

Statement on the decisions of the Competition Commission

To: All Media

Date: 18 June 2015

1. Key decisions on Mergers and Acquisitions

1.1 Large Mergers

Proposed merger between City of Cape Town and Paardevlei Properties Proprietary Limited (Paardevlei) – (target properties)

The Commission has recommended to the Competition Tribunal (Tribunal) that the large merger whereby City of Cape Town intends to acquire a certain immovable property and letting enterprise owned by Paardevlei be approved without conditions. Post-merger, The City of Cape Town will have sole control over the target properties.

The City of Cape Town is a public body, legislatively mandated to provide public and socio-economic services for the benefit of its citizens. The target property is an immovable property and rental enterprise situated in Somerset West in the Western Cape Province.

Proposed merger between Bidvest Group Limited (Bidvest) and Plumblink (SA) (Pty) Ltd (Plumblink)

The Commission has recommended to the Tribunal that the large merger whereby Bidvest intends to acquire Plumblink, be approved without conditions. Post-merger, Bidvest will have sole control over Plumblink.

Bidvest is an international services, trading and distribution company. Plumblink is involved in the retailing of plumbing material and sanitary ware through 9 showrooms and 60 stores across South Africa under the Plumblink brand.

1.2 Intermediate Mergers

Proposed merger between Libstar Holdings (Libstar) and Natural Herbs and Spices CC (NHS)

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

The Libstar Group manufactures and distributes consumer products in the food and beverage, household and personal care industries. It also provides various food and beverage solutions. NHS conducts the business of selling a range of herb, spice and seasoning products, including pure herbs and spices.

Proposed merger between CommScope Inc. (CommScope), and TE Connectivity Limited (TE Connectivity)

The Commission has approved, without conditions the intermediate merger whereby CommScope intends to acquire the Broadband Network Solutions Business Unit (the BNS Business) of TE Connectivity. Post-merger, CommScope will have sole control over the BNS Business unit of TE Connectivity.

CommScope is a global network infrastructure and connectivity provider offering broadband, enterprise, and wireless solutions. The BNS business designs, manufactures, sells, installs and distributes fibre, copper and wireless infrastructure components, cabling and systems for telecommunications and enterprise customers. The BNS also offers Broadband, Enterprise and Wireless solutions

Proposed merger between BCP IV GrafTech Holdings LP (BCP IV) and GrafTech International Ltd (GrafTech)

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

BCP IV is a special purpose vehicle created for the purposes of the proposed transaction for Brookfield, which is a global asset manager, managing a wide range of investment funds and other entities that enable institutional and retail clients to invest in a range of assets

GrafTech supplies graphite and graphite-related products through GrafTech SA. These products are imported from GrafTech's worldwide manufacturing facilities.

Proposed merger between Luzocode (RF) Proprietary Limited (Luzocode) and Relyant Insurance Company Limited (RIC)

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

Luzocode is a newly incorporated company and does not provide any products or services. RIC provides short term insurance products to the lower and middle LSM market for furniture, appliances, electronic goods and mobile phones.

Proposed merger between One Thousand & One Voices BH Ltd (1K1V SPV) and Beefmaster Holdings (Pty) Ltd (Beefmaster)

The Commission has approved without conditions the proposed merger whereby, 1K1V SPV intends to acquire a certain percentage of the shareholding in Beefmaster. Post-merger, 1K1V SPV will have joint control over Beefmaster.

1K1V SPV is a newly incorporated company for the purposes of the proposed transaction. The Acquiring Group, consisting of 1K1V SPV and its holding entities, are active in the processing of raisins in the Northern Cape Province.

Beefmaster is a holding company and does not provide any products or services. The Beefmaster Group is a vertically integrated red meat producer. The Beefmaster Group's operations include, inter alia, maize, silage, livestock farming and meat processing.

Proposed merger between Ernst and Young Advisory Services (Pty) Ltd (EY), and Izazi Solutions (Pty) Ltd (Izazi)

The Commission has approved, without conditions the intermediate merger whereby EY, will acquire the business operations of Izazi including the business operations of Izazi's subsidiaries. Post-merger, EY will own the business operations of Izazi and its subsidiaries.

EY is an advisory services company with three sub-divisions, namely Performance Improvement, Risk and Information Technology ("IT") Advisory Services. Izazi is a system integrator focused on providing IT solutions to banks, development finance institutions, state owned entities (specialising in lending) and other corporates with a need for similar financial services and treasury functions (financial services sector) in Southern Africa and internationally

Proposed merger between Redefine Properties Limited (Redefine), Pivotal Fund Limited (Pivotal) and Partridge Investments Limited (Partridge)

The Commission has approved, without conditions the intermediate merger whereby Redefine and Pivotal intend to acquire the remaining extent of Portion 2 of Farm Elandsfontein No. 90 and Portion 531 of the Farm Elandsfontein 108 owned by Partridge named the Land. Post-merger, Redefine and Pivotal will have joint control over the Land.

Redefine is a property holding company and its property portfolio comprise of offices, retail and industrial properties located throughout South Africa. Pivotal is a property investment and development fund with a property portfolio comprising of office space, retail space and vacant land (under development) in Johannesburg and Pretoria. The Land is a vacant land owned by Partridge.

Proposed merger between Amcor Flexibles South Africa (Pty) Ltd (AFSA) and (Nampak)

The Commission has approved, without conditions the intermediate merger whereby AFSA intends to acquire the flexible packaging business of Nampak. Post-merger, AFSA will have sole control over the flexible packaging business of Nampak.

Amcor is a global packaging company that manufactures and supplies rigid and flexible packaging products into the food, beverage, healthcare, home and personal care and tobacco packaging industries.

Nampak Flexibles conducts the business of manufacturing, printing, selling and distributing a variety of flexible packaging products in South Africa. Its products are supplied to customers in the food, beverage, pharma/healthcare and other areas and others are exported to other African countries.

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

- a) Mr. Padayachee on behalf of The Department of Basic Education v Bongani Rainmaker Logistics Proprietary Limited - *The Commission found that the conduct complained of does not amount to a contravention of the Competition Act.*
- b) Lefa Ralethohlane v Nokia SA (Pty) Ltd - *The Commission found that the conduct complained of does not amount to a contravention of the Competition Act.*
- c) Sello Stephen Mapeka v First Rand Bank Limited T/A Wesbank - *The Commission found that the conduct complained of does not amount to a contravention of the Competition Act.*
- d) Novo Energy Pty Ltd v Spring Lights Gas Pty Ltd - *The Commission found that the conduct complained of does not amount to a contravention of the Competition Act and that all allegations relating to pricing of piped gas be referred to NERSA.*

Ends

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