

001.2(2)

April 19, 2001

Michael Verne,
Premerger Notification Office,
Bureau of Competition,
Federal Trade Commission,
Washington, D.C. 20580,
USA.

Re:

Dear Mr. Verne:

We write on behalf of a foreign company, in respect to its dual listed companies merger involving the [redacted], a transaction that was announced [redacted] conclusion, based on prevailing precedent at the Premerger Office, that the transaction is not subject to notification pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("HSR").

The combination would be effected through the implementation of a dual listed company structure. [redacted] shareholders would hold a 43% economic interest in the combined operation. [redacted] shareholders would hold 57%. The combination would not result in either entity acquiring shares or assets of the other.

Under the [redacted] structure, the companies will have a unified management and identical boards that will operate the underlying businesses as a single enterprise. The [redacted] structure will be similar to that implemented by [redacted] and [redacted] in 1995 (now [redacted]) and to that proposed earlier this year by [redacted] and [redacted]. The companies will continue to be separately quoted in [redacted].

Neither [redacted] will acquire any common shares in the other as part of the transaction. Instead, each corporation will issue a "special share" that will be held independently by a trust corporation. The special share in each company will have voting rights on certain significant matters (eg appointment of directors and approval of reports and accounts) to be exercised in accordance with votes cast by shareholders of the other company in order to provide for unified voting. In addition, the companies have agreed that distribution of income and capital shall be made in accordance with an

[redacted]

"equalisation factor" based on the relative dividend, capital and voting rights of the shares of the two companies. The equalisation factor shall initially be set at 1.

For a detailed description of the structure, please find enclosed the summary of the transaction dated February 15, 2001 that was submitted to the SEC in order to assist in the determination that no registration statement need be filed regarding the creation of the [REDACTED] structure.¹

Neither company will hold any securities or assets after the transaction that they did not hold before. Therefore, it does not appear that this transaction triggers the HSR notification requirements, although a filing will probably be required in the European Community. The dual listed companies structure does not fall within the general notification regime for mergers contained in Rule § 801.2(d). That conclusion is consistent with the view of the Premerger Office expressed to us in 1995 in relation to the creation by [REDACTED] of the [REDACTED] structure under which [REDACTED] now operates, and more recently expressed to us in respect to the [REDACTED] structure proposed by [REDACTED].

I will call you shortly to seek your confirmation that this [REDACTED] merger is not reportable under HSR. In the meantime, if you have any questions please do not hesitate to call me in our [REDACTED] office at [REDACTED]. My fax number is [REDACTED].

I am sending a copy of this letter to [REDACTED] antitrust counsel who agrees that the transaction is not notifiable under the HSR Act.

¹ For completeness we mention that prior to the entry into the [REDACTED] structure, the ownership of [REDACTED] industrial services activities will be reorganized. A new holding company will be interposed between [REDACTED] and its public shareholders [REDACTED]. The [REDACTED] industrial services activities will then be demerged to a new listed holding company [REDACTED] in consideration for which [REDACTED] will issue shares to the existing shareholders of New [REDACTED] pro-rata to their existing shareholdings. These steps are clearly not reportable under HSR. The first is merely an internal restructuring and the second involves acquisitions of shares in a foreign issuer that will not confer control.

We are grateful for your assistance.

Kind regards.

Yours sincerely,

[Redacted signature]

(Enclosure)

cc:

[Redacted recipient list]

VIA FACSIMILE AND EXPRESS MAIL

AGREE. I DISCUSSED THIS WITH M. BRUND
LAST MONTH & ~~ST~~ CONCURS.

B. [Signature]

4/20/01