



COMPETITION TRIBUNAL OF SOUTH AFRICA

Case No: 05/LM/FEB10

In the matter between:

Investec Bank Ltd

Acquiring Firm

And

Clidet 763 (Pty) Ltd

Target Firm

Panel : Norman Manoim (Presiding Member),
Yasmin Carrim (Tribunal Member)
and Andreas Wessels (Tribunal Member)

Heard on : 14 April 2010

Order issued on : 14 April 2010

Reasons issued on : 16 April 2010

Reasons for Decision

Approval

[1] On 14 April 2010, the Tribunal unconditionally approved the merger between the above mentioned parties. The reasons for approving the transaction follow.

The Transaction

[2] In terms of the proposed transaction, Clidet 799 (Pty) Ltd ("Clidet 779") shall sell 50,02% shareholding in Clidet 763 (Pty) Ltd ("Newco") to

Investec Bank Ltd (“Investec”). Investec holds 49,98% in Newco. In increasing its shareholding in Newco, Investec will effectively move from joint to sole control. Clidet 779 was formed solely for holding shares in Uni-Span Holdings which is involved in the manufacture of scaffolding.

The Rationale

[3] Clidet 779 wishes to exit as a shareholder of Newco because in its view its effective interest in Uni-Span Holdings (Pty) Ltd (“Uni-Span Holdings”) is too small to warrant the time and effort that may need to be spent on such investment. Investec wishes to increase its shareholding in Newco.

The parties and their activities

[4] The primary acquiring firm is Investec, a company incorporated under the laws of the Republic of South Africa. Investec is controlled by Invested Ltd and is listed on the JSE. The Investec group is an international specialist banking group that provides a diverse range of financial products and services to a niche client base.

[5] The primary target is Newco. Newco is a shelf company which is controlled by Clidet 779.

[6] Uni-Span Holdings has the following shareholders:

- Newco 40%
- Investec 2.32%, and
- Various other shareholders hold 57.6%.

[7] Post merger Investec will have 40% shareholding in Uni-Span Holdings through the merged entity in addition to the 2.32% it already holds.

[8] Uni-Span Holdings has as its main trading entity Uni-Span Formwork and scaffolding (Pty) Ltd (“Uni-Span scaffolding”).¹ Uni-Span scaffolding manufactures and provides a range of products to provide steel formwork, decking, walling, scaffolding and support work systems. These products are generally used for the construction of concrete structures, including high rise offices and apartment buildings, low-cost housing projects and civil works such as bridges and, reservoirs, tunnels and dams

The relevant market and the impact on competition

[9] There is no product overlap in the proposed transaction. Investec is an investment and banking group and does not have any other subsidiaries involved in the activities of the primary target firm which are formwork and scaffolding.

[10] We agree with the Commission that this transaction is unlikely to substantially lessen or prevent competition.

Conclusion

[11] There are no significant public interest issues and we accordingly approve the transaction.

Yasmin Carrim 16 April 2010
DATE

Norman Manoim and Andreas Wessels concurring.

Tribunal Researcher : Mahashane Shabangu
For the Merging parties : Cliffe Dekker Hofmeyr Inc
For the Commission : Mogalane Matsimela

¹ Other trading entities of Uni-Span include Uni-Span Botswana (Pty) Ltd, which provides products in Botswana; Uni-Span manufacturing (Pty) Ltd, which is a dormant company and Augusta Profiles (Pty) Ltd, which manufactures various cold-formed sections.