

COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: 53/LM/Jul09

In the matter between:

RFS Holdings BV

Acquiring Firm

and

ABN Amro Holdings NV

Target Firm

Panel	:	N Manoim (Presiding Member), Y Carrim (Tribunal Member) and A Wessels (Tribunal Member)
Heard on	:	18 August 2009
Order issued on	:	18 August 2009
Reasons issued on	:	01 October 2009

Reasons for Decision

Introduction

- [1] On 18 August 2009 the Tribunal unconditionally approved the acquisition by RFS Holdings B.V. of ABN Amro Holdings N.V. The reasons follow below.

Parties

- [2] The primary acquiring firm is RFS Holdings B.V. ("RFS"), a company incorporated under the laws of the Netherlands. RFS is jointly controlled by Fortis B.V. ("Fortis"), the Royal Bank of Scotland Group Plc ("RBS") and Banco Santander Central S.A ("Santander"). Fortis, RBS and Santander each control firms in excess of 10 worldwide. RFS does not control any firm.
- [3] The primary target firm is ABN Amro Holdings N.V. ("ABN Amro"), a company incorporated under the laws of the Netherlands. ABN Amro is not controlled by any single shareholder. It controls firms in excess of 20 worldwide and in South Africa it controls ABN Amro South Africa.

Activities of the parties

- [4] RFS is a special purpose vehicle created exclusively for the purposes of this transaction and does not trade. RBS is a holding company of international companies that specialise in banking and financial services. Its companies are involved in retail banking, corporate banking, investment banking, financial markets products, payment systems, private equity and insurance.
- [5] Fortis is an international financial services provider that is involved in retail banking, asset management and private banking, merchant banking and insurance. Santander is also a financial services organisation that is involved in private banking, wholesale banking, asset management and insurance.
- [6] ABN Amro is an international financial services organisation that is involved in personal banking, private banking, business and commercial banking as well as corporate and institutional banking. In South Africa ABN Amro provides services such as inter alia, local funding, treasury functions, foreign exchange options and interest rate swaps.

Description of the transaction

- [7] This transaction comprises two stages, the first being the acquisition by RFS of the entire issued share capital of ABN Amro. The second stage comprises the division of the majority of the assets of ABN Amro between RBS, Fortis and Santander. In this regard RBS will acquire the wholesale operations, Fortis will acquire the Dutch operations and Santander will acquire the Latin American Operations.

Rationale for the transaction

- [8] RFS believes that because of its understanding of the markets in which ABN Amro operates and its proven record in relation to successful acquisitions, its collective acquisition of ABN Amro will give rise to lower integration risks than would be associated by the acquisition of a single buyer. For its part, ABN Amro has acknowledged the opportunity for it to deliver benefits for its customers and employees and generate growth and additional value for its

shareholders by combining with a partner and selling parts of the ABN Amro Group.

Competition Analysis

[9] This transaction is unlikely to result in a substantial lessening or prevention of competition as there is no overlap in relation to the activities of the acquiring group with those of the target firm in South Africa.

Public Interest

[10] The transaction does not raise any significant public interest concerns.

N Manoim

01 October 2009
Date

Y Carrim and A Wessels concurring.

Tribunal Researcher	: I Selaledi
For the merging parties	: Edward Nathan Sonnenbergs Inc
For the Commission	: K Mahlakoana