

Statement on the decisions of the Competition Commission

To: All Media

Date: 09 July 2015

1. Key decisions on Mergers and Acquisitions

1.1 Large Mergers

Proposed merger between Traxys Africa (Pty) Ltd (Traxys) and Metmar Limited (Metmar)

The Commission has recommended to the Competition Tribunal (Tribunal) that the large merger whereby Traxys intends to acquire (Metmar) be approved without conditions. Post-merger, Traxys will control Metmar.

The Traxys Group and the Metmar Group are both involved in the physical trading of various commodities globally.

Proposed merger between Johannesburg Metropolitan Municipality (CoJ) and CitiConnect Communications (Pty) Ltd (CitiConnect) and BWired (Pty) Ltd (BWired) – (The Network)

The Commission has recommended to the Tribunal that the large merger whereby CoJ intends to acquire the businesses of CitiConnect and BWired, be approved without conditions. Post-merger, CoJ will become the sole owner of CitiConnect and Bwired.

CoJ is a metropolitan municipality and it offers a variety of services to the people of Johannesburg through a number of municipal entities.

CitiConnect and BWired are responsible for operating the Johannesburg Broadband Network as well as additional network infrastructure, spurs, fibre, ducting and software as designed and built to deliver connectivity solutions to the CoJ. They also are wholesalers of internet access.

1.2 Intermediate Mergers

Proposed merger between Afrisam (South Africa) (Pty) Ltd (Afrisam), Concrete 4U (Pty) Ltd (Concrete 4U) and Concrete 4U Logistics (Pty) Ltd (Concrete 4U Logistics)

The Commission has approved without conditions, the intermediate merger whereby Afrisam, intends to acquire Concrete 4U and Concrete 4U Logistics. Post-merger, Afrisam will exercise joint control over Concrete 4U.

Afrisam is a manufacturer of cement and cementitious products with two fully integrated plants in South Africa located in the Northern Cape and the North West and a mill in Gauteng.

Concrete 4U is a ready-mix company located in the Eastern Cape with operating plants in Port Elizabeth, East London and Mthatha. Concrete 4U Logistics is a subsidiary of Concrete 4U.

Proposed merger between Georgia Avenue Investments 92 (Pty) Ltd (Georgia Avenue) and Crystal Lagoon Investments 53 (Pty) Ltd (Crystal Lagoon), under the name and style of Park Inn Sandton (the Enterprise)

The Commission has approved without conditions, the intermediate merger whereby Georgia Avenue intends to acquire the Enterprise. Post-merger, Georgia Avenue will control the Enterprise.

Georgia Avenue is an investment property holding company, which owns and operates Hotel Le Vendome, a luxury hotel situated in Sea Point, Cape Town, in the Western Cape Province. The Enterprise is a mid-market hotel in Sandton, Johannesburg in the Gauteng Province with a star grading of 3 offering short-term accommodation.

Proposed merger between Arbitrage Property Fund Proprietary (Arbitrage) and Redefine Properties Limited (Redefine)

The Commission has approved without conditions, the intermediate merger whereby Arbitrage intends to acquire the property letting enterprises known as Redefine Boulevard, Stanhope Bridge and the Devonshire Parking Garage, collectively, the “Target Properties” from Redefine. Post-merger, Arbitrage will control the Target Properties.

Arbitrage is a property investment company with a diverse property portfolio consisting of industrial, retail and commercial properties located in the Gauteng, North West and Western Cape Provinces. The Target Properties are retail and office properties located in the Western Cape and KwaZulu-Natal Provinces.

Proposed merger between Redefine Properties Limited (Redefine) and Barrow Properties Proprietary Limited (Barrow Properties)

The Commission has approved without conditions, the intermediate merger whereby Redefine intends to acquire from Barrow Properties portions of the property letting enterprise known as the Thornhill Office Park (the Target Property). Post-merger, Redefine will control the Target Property.

Redefine is a property holding company and its property portfolio comprises of office, retail and industrial properties located throughout South Africa.

The Target Property is an office property that consists of Grade A office property located in Midrand in the Gauteng Province.

Proposed merger between Pentagon Merger Sub, Inc. (Pentagon) and Pall Corporation (Pall)

The Commission has approved without conditions, the intermediate merger whereby, Pentagon intends to acquire Pall. Post-merger, Pentagon will have sole control over Pall.

Pentagon is a wholly owned subsidiary of Danaher Corporation (Danaher). The Danaher Group supplies ultra-violet treatment systems which disinfect water whereas Pall supplies filtration systems which separate bacteria from water.

2. Non Referrals – The Commission has taken a decision to non-refer the following cases for the following reasons:

- a) Alec Marot v Mphathi & Associates – Bloemfontein – *The Commission found that the conduct complained of does not amount to a contravention of the Competition Act.*

Ends

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