

29 March 2004

**P&O STOCKHOLDERS APPROVE TRANSACTION TO MAKE
P&O NEDLLOYD INDEPENDENTLY LISTED**

On 2 February 2004, P&O announced that it had signed a conditional agreement for P&O Nedlloyd in effect to become independently listed. P&O is to receive approximately €215 million (£147 million) in cash and a 25% shareholding in Royal Nedlloyd N.V. (to be renamed Royal P&O Nedlloyd N.V.) in exchange for its 50% shareholding in P&O Nedlloyd. The transaction is described more fully in the Circular posted to shareholders on 12 March 2004.

P&O is pleased to announce that the resolution to approve this transaction was approved at the Extraordinary General Meeting of the Company held earlier today. Proxy votes cast were 384 million in favour and 0.6 million against.

The shareholders of Royal Nedlloyd N.V. also approved the transaction at a meeting on 23 March. The transaction remains subject inter alia to regulatory clearances and completion of the Royal Nedlloyd N.V. rights issue. Subject to satisfaction of these conditions, completion is expected during April 2004.

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