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**FOR IMMEDIATE RELEASE**

19 March 2018

**Melrose Industries PLC ("Melrose")**

**Statement re Final Offer for GKN plc ("GKN")**

**Highlights:**

- Melrose's Final Offer of 466p in value today and 60% of future value creation is clearly superior to the hasty break-up being pursued by the GKN Board
- Following GKN's planned disposals, its orphaned Aerospace division could be left overburdened with up to £3 billion of volatile gross pension liabilities, equivalent to 11 times its trading profit, a ratio approximately 3 times the average for the FTSE 100
- Instead of an improved Driveline business, GKN Shareholders will receive a minority stake in a Dana-managed business without a UK primary listing with shares that many would neither be able or, in our view, wish to hold. The proposed sale values Driveline at approximately £800 million less than the valuation that GKN itself assigned to the business as recently as 15 February
- The Melrose Offer avoids such diminution of value and heightened pension and de-rating risk
- Acceptance Condition for the Melrose Offer lowered from 90% to 50% plus one share
- Acceptance deadline is 1.00 p.m. on Thursday, 29 March 2018
- Following a series of constructive discussions with GKN's Pension Scheme trustees, Melrose confirms that last week it made a formal proposal to inject up to c. £1 billion over the Melrose ownership period, which represents almost twice the amount of the deficit reduction package under GKN's planned disposals

**Christopher Miller, Chairman of Melrose, said today:**

*"GKN's series of hastily-assembled and ill-considered proposals destroy potential value and add significant risk, not just for shareholders but in the underlying businesses themselves. By accepting the Melrose Offer, GKN Shareholders will keep the potential value of all the GKN assets as majority owners of a much larger business and a management team with a clearly superior track record.*

*Unless they accept our offer, GKN shareholders will end up with shares in an Aerospace business overburdened with up to £3 billion of pension liabilities upon the planned disposals, and a minority shareholding in a Dana-managed Driveline business without a UK primary listing, which many won't be able to hold.*

*The proposal we have made to the trustees of up to £1 billion of contributions under our ownership is a clear example of what Melrose does which is good for pensioners and shareholders alike and shows we are a good custodian for all stakeholders.*

*Melrose's measured approach represents certainty of strategy, value and management. We strongly urge GKN shareholders to accept our offer without delay."*

### ***Melrose: the superior proposition***

- GKN Shareholders will receive 81 pence in cash and 1.69 New Melrose Shares for each GKN Share
- Together with the final dividend of 6.2 pence per GKN share, the Final Offer values each GKN Share at 466 pence based on Melrose's Closing Price of 224.2 pence on 16 March 2018
- GKN shareholders will receive £1.4 billion in cash and own 60% of the enlarged Melrose group, a UK listed manufacturing powerhouse

The alternative for GKN shareholders is the value-destroying strategy that GKN is pursuing:

### ***Under the GKN disposals plan, the remaining Aerospace business could be overburdened with liabilities and poised for valuation de-rating***

- The remaining GKN Aerospace business could have approximately £3 billion of volatile gross pension liabilities which is approximately 11 times its management trading profit
- Proposed methods to reduce liabilities further include incentivising pension members to surrender some of their benefits, or to leave the scheme altogether. Expert bodies have previously warned about the risks and responsibilities of pursuing such exercises
- Even if GKN is successful in reducing gross pension liabilities to approximately £2.2 billion, the ratio would still be approximately 8 times its management trading profit, which compares to an average ratio of its Aerospace peers at 3.7 times
- Under GKN, the Aerospace pension burden will, in our view, put pressure on its ability to invest and inhibit it from achieving its full potential and value

### ***GKN is breaking up the business before improvement; transaction with Dana is a bad deal for GKN stakeholders***

- GKN proposes to hastily sell its Driveline business, at 7.5 times EBITDA, versus 8.9 times the valuation that GKN itself assigned to the business as recently as 15 February, approximately £800 million less
- GKN shareholders will become minority holders in a Dana-controlled and Dana-managed business
- GKN shareholders would receive shares without a UK primary listing, which many would neither be able to or, in our view, wish to hold, raising the prospect of a market awash with Dana shares
- For UK-resident shareholders of GKN, the receipt of the new Dana shares is expected to be treated and taxed as dividend income however shareholders will not receive any cash consideration to help them meet this liability which may force them to sell
- This transaction will involve a lengthy and uncertain completion process
- 'For sale' sign put on the Powder Metallurgy business, which was previously recognised as a "gem", in order to fend off Melrose

### ***Melrose has a clear plan to unlock the potential in GKN***

- Melrose has the right team to deliver the fundamental change that GKN so desperately needs, maximising the benefit for GKN's shareholders, employees, customers and pensioners, and for UK industry as a whole
- Under Melrose's Offer there exists today a real opportunity to build a better, stronger, more valuable GKN, giving GKN shareholders the opportunity to participate in the success of a UK listed manufacturing powerhouse with very significant future potential

### **Proposal to the Pension Scheme trustees**

Melrose notes the recent press speculation and confirms that last week it has made a formal proposal to the GKN Pension Scheme trustees after a series of constructive discussions (the "Proposal").

The Proposal comprises potential contributions to the GKN Pension Schemes of up to c. £1 billion over the Melrose ownership period and represents almost twice the amount of the £528 million deficit reduction package that the trustees agreed with GKN alongside the proposed sale to Dana.

The Proposal is in line with Melrose's original assumptions in respect of the Acquisition and has been taken into account in its approach.

### **Investor presentation**

An investor presentation has been prepared and is available on the Melrose website: <http://www.melroseplc.net/investors/proposed-acquisition-of-gkn-plc/>

### **Acceptance condition and deadline**

Melrose confirms that it has lowered the Acceptance Condition from 90% to 50% plus one share.

The deadline for acceptances of the Final Offer is 1.00 p.m. on Thursday 29 March 2018.

### **Press comment**

Melrose confirms that the comment by Simon Peckham, Chief Executive of Melrose, in the Sunday Telegraph that GKN has slowly but surely lost the support of UK institutional investors concerned the decrease in overall holdings by UK institutional shareholders in GKN over a period of 5 years up to the start of the current offer period. This was not a statement of shareholder support in respect of the Melrose Offer for the purposes of the Takeover Code.

### **Enquiries:**

Montfort Communications:	+44 (0) 20 3514 0897
Nick Miles, Charlotte McMullen	+44 (0) 7973 130 669 / +44 (0) 7921 881 800
Rothschild (Financial Adviser to Melrose):	
Ravi Gupta, Yuri Shakhmin, Nathalie Ferretti	+44 (0) 20 7280 5000
RBC Europe Limited (Financial Adviser to Melrose):	
Mark Preston, Chris Squire, Alexander Thomas	+44 (0) 20 7653 4000
Investec (Corporate Broker to Melrose):	
Keith Anderson, Carlton Nelson	+44 (0) 20 7597 5970
Melrose	
Geoffrey Martin (Finance Director)	+44 (0) 20 7647 4500

## Sources and bases

In this Announcement:

1. the maximum number of issued GKN Shares of 1,744,227,243 is based on 1,718,444,166 shares in issue (excluding treasury shares) as announced by GKN on 13 March 2018 plus 25,783,007 of total options as provided by GKN subject to Rule 10, Note 3 of the City Code, and adjusted for share issuances since the latest information provided;
2. the number of issued Melrose Shares is based on 1,941,200,503 shares in issue, as announced by Melrose on 5 March 2018;
3. unless otherwise stated, all prices quoted for Melrose Shares and GKN Shares have been derived from the Daily Official List;
4. the current implied offer value per GKN Share of 466 pence per GKN Share is calculated by multiplying the number of Melrose Shares to be received per GKN Share held, being 1.69, by the closing price of a Melrose share on 16 March 2018 of 224.2 pence and adding the 81 pence per GKN share to be received in cash and the final dividend of 6.2 pence payable to GKN Shareholders on the register on 6 April 2018;
5. the percentage of the ordinary share capital of Melrose that will be owned by former GKN Shareholders of 60% is calculated by dividing the maximum number of New Melrose Shares to be issued to GKN Shareholders (being 1.69 multiplied by the maximum number of issued GKN Shares) by the sum of the total of the number of issued Melrose Shares plus the maximum number of New Melrose Shares to be issued to GKN Shareholders;
6. the up to £3,030 million (or up to £3.0 billion) of gross pension liabilities that will remain with the GKN group following the proposed sale of Dana is calculated by taking GKN's reported full-year 2017 total gross pension liabilities of £4,405 million and subtracting the amount of gross pension liabilities that GKN has confirmed will transfer to Dana, being £1,375 million, leaving £3,030 million of total gross pension liabilities in the remaining group as shown on slide 21 of GKN's presentation on 9 March 2018;
7. the total gross pension liabilities of £3,030 million that will remain with the GKN Group post the Disposals (being, the proposed sale of Driveline to Dana plc and the proposed future sale of Powder Metallurgy and assumes that no pension liabilities are transferred on the disposal of Powder Metallurgy) is 10.7 times the 2017 management trading profit for Aerospace of £283 million (referred to on p.10 of GKN's announcement on 14 February 2018);
8. the average ratio of gross pension liabilities to reported operating profit for FTSE 100 companies was 3.6x in 2016. Gross pension liabilities for 2016 have been sourced from: LCP Accounting for Pensions 2017. Reported operating profit for 2016 has been sourced from Factset;
9. GKN announced the Dana / Driveline transaction multiple to be 7.5 times EBITDA 2017 as set out in the presentation "Accelerating separation and maximising shareholder value", p. 20 as released on 9 March 2018. This compares to GKN's own view of the valuation of the Driveline business based on a precedent transaction multiple of 8.9 times EBITDA 2017 as set out on p.21 of GKN's response circular released on 15 February 2018;
10. The approximately £800 million valuation gap between the valuation at which GKN has proposed to sell Driveline to Dana of 7.5x EBITDA and the valuation that GKN itself assigned to the Driveline business of 8.9x EBITDA in its Response Circular dated 15 February is calculated by multiplying Driveline EBITDA of £588 million as set out on p. 10 of GKN's presentation released on 9 March 2018 by the difference between 8.9x and 7.5x
11. the up to £1 billion of contribution to the GKN Pension Schemes is approximately two times the package that the trustees agreed with GKN alongside the proposed sale to Dana as announced of £528 million, which is the sum of the following (clauses and schedules below refer to the 'Letter from GKN to Chairmen of the GKN Group Pension Schemes', dated 9 March 2018): £124 million special contribution by Dana, as set out on p. 18 of the Proposed combination announcement on 9 March 2018 and as set out in Clause 12.4; £105 million additional contribution to the 2012

scheme from non-core disposals, as set out in Clause 5.1; the Walnut termination amount of £273.7 million as set out in Schedule 5; and a £25 million contribution (net of tax) to the 2016 UK Scheme as set out on p. 18 of the Proposed combination announcement on 9 March 2018;

12. the immediate cash payment of £1.4 billion is calculated by multiplying the value of cash that a GKN Shareholder will receive under the Offer per GKN Share, being 81 pence, by the number of issued GKN Shares (as set out in note 1 above);
13. the £2,242 million (or approximately £2.2 billion) of gross pension liabilities is based on the approximately £1,988 million UK IAS 19 liability that GKN estimates will remain in the UK scheme post a liability reduction exercise, as set out on p.22 of the presentation 'Accelerating separation and maximising shareholder value', released on 9 March 2018, plus the £254 million non-UK gross pension liabilities that will remain with the GKN Group following the proposed sale of Dana. The £254 million non-UK gross pension liabilities is calculated by taking GKN's reported full-year 2017 non-UK gross pension liabilities of £1,096 million and subtracting the amount of non-UK gross pension liabilities that GKN has confirmed will transfer to Dana, (being £1,375 million of total gross pension liabilities (as shown on slide 21 of GKN's presentation on 9 March 2018) less £533 million of UK IAS 19 liabilities that will transfer to Dana (as set out on p.18 of GKN's announcement on 9 March 2018)), leaving £842 million of non-UK gross pension liabilities being transferred;
14. the total gross pension liabilities of £2,242 million that will remain with the GKN Group post a liability reduction exercise is 7.9 times the 2017 management trading profit for Aerospace of £283 million (referred to on p.10 of GKN's announcement on 14 February 2018);
15. the average ratio of gross pension liabilities to reported operating profit for Aerospace peers based on latest available full-year results is 3.7x. Aerospace peers (as selected by GKN itself in its Response Circular dated 15 February 2018) include Meggitt, Rolls Royce, Safran, Latecoere, Heroux-Devtek, MTU, Senior and Spirit. Latest reported full-year gross pension liabilities and reported operating profits have been sourced from the latest full-year accounts of the Aerospace peers. The minimum ratio of gross pension liabilities to reported operating profit is 0.3x, the maximum ratio of gross pension liabilities to reported operating profit is 15.4x and the average is 3.7x.

Certain figures have been subject to rounding adjustments.

### **Additional important information**

For purpose of Condition (a) as set out in Section A of Part 2 of the Original Offer Document (the “**Acceptance Condition**”), Melrose has reduced the percentage of GKN Shares required to satisfy the Acceptance Condition from 90% to 50% plus one share.

GKN Shareholders are reminded that the deadline for acceptance of the Final Offer is **1.00 p.m. (London time) on 29 March 2018** (the “**Acceptance Deadline**”) and will not be extended<sup>(1)</sup>.

If sufficient acceptances in respect of the Offer are not received by Melrose on or prior to the Acceptance Deadline in order to satisfy the Acceptance Condition, then the Offer will lapse.

### **Action to be taken**

GKN Shareholders who have not yet accepted the Final Offer are urged to accept the Final Offer as soon as possible and, in any event, by no later than the Acceptance Deadline. GKN Shareholders who have already validly accepted the Original Offer are not required to take any further action in respect of the Final Offer.

The full terms and conditions and procedures for acceptance of the Final Offer are set out in the final offer document (the “**Final Offer Document**”) which was published and sent to GKN Shareholders together with a new form of acceptance (the “**Second Form of Acceptance**”) on 13 March 2018. Melrose also published a new prospectus equivalent document on 13 March 2018 which sets out details relating to the New Melrose Shares to be issued pursuant to the Final Offer and details relating to Melrose, GKN and the Enlarged Group (the “**New Prospectus Equivalent Document**”). Copies of the Final Offer Document, Second Form of Acceptance and the New Prospectus Equivalent Document are available (subject to certain restrictions) on Melrose’s website at [www.melroseplc.net](http://www.melroseplc.net).

The Mix and Match Facility continues to apply to the terms of the Final Offer. Accordingly Eligible GKN Shareholders are entitled to elect, subject to offsetting elections, to vary the proportions in which they receive new Melrose Shares and cash in respect of their GKN Shares. Melrose reserves the right to close the Mix and Match facility at 1.00 p.m. (London time) on 29 March 2018 without further notice.

<sup>(1)</sup> Code reservation: Melrose reserves the right to extend this deadline if GKN consents to such extension for the purposes of gaining CFIUS approval only (as GKN said it would be willing to consider doing in its announcement of 9 February 2018).

## **Important Notices**

Capitalised terms used in this announcement but not defined have the meanings given to them in the Final Offer Document.

### **Financial Advisers**

N M Rothschild & Sons Limited, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Melrose and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Melrose for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

RBC Europe Limited, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Melrose and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Melrose for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

Investec Bank plc, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Melrose and no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Melrose for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.

### **Notice to Overseas Shareholders**

The release, publication or distribution of this announcement, the Original Offer Document, the First Form of Acceptance, the Original Prospectus Equivalent Document, the Final Offer Document, the Second Form of Acceptance or the New Prospectus Equivalent Document in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe any applicable requirements. In particular, the ability of persons who are not resident in the United Kingdom to accept the Offer or to execute and deliver a Form of Acceptance may be affected by the laws of the relevant jurisdictions in which they are located.

Unless otherwise determined by Melrose or required by the City Code, and permitted by applicable law and regulation, the Offer is not being made, directly or indirectly, in, into or from the United States or any other Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws in that jurisdiction and no person may accept the Offer by any use, means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, the United States or any other Restricted Jurisdiction or any other jurisdiction where to do so would constitute a violation of the laws of that jurisdiction, and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities. Accordingly, copies of this announcement, the Original Offer Document, the First Form of Acceptance, the Original Prospectus Equivalent Document, the Final Offer Document, the Second Form of Acceptance or the New Prospectus Equivalent Document and any accompanying document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from the United States or any other Restricted Jurisdiction or any other jurisdiction where to do so would constitute a violation of the laws of that

jurisdiction, and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from the United States or any other Restricted Jurisdiction or any other jurisdiction where to do so would constitute a violation of the laws of that jurisdiction.

The availability of the Offer to GKN Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Any such person should read paragraph 16 of Part 1 of the Final Offer Document and Section D of Part 2 (if such person holds GKN Shares in certificated form) or Section E of Part 2 (if such person holds GKN Shares in uncertificated form) of the Original Offer Document and inform themselves of, and observe, any applicable legal or regulatory requirements.

#### **Notice relating to the United States of America.**

The Offer relates to the shares of an English company and is subject to UK procedural and disclosure requirements that are different from certain of those of the US. Any financial statements or other financial information included in the Final Offer Document or the New Prospectus Equivalent Document may have been prepared in accordance with non-US accounting standards that may not be comparable to the financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. It may be difficult for US holders of shares to enforce their rights and any claims they may have arising under the US federal securities laws in connection with the Acquisition, since Melrose and GKN are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the United States. US holders of shares in Melrose or GKN may not be able to sue Melrose, GKN or their respective officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel Melrose, GKN and their respective affiliates to subject themselves to the jurisdiction or judgment of a US court.

None of the New Melrose Shares, the Original Offer Document, the First Form of Acceptance, the Original Prospectus Equivalent Document, the Final Offer Document, the Second Form of Acceptance or the New Prospectus Equivalent Document or any other document relating to the offering of New Melrose Shares has been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in the Final Offer Document and the merits of the Offer. Any representation to the contrary is a criminal offence in the United States.

In addition, until 40 days after the commencement of the Offer, an offer, sale or transfer of the New Melrose Shares within the United States by a dealer (whether or not participating in the Acquisition) may violate the registration requirements of the US Securities Act if such offer, sale or transfer is made otherwise than in accordance with Rule 144A or another exemption from registration under the US Securities Act.

No document relating to the Offer or the Acquisition will be posted into the US, but a "Qualified Institutional Buyer" or an "Accredited Investor" (as such terms are defined by the SEC) may be permitted to participate in the Offer upon establishing its eligibility to receive New Melrose Shares by completing an eligibility questionnaire available on [www.melroseplc.net](http://www.melroseplc.net) and returning any required supporting documentation. The Offer will qualify for "Tier II" exemptions from the tender offer rules included in Regulation 14E under the US Exchange Act. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that may be different from those applicable under US domestic tender offer procedures and law. A person who receives New Melrose Shares

pursuant to the Offer may not resell such securities without registration under the US Securities Act or without an applicable exemption from registration or in a transaction not subject to registration (including a transaction that satisfies the applicable requirements of Regulation S under the US Securities Act).

The Final Offer Document does not constitute a public offer of securities for sale in the US or a public offer to acquire or exchange securities in the US. Securities may not be offered or sold in the US absent registration or an exemption from registration. No offer to acquire securities or to exchange securities for other securities has been made, or will be made, directly or indirectly, in or into, or by use of the mails, any means or instrumentality of interstate or foreign commerce or any facilities of a national securities exchange of, the US or any other country in which such offer may not be made other than (i) in accordance with the US Securities Act, as amended, or the securities laws of such other country, as the case may be, or (ii) pursuant to an available exemption from such requirements. In particular, New Melrose Shares will only be made available in the United States to qualified institutional buyers (as defined in Rule 144A under the US Securities Act) or accredited investors (as defined in Rule 501(a) under the US Securities Act) in transactions that are exempt from the registration requirements of the US Securities Act. Such shareholders will be required to make such acknowledgements and representations to, and agreements with, Melrose as Melrose may require to establish that they are entitled to receive New Melrose Shares.

Nothing in the Final Offer Document shall be deemed an acknowledgement that any SEC filing is required or that an offer requiring registration under the US Securities Act may ever occur in connection with the Offer.

US investors should closely read paragraph 16 of Part 1 of the Final Offer Document as well as Section C of Part 2 of the Original Offer Document, for further details. In particular, US investors should note that once the Offer is declared unconditional in all respects, Melrose will accept all GKN Shares that have by that time been validly tendered in acceptance of the Offer and will, in accordance with the City Code, settle the relevant consideration for all such accepted GKN Shares within 14 calendar days of such date, rather than the three trading days that US investors may be accustomed to in US domestic tender offers. Similarly, if the Offer is terminated or withdrawn, all documents of title will be returned to shareholders within 14 calendar days of such termination or withdrawal.

The receipt of cash pursuant to the Offer by a US GKN Shareholder may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each GKN Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Offer.

In accordance with, and to the extent permitted by, the City Code, normal UK market practice and Rule 14e-5 under the US Exchange Act, Investec and its affiliates may continue to act as exempt principal traders in GKN Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, including Rule 14e 5 under the US Exchange Act. To the extent required to be disclosed in accordance with applicable regulatory requirements, information about any such purchases will be disclosed to the Panel by no later than 12 noon on the next "business day", as such term is defined in the City Code, and will be available from any Regulatory Information Service, including the Regulatory News Service on the London Stock Exchange website, [www.londonstockexchange.com](http://www.londonstockexchange.com), and will also be available on Melrose's website [www.melroseplc.net](http://www.melroseplc.net). To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

## **New Melrose Shares**

The New Melrose Shares have not been, and will not be, listed on any stock exchange other than London Stock Exchange and have not been, and will not be, registered under the US Securities Act or under any laws of any state, district or other jurisdiction, of the United States, nor have clearances been, nor will they be, obtained from the securities commission or similar authority of any province or territory of Canada and no prospectus has been, or will be, filed, or registration made, under any securities law of any province or territory of Canada, nor has a prospectus in relation to the New Melrose Shares been, nor will one be, lodged with, or registered by, the Australian Securities and Investments Commission, nor have any steps been taken, nor will any steps be taken, to enable the New Melrose Shares to be offered in compliance with applicable securities laws of Japan and no regulatory clearances in respect of the New Melrose Shares have been, or will be, applied for in any other jurisdiction.

The New Prospectus Equivalent Document relating to the issuance of New Melrose Shares pursuant to the Offer has been published on and is available to Eligible GKN Shareholders on Melrose's website at [www.melroseplc.net](http://www.melroseplc.net). Please note, however, that certain information on Melrose's website may not be accessible to persons in the United States or any other Restricted Jurisdiction. The New Prospectus Equivalent Document has not been and will not be submitted for approval to any market supervisory authority other than the competent authority of the UK, the FCA. Consequently, no steps may be taken that would constitute or that would result in an offer to the public of New Melrose Shares outside of the UK. The distribution of the New Prospectus Equivalent Document may, in certain jurisdictions, be restricted by law, and the New Prospectus Equivalent Document may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase or subscribe for New Melrose Shares, or possess or distribute the New Prospectus Equivalent Document, the Final Offer Document or the Second Form of Acceptance, and must obtain any consent, approval or permission required for the purchase, offer or sale of New Melrose Shares under the applicable laws and regulations in force in any jurisdiction in which any such purchase, offer or sale is made. Melrose is not making an offer to sell the New Melrose Shares or soliciting an offer to purchase any of the New Melrose Shares to any person in any jurisdiction in which such an offer or such solicitation is not permitted.

### **Rule 26.1 disclosure**

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at [www.melroseplc.net](http://www.melroseplc.net) by no later than 12 noon (London time) on the business day following the date of this announcement.

The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.