

5 February 2004

**P&O RESPONSE TO UK COMPETITION COMMISSION'S FINDINGS
ON IRISH SEA OPERATIONS**

P&O notes the findings from the UK Competition Commission with regard to the Group's proposed transaction with Stena AB relating to its ferry operations on the Irish Sea. P&O is currently reviewing the findings and considering its position.

Further information: Peter Smith, Director, Communications and Strategy
+44 (0)20 7930 4343

Notes to editors:

1. On 27 May 2003, P&O and Stena AB announced that they had signed a Memorandum of Understanding concerning Stena's proposed acquisition of part of P&O's ferry operations on the Irish Sea. The MOU also provided for the transfer of Stena's Stranraer port operation to Cairnryan with Stena and P&O each taking a 50% shareholding in a new company to develop the port. Contracts for these transactions were exchanged on 13 October 2003.
2. On 22 August 2003, the Office of Fair Trading announced that it had cleared P&O's proposed transaction with Stena AB with regard to the Port of Cairnryan joint venture.

(ends)