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<i>to</i>	Marianne Wagener Norton Rose SA	<i>fax</i>	011 301 3364
	Legal Services Competition Commission		44283
<i>ref</i>	102/LM/Nov11	<i>date</i>	19 January 2012
<i>from</i>	Lerato Motaung	<i>pages</i>	4 (including this page)
<i>re</i>	Reasons		

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Attached please find the Tribunal's reasons for decision in the above matter.

Regards

Lerato Motaung

CC: Dineo Mashego - 44584

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COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: 102/LM/Nov11

In the matter between:

Municipal Employee Pension Fund

Acquiring Firm

And

**The letting enterprises known as
Glen Village Shopping Centre North,
Glen Village Shopping Centre South and
Parkview Centre
being sold by
Takou Investments (Pty) Ltd,
Chrisal Investments (Pty) Ltd and
ProcProps 60 (Pty) Ltd**

Target Firms

Panel	:	Andreas Wessels (Presiding Member) Medi Mokuena (Tribunal Member) and Andiswa Ndoni (Tribunal Member)
Heard on	:	18 January 2012
Order issued on	:	18 January 2012
Reasons issued on	:	18 January 2012

Reasons for Decision

Approval

[1] On 18 January 2012 the Competition Tribunal ("Tribunal") approved the merger between the Municipal Employee Pension Fund and the letting enterprises known as Glen Village Shopping Centre North, Glen Village

Shopping Centre South and Parkview Centre. The reasons for approving the proposed transaction follow below.

Parties to the transaction

[2] The primary acquiring firm is the Municipal Employee Pension Fund ("MEPF"), a pension fund established in terms of the laws of the Republic of South Africa, which was set up for the benefit of previously disadvantaged employees within local government. It is administered by AKANI Retirement Fund Administrators (Pty) Ltd ("AKANI").

[3] The primary target firms in effect consist of three letting enterprises situated in Pretoria East, inclusive of associated residential property and the associated leases, being the Glen Village North Shopping Centre, the Glen Village South Shopping Centre (collectively referred to as "Glen Village"¹) and Parkview Centre ("Parkview"). These properties are held by Takou Investments (Pty) Ltd ("Takou"), Chrisal Investments (Pty) Ltd ("Chrisal") and ProcProps 60 (Pty) Ltd ("ProcProps"), collectively referred to below as "the sellers". The sellers form part of Adamax Property Projects Menlyn (Pty) Ltd ("Adamax").

Proposed transaction

[4] The proposed transaction involves the MEPF's acquisition of 55% of the issued share capital held by Takou, Chrisal and ProcProps in the respective target properties. However, MEPF and Adamax have concluded a co-ownership agreement which reflects their joint-control of the letting enterprises post-merger.

Rationale for transaction

[5] The rationale for the proposed merger is that the acquiring firm wants to realise returns on its investment in a growing and expanding property node such as the Pretoria East one.

¹ These two centres are separated into North and South by a public road.

[6] The sellers' rationale is that they want to fully develop the potential of the existing rights associated with the properties being sold, as well as attract substantial investment by the acquiring firm.

Impact on competition

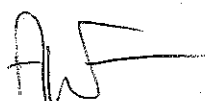
[7] There is no geographic overlap between the activities of the merging parties since the MEPF, as the acquiring firm, does not own any commercial property of any grade or any classification within the Pretoria and environs region. Therefore the proposed transaction is unlikely to substantially prevent or lessen competition.

Public interest

[8] The merging parties confirmed that there will be no adverse effect on employment as a result of the proposed transaction.² No other public interest issues arise as a result of this transaction.

CONCLUSION

[9] We conclude that the proposed transaction is unlikely to substantially prevent or lessen competition in any relevant market. Furthermore, the proposed transaction raises no public interest concerns. Accordingly, we approve the proposed merger unconditionally.



ANDREAS WESSELS

18 January 2012

DATE

Andiswa Ndoni and Medi Mokuena concurring

Tribunal researcher:	Nicola Ilgner
For the merging parties:	Norton Rose
For the Commission:	Dineo Mashego

² See page 13 of the record.