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Common Market for Eastern
and Southern Africa

CCC Merger Inquiry Notice No. 5 of 2015

Notice of Inquiry into the Transaction involving the Proposed Acquisition by Eaton Towers Limited of the entire issued Share Capital of Kenya Towers Limited, Malawi Towers Limited and Uganda Towers Limited

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations hereinafter referred to as “the Regulations” that the COMESA Competition Commission hereinafter referred to as “the Commission” after receiving a notification in terms of Article 24 of the Regulations regarding the proposed acquisition of Kenya Towers Limited hereinafter referred to as “KTL”, Malawi Towers Limited hereinafter referred to as “Malawi TowerCo” and Uganda Towers Limited hereinafter referred to as “UTL” by Eaton Towers Limited hereinafter referred to as “Eaton” intends to embark on an inquiry in terms of Article 26 of the Regulations.

We are informed by the parties that Eaton is a telecommunications towers company with a diverse portfolio of passive telecommunications infrastructure in Africa. KTL, Malawi TowerCo and UTL operate the tower business of Airtel Networks Kenya Limited, Bharti Airtel Malawi Holdings B.V. and Airtel Uganda Limited (collectively referred to as “Airtel”) in three COMESA Member States, namely, Kenya, Malawi and Uganda respectively. The tower business, comprising approximately 3,600 telecommunications towers and related infrastructure, will be acquired through a multi-transactional structure that will localize the acquisitions in each relevant country.

The Parties

Eaton

Eaton Towers Limited, a tower sharing company, owns and manages towers in Ghana, Uganda, and South Africa. It invests and builds towers to lease to mobile network operators. The company was founded in 2008 and is headquartered in London, United Kingdom with additional offices in Kenya.

Airtel

Airtel Limited is a leading global telecommunications company with operations in 20 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 4 mobile service providers globally in terms of subscribers. The company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G,

3G wireless services and mobile commerce. Airtel had nearly 287 million customers across its operations at the end of Dec 2013.

The Commission will, in accordance with the provisions of the Regulations, determine among other things whether or not the merger is likely to substantially prevent or lessen competition within the Common Market. In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the merging parties to submit written representations to the Commission in regard to the subject matter of the proposed inquiry by emailing them to: wmwemba@comesa.int. All written representations should be sent to the Commission not later than **Monday, 8th June, 2015**.

If you wish to seek further details and/ or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Willard Mwemba, Manager Mergers and Acquisitions** on Tel: +265 (0) 1 772466 or E-mail wmwemba@comesa.int

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.