



P&O AND STENA LINE SIGN CONTRACT FOR IRISH SEA FERRY OPERATIONS

13 October 2003

Further to the announcement of 27 May 2003, P&O announces that contracts have now been exchanged for Stena's proposed acquisition of a significant part of P&O's ferry operations on the Irish Sea and also for the transfer of Stena's Stranraer port operations to P&O's port at Cairnryan, with Stena taking a 50% shareholding in the Cairnryan port.

As noted in the subsequent announcement of 22 August, the transaction concerning the ferry operations has been referred to the UK Competition Commission by the Office of Fair Trading ('OFT'). This transaction is also subject to clearance by the Irish regulatory authorities. The Cairnryan transaction received OFT approval to proceed. Both transactions remain subject to certain other conditions.

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