

# The Depository Trust Company

# IMPORTANT

**B#:** 2292

**DATE:** July 27, 2001

**TO:** All Participants

**CATEGORY:** Dividends

**FROM:** Nilesh Desai, Supervisor Dividend Department

**ATTENTION:** Dividend Managers, Cashiers & Reorganization Managers

**SUBJECT:** Optional Distribution: Demerger by GKN plc ADR  
CUSIP:361755606 R/D: 08/03/01 P/D: TBA X-date: 08/07/01  
Sett-date: 08/09/01 Rate: One Ordinary Share of Brambles  
Industries plc or cash from sale. DTC c/o: 08/06/01

\*\*\*\*\* IMPORTANT NOTICE \*\*\*\*\*

***This is to inform participants that the EDS function for elections on the above optional distribution will be open for elections for only one business day, August 6, 2001.***

The Bank of New York (the "Depository") has informed DTC of an Extraordinary General meeting of shareholders of GKN plc ("GKN") which was held on July 16, 2001. The shareholder meeting was held for the purpose of approving proposals relating to a scheme of arrangement for the imposition of a new group holding company, New GKN plc (the "Scheme"), the renaming of New GKN plc as GKN plc conditional upon the Scheme becoming effective and the demerger of GKN's Support Services Activities to a United Kingdom company, Brambles Industries plc ("Brambles (UK)") (the "Demerger"). It is proposed that, subject to certain conditions being satisfied, Brambles (UK) will combine with Brambles Industries Limited under a dual listed companies structure (the "DLC Combination").

Qualifying GKN ADR Holders, being those GKN ADR holders on The Bank of New York's ADR register at the **Demerger Record Date (August 3, 2001)** will therefore receive a distribution of the Brambles (UK) Ordinary Shares issued to The Bank of New York as Depository. Each Qualifying GKN ADR Holder will be entitled to receive one (1) Brambles (UK) Ordinary Share for every one (1) New

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GKN American Depositary Share represented by the GKN ADRs owned on the Demerger Record Date. The Brambles (UK) Ordinary Shares will be denominated in pounds sterling and an application has been made for them to be traded on the London Stock Exchange.

**The expected issuance date for the Brambles (UK) Ordinary Shares in London is August 7, 2001.**

Since there will be no GKN ADR facility for the Brambles (UK) Ordinary Shares, Qualifying GKN ADR Holders can choose to keep the Brambles (UK) Ordinary Shares to which they are entitled or direct The Bank of New York to arrange for the sale of some or all of the Brambles (UK) Ordinary Shares on their behalf and receive the proceeds, net of brokerage commission, fees and expenses, in U.S. dollars, pursuant to the Sale Facility described below.

The Bank of New York will arrange for the certificates representing Brambles (UK) Ordinary Shares held for each Qualifying GKN ADR Holder not electing to sell those shares in accordance with the procedures described below to be dispatched to the holders of GKN ADRs on or around August 21, 2001, at the holder's own risk. **Registration instructions are required, and must be submitted to The Bank of New York by 5:00 p.m. (New York time) on August 1, 2001.**

#### **Sale Facility Offered by The Bank of New York**

The Bank of New York, is offering to Qualifying GKN ADR Holders a Sale Facility whereby the holder has the option of directing The Bank of New York to sell some or all of their Brambles (UK) Ordinary Shares. The remaining balance, if any, of Brambles (UK) Ordinary Shares will be dispatched to you as indicated above.

If you elect to participate in the Sale Facility, you are authorizing The Bank Of New York, as your agent, to sell on your behalf some or all of the Brambles (UK) Ordinary Shares held for you and to distribute to you the cash proceeds of such sale in U.S. dollars after conversion from pounds sterling, net of The Bank of New York's brokerage commission (which will be a competitive market rate), fees and expenses.

**IN ACCORDANCE WITH THE NASD EX-DATE RULING OF AUGUST 7, 2001, THE DEPOSITORY TRUST COMPANY (DTC) WILL SET UP AN ADDITIONAL ANNOUNCEMENT TO EMPLOY INTERIM ACCOUNTING FOR ALL DUE BILL ACTIVITY (RECEIVES AND DELIVERIES) FROM AUGUST 6, 2001 UP TO AND INCLUDING THE SETTLEMENT DATE OF AUGUST 9, 2001. ALL TRADES SETTLING DURING THE INTERIM PERIOD WILL SETTLE IN BRAMBLES (UK) ORDINARY SHARES. BECAUSE OF DUE BILL PROCESSING, THE POSITION USED FOR THE OPTIONAL DIVIDEND ELECTION WILL BE AUGUST 3, 2001, THE RECORD DATE POSITION.**

Participants should submit election instructions over the participant terminal system (PTS) through the elective dividend system (EDS) function. The option elections are as follows:

Option #1: Participants may elect to keep their entitlement of the Brambles (UK) Ordinary Shares. If an election is not made before the EDS cut-off date, participants will **Default to the Brambles (UK) Ordinary Shares** election.

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**THE ISSUANCE INSTRUCTION FORM FOR THE DELIVERY OF BRAMBLES (UK) ORDINARY SHARES MUST BE EXECUTED AND RETURNED TO THE BANK OF NEW YORK, PRIOR TO AUGUST 1, 2001**

Option #2: Participants may elect to authorize The Bank of New York as agent to sell their ordinary share entitlement and receive U.S. dollars after conversion from pounds sterling, net of the Bank of New York's fees and expenses, including brokerage commissions, from such sale.  
**Proceeds from sale**

To confirm your Record Date positions participants should access the Dividend and Allocation History (DPAL) Option, via the PTS Dividend Announcements Inquiry (DIVA) Function.

**PARTICIPANTS NOT RESPONDING TO THE ABOVE OPTION BY AUGUST 6, 2001 WILL RECEIVE THE MANDATORY OPTION IN ACCORDANCE WITH OPTION #1 (SHARES OF BRAMBLES (UK) ORDINARY SHARES.**

If there are any questions regarding this Important Notice or the processing of related instructions via EDS, participants should contact Mr. John Mc Carthy or Mr. Ray Lew of DTC's Dividend Department at (212) 855-4521/4523.

If there are any questions regarding the Demerger or registration instructions, participants should contact The Bank of New York, Ms. Nancy Chung or Ms. Edris Royer at 212-815-8243.

ISSUANCE INSTRUCTION FORM

**FOR GKN PLC HOLDERS ELECTING TO RECEIVE THE DISTRIBUTION IN  
BRAMBLES (UK)**

**TO:** THE BANK OF NEW YORK      **ATTN:** Nancy Chung / Edris Royer

**RE:** GKN PLC DEMERGER OF BRAMBLES (UK)

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WE HAVE INSTRUCTED DTC OF OUR ELECTION TO RECEIVE THE DISTRIBUTION OF BRAMBLES (UK) ORDINARY SHARES WITH RESPECT TO \_\_\_\_\_ SHARES OF GKN PLC DEMERGER OF BRAMBLES (UK) ORDINARY SHARES HELD IN OUR ACCOUNT (PARTICIPANT #: \_\_\_\_\_).

WE REQUEST THAT YOU INSTRUCT THE BANK OF NEW YORK, TO ISSUE AND DELIVER THE ORDINARY SHARES OF BRAMBLES (UK), AS FOLLOWS:

<b>ISSUE TO:</b>	
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<b>NAME:</b>	
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<b>ADDRESS:</b>	

**DELIVER TO: (IF DIFFERENT FROM ISSUE TO INSTRUCTIONS)**


**AUTHORIZED BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**FIRM:** \_\_\_\_\_

**PARTICIPANT #:** \_\_\_\_\_

**TELEPHONE #:** \_\_\_\_\_

**NOTE:** THIS FORM SHOULD BE RETURNED TO ( T B D ) (FAX # 212-815-3500) NO LATER THAN August 1, 2001 , 5:00 P.M. E.D.S.T.

**THE DELIVERY OF THE ORDINARY SHARES FROM THE U.K. WILL BE AT YOUR OWN RISK.**