

U.K. Takeover Panel Amends Regime for Profit Forecasts and Quantified Financial Benefits Statements

October 22, 2013 | Client Update

Significant amendments to the U.K. Takeover Code (the “Code”) took effect from September 30, 2013. The U.K. Takeover Panel (the “Panel”) has widened the categories of companies to which the Code now applies by removing the residency test for companies which have their registered office in the U.K., the Channel Islands or the Isle of Man and which have their securities admitted to trading on a multilateral trading facility in the U.K. This means that U.K. incorporated companies traded on AIM are now subject to the Code even if their place of central management and control is outside the U.K. For more detail on the changes, please see our [May 21, 2013 client newsflash](#).

The Panel has also amended its requirements for profit forecasts and quantified financial benefits statements in the context of transactions governed by the Code, in some cases relaxing the rules where the forecast is less contentious but in other respects broadening them. The changes to, among others, Rule 28 of the Code were announced in [response statement 2012/1](#). This memorandum looks at the impact of the revised regime.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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