



The Hundred Group
of Finance Directors

Investor Relations & Markets Committee

By email

Directorate General Internal Market and Services,
Unit G3 – Securities Markets

10 March 2009

Dear Sirs

Consultation on the review of the Prospectus Directive (Directive 2003/71/EC)

We are pleased to submit our comments on the above proposals.

Who we are

The Hundred Group represents the views of the finance directors of the UK's largest companies drawn largely, but not entirely, from the constituents of the FTSE100 Index. Our members are the finance directors of companies whose market capitalisation collectively represents over 80% of that of companies listed on the London Stock Exchange. While this letter expresses the views of The Hundred Group of Finance Directors as a whole, they are not necessarily those of our individual members or their respective employers.

Summary

The Hundred Group broadly supports the review of directive 2003/71/EC and in particular its aims to simplify and reduce the administrative burden on Companies.

We have been supportive of the efforts to streamline the Rights Issue process in the UK and simplifying the prospectus requirements is a key initiative within this project.

Having considered the consultation paper, the Hundred Group wishes to support the aims of section 4.5: Rights issues.

In our opinion, a full prospectus is of little value to stakeholders, is expensive to produce and increases the overall timeframe of raising finance through a rights issue. Instead, we would support a short-form prospectus that contains, as a minimum, the following information:

- Chairman's statement – outlining the purpose of the Rights Issue and details of the offer;
- Trading update, to the extent not already provided under the Transparency Directive; and
- Clear cross referencing to relevant publically available information (such as a Company's most recent set of audited financial statements).

In this regard, we would not be seen to be walking away from providing stakeholders with relevant information, but rather reaffirming our responsibilities to providing information on a continuous basis, whilst recognising that stakeholders have immediate access to the information being cross referenced.

Please feel free to contact me if you wish to discuss our comments on the proposals.

Yours sincerely

Matthew Lester

The Hundred Group – Investor Relations & Markets Committee