

**THIS ANNOUNCEMENT IS AN ADVERTISEMENT AND NOT A PROSPECTUS OR PROSPECTUS EQUIVALENT DOCUMENT AND INVESTORS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO THE NEW MELROSE SHARES EXCEPT ON THE BASIS OF INFORMATION PUBLISHED IN THE NEW PROSPECTUS EQUIVALENT DOCUMENT AND THE FINAL OFFER DOCUMENT**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO OR FROM THE UNITED STATES OR ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

**FOR IMMEDIATE RELEASE**

**LEI: 213800RGNXXZY2M7TR85**

**13 March 2018**

### **Publication of Final Offer Document and New Prospectus Equivalent Document**

Further to its announcement on 12 March 2018 setting out the terms of its Final Offer to acquire GKN, Melrose today announces that the offer document containing full terms and conditions of the Final Offer and the procedures for its acceptance (the “**Final Offer Document**”) and the New Prospectus Equivalent Document have been published.

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>.

GKN Shareholders who have not yet accepted the Original 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 Final Offer Document is being posted to GKN Shareholders, along with an accompanying form of acceptance, and will be available on Melrose’s website together with the New Prospectus Equivalent Document at [www.melroseplc.net](http://www.melroseplc.net).

#### **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

<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.

### Disclosure requirements of the City Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position disclosure or a dealing disclosure.

### **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 the Second 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 at 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.