



PRIME MINISTER

PRESS STATEMENT NO. 4

7 December 1972

TAKEOVER FREEZE

The Prime Minister, Mr. Whitlam, has frozen a takeover offer by a U.K. company for a controlling interest in a Victorian valve manufacturer.

An interim order has been gazetted today to prevent the transfer of any shares in the Victorian company for three months.

The Victorian company is M.B. John and Hattersley Ltd. Its main activity is the design and manufacture of valves and fittings for pipelines and pressure vessels.

With total assets of about \$22 million and net tangible assets of about \$13 million, it is believed to be the largest manufacturer of industrial valves in the Southern Hemisphere.

The takeover offer has been made by Pegler-Hattersley Ltd., the largest manufacturer of industrial valves in the U.K.

Pegler-Hattersley already owns 20.8 per cent of the issued capital of M.B. John and Hattersley.

On 28 November it invited M.B. John's shareholders to accept an offer of \$2.30 a share for up to a further 40.8 per cent of the Victorian company's issued capital.

This would have given Pegler-Hattersley a 61 per cent interest in M.B. John and Hattersley.

Mr. Whitlam has therefore decided to issue an interim order under Section 13(6) of the Companies (Foreign Takeovers) Act, prohibiting implementation of the takeover offer for three months.

He did this after discussions with Mr. Frank Crean, M.P., and the Treasury.

The order will enable an examination to be made to determine whether or not the takeover is contrary to the national interest.

The gazettal of the order will prevent the transfer of any shares in M.B. John and Hattersley from today.

CANBERRA. A.C.T.