

**COMPETITION TRIBUNAL
REPUBLIC OF SOUTH AFRICA**

Case no: 40/LM/May05

In The Large Merger Between:

Liberty Group Limited

Acquiring Firm

And

Wedelin Investments (Pty) Ltd

Target Firm

Reasons for Decision

Approval

On 25 May 2005 the Competition Tribunal issued a Merger Clearance Certificate approving the transaction between Liberty Group Limited and Wedelin Investments (Pty) Ltd. The reasons for this decision follow.

The Merger Transaction

The primary acquiring firm is Liberty Group Limited ("Liberty"), which is controlled by Liberty Holdings Limited, which in turn is controlled by Standard Bank Group Limited (collectively referred to as "the acquiring group").

The primary target firm is Wedelin Investments (Pty) Ltd ("Wedelin"). 70% of Wedelin's entire issued share capital is held by Executive Investment Portfolio Company (Pty) Ltd.¹ Wedelin's only asset is a portion of land in Mitchell's Plain, Cape Town, on which the Promenade Shopping Centre ("Promenade") has been constructed

The transaction involves Liberty acquiring the entire issued share capital of Wedelin. Liberty will accordingly acquire control of Promenade. According to the parties, the acquisition of Wedelin will help it diversify its property portfolio.

The Parties' Activities

As stated above, Wedelin's only asset is Promenade which comprises rentable retail property space.

The acquiring group is active in the broader banking and non-financial services, including

¹ The remaining shares are held by Propalux 183 (Pty) Ltd and Richter van Niekerk Properties CC.

interest in the retail property sector. Although the acquiring group has several retail properties across South Africa, it does not own property in the Mitchell's Plain area. It does however, own and lease two retail properties in Belville, Cape Town. ²

Impact on competition

According to the Commission, because Belville and Mitchell's Plain are not in the same geographic market, the transaction does not result in a geographic overlap in the activities of the parties.

We do not find it necessary to make a definitive finding on the relevant markets, as we are of the view that the merger will not result in a substantial lessening of competition. We have no other concerns and are satisfied that there are no significant public interest issues, which arise, and we accordingly approve this transaction unconditionally.

D Lewis

10 June 2005
Date

Concurring: N Manoim and M Moerane

For the merging parties: D Rudman and P Stein (Werksmans)

For the Commission: M Matsimela (Mergers and Acquisitions)

² Middestad Mall in Charl Malan Street as well as the premises occupied by Beares in Durban Road.