



Wednesday, 15 February 2006

Citect Corporation Limited – Panel Receives Application

The Takeovers Panel advises that it has received an application from Schneider Electric Australia Holdings Pty Limited (**SEAH**) in relation to the affairs of Citect Corporation Limited (**Citect**).

Citect is currently the subject of two acquisition proposals:

- (a) a scheme of arrangement proposed by SEAH (**SEAH Scheme**); and
- (b) a takeover bid by Thoma Cressey Equity Partners, Inc. (**Thoma Cressey**) (a US based private equity firm) made through a subsidiary TCEP Australia Pty Ltd (**TCEP**).

The application follows an announcement by Thoma Cressey on Friday 10 February 2006, that TCEP Australia LLC had acquired 15.1% of the voting shares in Citect in off-market transactions for \$2.00 cash from certain institutional holders (**15.1% Parcel**). Thoma Cressey advised that these acquisitions meant that the offer price under TCEP's bid was "automatically increased" to \$2.00 cash per share and that it would vote against the SEAH Scheme.

SEAH submits that there are unacceptable circumstances arising from:

- (a) the unequal treatment of Citect shareholders by TCEP and Thoma Cressey by the unconditional, off-market acquisition of the 15.1% Parcel while TCEP's takeover bid remains subject to a number of defeating conditions;
- (b) the effect on Citect shareholders' reasonable and equal opportunity to participate in the SEAH Scheme if Thoma Cressey is allowed to vote the shares in the 15.1% Parcel against the SEAH Scheme;
- (c) the failure by Thoma Cressey to disclose the terms of the acquisition of the 15.1% Parcel on a timely and complete basis.

SEAH seeks a declaration of unacceptable circumstances and final orders.

The Panel has not decided whether to conduct proceedings in relation to the application and makes no comment on the merits of the application. It also notes that it has not received submissions from the other parties to the application and it is, therefore, unaware of their views.

The President of the Panel is appointing a sitting Panel to consider the application.

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