and future developments

The Irish Takeover Panel (the "Panel") is a company limited by guarantee registered under Part 18 of the Companies Act 2014. 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. An amount of €200,000 was transferred from the Income and Expenditure Account to the Contingency Reserve (2015: €Nil).

Accounting records

The directors believe that they have complied with the requirements of section 281 to 285 of the Companies Act 2014 with regard to accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records 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 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the Board

D. McDonald	A. Fitzgerald	
Chairperson	*Deputy Chairperson*	12 October, 2016

Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company and of its profit or loss for that year. 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;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the company and enable them to ensure that the financial statements comply with the Companies Act 2014. 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. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

D. McDonald	A. Fitzgerald	
Chairperson	*Deputy Chairperson*	12 October, 2016

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

We have audited the financial statements ("financial statements") of the Irish Takeover Panel for the year ended 30 June 2016 which comprise the income and expenditure account, the balance sheet, the statement of changes in equity, the cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. Our audit has been conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 30 June 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below

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

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

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

3 We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

Independent Auditor's Report to the members of the Irish Takeover Panel *(continued)*

Basis of our report, responsibilities and restrictions on use

As explained more fully in the statement of directors' responsibilities set out on page 11, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. 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 Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) 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's 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

Colin O'Brien
for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

12 October, 2016

Financial Statements

Income and Expenditure Account

For the year ended 30 June 2016

	Notes	**30 June 2016**	30 June 2015
		€	€
Operating income	*2*	**1,149,777**	877,897
Operating expenditure	*3*	**(870,241)**	(822,655)
Operating surplus		**279,536**	55,242
Interest income		**10,752**	18,758
Surplus for the financial year		**290,288**	74,000

The results derive from continuing operations.

There was no other comprehensive income recognised in the current or the preceding financial year.

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.

Financial Statements

Balance sheet

as at 30 June 2016

	Notes	**30 June 2016** €	30 June 2015 €
Fixed assets			
Tangible assets	*7*	**1,441**	752
Current assets			
Debtors and prepayments	*8*	**177,998**	161,830
Cash at bank		**2,691,624**	2,443,751
		2,869,622	2,605,581
Creditors: amount falling due within one year	*10*	**(62,168)**	(87,726)
Net current assets		**2,807,454**	2,517,855
Total assets less current liabilities		**2,808,895**	2,518,607
Accumulated surplus and reserve			
Contingency reserve		**2,350,000**	2,150,000
Income and Expenditure account		**458,895**	368,607
		2,808,895	2,518,607

The accompanying notes form an integral part of the financial statements.

On behalf of the Board

D. McDonald
Chairperson

A. Fitzgerald
Deputy Chairperson

Financial Statements

Statement of Changes in Equity

For the year ended 30 June 2016

	Contingency reserve €	Income & Expenditure €	Total €
At 1 July 2014	2,150,000	294,607	2,444,607
Profit for the year	-	74,000	74,000
Other comprehensive income	-	-	-
At 30 June 2015	2,150,000	368,607	2,518,607
At 1 July 2015	**2,150,000**	**368,607**	**2,518,607**
Profit for the year	**-**	**290,288**	**290,288**
Other comprehensive income	**-**	**-**	**-**
Transfer from Income & Expenditure Account	**200,000**	**(200,000)**	**-**
Balance 30 June 2016	**2,350,000**	**458,895**	**2,808,895**

Financial Statements

Cash Flow Statement

For the year ended 30 June 2016

	30 June 2016	30 June 2015
	€	€
Cash flows from operating activities		
Profit for the year	**290,288**	74,000
Depreciation	**720**	251
Increase in trade and other debtors	**(16,168)**	(2,688)
(Decrease)/increase in trade and other creditors	**(25,558)**	29,796
Net cash inflow from operating activities	**249,282**	101,359
Cash flows from investing activities		
Acquisition of tangible fixed assets	**(1,409)**	-
Net cash inflow from investing activities	**(1,409)**	-
Cash flows from financing activities	**-**	-
Net increase in cash and cash equivalents	**247,873**	101,359
Cash and cash equivalents, start of year	**2,443,751**	2,342,392
Cash and cash equivalents, end of year	**2,691,624**	2,443,751

Notes forming part of the financial statements

1 Accounting policies

Basis of preparation of financial statements

Irish Takeover Panel (the "company") is a company limited by guarantee and incorporated and domiciled in Ireland.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102")* as issued in August 2014. The presentation currency of these financial statements is Euro.

In the transition to FRS 102 from old Irish GAAP, the company has made no measurement and recognition adjustments.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102. The following exemptions have been taken in these financial statements:

- Fair value or revaluation as deemed cost – The fair value at transition date has been used as deemed cost for tangible fixed assets.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 11.

The financial statements are prepared on the going concern basis in accordance with generally accepted accounting principles under the historical cost convention. The financial reporting framework that has been applied in the preparation is the Companies Act 2014 and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued by the Financial Reporting Council, 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.

Interest receivable

Interest receivable and similar income include interest receivable on funds invested. Interest income is recognised in profit or loss as it accrues, using the effective interest rate method.

Contingency reserve

The Contingency Reserve was established by the company for the purpose of creating and maintaining adequate resources to meet any unforeseen increase in expenditure. Transfers from the Income and Expenditure Account to the Contingency Reserve are made at the discretion of the directors of the company.

1 Accounting policies *(continued)*

Tangible fixed assets

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:

• computers	33%
• motor vehicles	25%
• fixtures and fittings	20%

Basic financial instruments

Trade and other debtors / creditors
Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Impairment

Financial assets (including trade and other debtors)
Financial assets are assessed at each reporting date to determine whether there is objective evidence of impairment. Impairment losses are recognised in the Income and Expenditure Account.

Non-financial assets
The carrying amounts of the entity's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. Impairment losses are recognised in the Income and Expenditure Account.

Employee benefits

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

Notes *(continued)*

2 Operating Income

	30 June 2016	30 June 2015
	€	€
Relevant company annual charges	**439,289**	452,794
Document charges	**343,750**	155,000
Contract note levies	**365,693**	268,967
Other	**1,045**	1,136
	1,149,777	877,897

3 Operating expenditure

	30 June 2016	30 June 2015
	€	€
Operating expenditure includes:		
Depreciation	**720**	251
Auditor's remuneration	**6,150**	6,150

4 Employees

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

	30 June 2016	30 June 2015
	Number	Number
Number:		
Administration	**4**	4
Directors	**7**	7
	11	11

Costs:	**30 June 2016**	30 June 2015
	€	€
Salaries	**281,369**	279,039
Directors' remuneration	**238,560**	235,956
PRSI costs	**29,743**	23,423
Pension costs (note 5)	**75,447**	71,855
	625,119	610,273

5 Pension costs

	30 June 2016	30 June 2015
	€	€
Pension charge	**75,447**	71,855

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 €75,447 (*2015: €71,855*) are included within operating expenditure. At 30 June 2016 €12,675 (*2015: €12,072*) was prepaid within debtors in relation to this scheme.

6 Taxation

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

7 Tangible assets

	Motor vehicle	**Fixtures and fittings**	**Computers**	**Total**
	€	**€**	**€**	**€**
Cost:				
At 1 July 2015	44,440	70,381	21,600	136,421
Additions	-	-	1,409	1,409
At 30 June 2016	**44,440**	**70,381**	**23,009**	**137,830**
Depreciation:				
At 1 July 2015	44,440	69,629	21,600	135,669
Charge for year	-	251	469	720
At 30 June 2016	**44,440**	**69,880**	**22,069**	**136,389**
Net book value:				
At 30 June 2016	**-**	**501**	**940**	**1,441**
At 30 June 2015	-	752	-	752

8	**Debtors and prepayments**	**30 June 2016**	30 June 2015
		€	€
	Debtors	**798**	48
	Prepayments and accrued income	**177,200**	161,782
		177,998	161,830

Trade debtors are stated net of a provision for impairment of €Nil (*2015: €Nil*).

9	**Cash and cash equivalents**	**30 June 2016**	30 June 2015
		€	€
	Cash at bank and in hand	**2,691,624**	2,443,751
	Bank overdrafts	**-**	-
	Cash and cash equivalents per cash flow statements	**2,691,624**	2,443,751

10	**Creditors**: amounts falling due within one year	**30 June 2016**	30 June 2015
		€	€
	Accrued expenses	**20,724**	33,645
	PAYE and Social Welfare insurance	**41,207**	51,341
	Public Service Withholding Tax	**237**	2,740
		62,168	87,726

11 Explanation of transition to FRS 102 from Irish GAAP

As stated in note 1, these are the company's first financial statements prepared in accordance with FRS 102. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented in these financial statements for the year ended 30 June 2015. The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

12 Approval of financial statements

The Board of Directors approved these financial statements on 12 October, 2016.

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, 2013 came into effect on 6 January 2014. In addition, the Irish Takeover Panel Act, 1997, Substantial Acquisition Rules, 2007 came into effect on 19 December 2007. 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

Banking & Payments Federation Ireland

Irish Stock Exchange plc

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.

Panel Charges

made under section 16 of the Act and effective from 1 July 2016.

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 is respect of "whitewash" waiver applications is €2,500.

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

Where an offerer 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 2015 to 30 June 2016

(i) Perrigo Company plc	Cash and securities offer by Mylan N.V.
(ii) King Digital Entertainment plc	Recommended acquisition for cash by ABS Partners C.V., a wholly-owned subsidiary of Activision Blizzard, Inc., by means of a scheme of arrangement
(iii) Petroceltic International plc	Recommended cash offer by Sunny Hill Limited, a company controlled by Worldview International Management Limited SEZC

Appendix 3

Exercise of powers by Irish Takeover Panel

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

Rulings

The Panel issued seventy eight rulings in respect of the following rules:

Rule		Number of Rulings
2	(confidential information; timing/contents of announcements)	8
3	(independent advice)	2
8	(disclosure of dealings during the offer period)	1
10	(acceptance condition – voluntary offers)	1
16	(special arrangements with favourable terms)	3
19	(communications)	36
21	(frustrating action)	10
28	(profit forecasts)	3
29	(asset valuations)	1
32	(revision of an offer)	1
40	(reverse takeover transactions)	2
Other		10

Waivers

Fifteen waivers were granted in respect of the following rules:

Rule		Number of Waivers
9	(the mandatory offer and its terms)	6
28	(profit forecasts)	2
29	(asset valuations)	1
32	(revision of an offer)	1
37	(redemption/purchase by a company of its own securities)	2
38	(dealings by connected exempt principal traders)	2
Other		1

Derogations

Eleven derogations were granted during the year. Three derogations were in respect of each of Rules 20 (equality of information) and 10 (acceptance condition – voluntary offers); two in respect of each of Rules 38 (dealings by connected exempt principal traders) and 28 (profit forecasts); and one in respect of Rule 35 (restrictions following offers).

Directions

One direction was issued by the Panel during the year.

Enquiries (section 9(5))

During the year the Panel initiated two enquiries under section 9(5) of the Act.

Section 10(1) enquiries

The Panel conducted two enquiries under section 10(1) of the Act.

Censures

The Panel administered one private censure and one public censure under section 10(2) of the Act.