

SIMPLIFIED NOTIFICATION OF A CONCENTRATION

BETWEEN

CBRE Investment Management Infrastructure Inc.

AND

**Sørlandsruta AS, Norgesbuss AS, Trønderbilene AS, Torghatten Buss AS, TTS Bil og
Dekksenter AS and Fosen Verkstedservice AS**

27 September 2021

Contains business secrets

1 INTRODUCTION AND SUMMARY

We hereby provide the Norwegian Competition Authority ("**NCA**") with a simplified notification of a company concentration in accordance with section 18 of the Norwegian Competition Act (LOV-2004-03-05-12), and Section 3 of the Regulation on the notification of concentrations (11 December 2013 no. 1466) ("**Regulation**").

By virtue of the notified concentration, CBRE Investment Management Infrastructure Inc. ("**CBRE Investment Management Infrastructure**") plan to acquire 100 % of the shares and thus sole control over Sørlandsruta AS ("**Sørlandsruta**"), Norgesbuss AS ("**Norgesbuss**"), Trønderbilene AS ("**Trønderbilene**"), Torgghatten Buss AS ("**Torgghatten Buss**"), TTS Bil og Dekksenter AS ("**TTS Bil og Dekksenter**") and Fosen Verkstedservice AS ("**Fosen Verkstedservice**") (the "**Target Companies**") through the newly-formed acquisition company Triangle BidCo AS ("**Triangle BidCo**") (CBRE Investment Management Infrastructure and the Target Companies are together referred to as the "**Parties**") (the "**Transaction**").

Prior to the Transaction, the Target Companies are solely controlled by the Norwegian transport service group Torgghatten AS ("**Torgghatten**") and comprise Torgghatten's services within land transport. The acquisition of the Target Companies by CBRE Investment Management Infrastructure are interdependent and therefore constitute one single concentration.

The Transaction will be implemented by way of the Share Purchase Agreement dated 20 September 2021.

2 CONTACT INFORMATION

2.1 Notifying party

Name: CBRE Investment Management Infrastructure Inc.
Company reg no.: 2185663
Address: 141 Adelaide Street West, Suite 1500, Toronto, Ontario

Contact person: Advokatfirmaet Thommessen AS,
Eivind J Vesterkjær (eve@thommessen.no / +47 909 668 43),
Trine Siri Dahl (tsd@thommessen.no / +47 971 09 224) and
Karin Johanne Nordby (kjn@thommessen.no / +47 907 07 648)

Address: Ruseløkkveien 38, 0251 Oslo
P.O. Box: Postboks 1484 Vika, 0116 Oslo

2.2 The Target Companies

2.2.1 Sørlandsruta AS

Name: Sørlandsruta AS
Company reg no.: 976 722 450
Address: Sommerkroveien 18, 4515 Mandal

2.2.2 Norgesbuss AS

Name: Norgesbuss AS
Company reg no.: 971 654 007
Address: Rosenholmveien 25, 1414 Trollåsen

2.2.3 Trønderbilene AS

Name: Trønderbilene AS
Company reg no.: 979 217 102
Address: Lerkendalveien 2, 7604 Levanger

2.2.4 Torghattan Buss AS

Name: Torghattan Buss AS
Company reg no.: 939 499 032
Address: Havnegata 40, 8900 Brønnøysund

2.2.5 TTS Bil og Dekksenter AS

Name: TTS Bil og Dekksenter AS
Company reg no.: 971 507 195
Address: Industriveien 11, 8907

2.2.6 Fosen Verkstedservice AS

Name: Fosen Verkstedservice AS
Company reg no.: 993 438 189
Address: Vassneset, 7179 Åfjord

Contact person for the

Target Companies: Advokatfirmaet Selmer AS,
Attn: Ingar Solheim (lawyer) and Mads Helmich Pedersen (lawyer)

P.O. Box: Postboks 1324 Vika, N-0112 Oslo
Telephone: +47 23 11 65 00
E-mail address: i.solheim@selmer.no / m.pedersen@selmer.no

3 THE TYPE OF CONCENTRATION OF UNDERTAKINGS

Upon completion of the Share Purchase Agreement dated 20 September 2021, CBRE Investment Management Infrastructure will acquire 100 % of the shares and thus sole control over the Target Companies from Torghatten AS through the newly-formed company Triangle BidCo (company registration number 927 465 949).

The Transaction is subject to merger notification pursuant to Section 18, cf. Section 17 of the Norwegian Competition Act as each of the undertakings concerned have achieved turnover exceeding NOK 100 million and a combined turnover exceeding NOK 1 billion in Norway in the last completed financial year.

Completion of the Transaction is subject to clearance by the Norwegian Competition Authority. The Transaction is not subject to regulatory requirements from any other competition authorities.

4 THE CONDITIONS FOR SUBMITTING SIMPLIFIED NOTIFICATION ARE SATISFIED

The Transaction qualifies for a simplified notification in accordance with Section 3 first paragraph item 3 letters b and c of the Regulation.

As will be elaborated below, following the Transaction the Parties will not have a combined market share exceeding 20 % in any market with horizontal overlap, nor are there any markets with vertical overlap where the Parties' market share exceeds 30 %.

5 THE STRUCTURE AND BUSINESS AREAS OF THE UNDERTAKINGS

5.1 CBRE Investment Management Infrastructure

5.1.1 Legal and organizational structure

Triangle BidCo is an acquisition company used by CBRE Investment Management Infrastructure to pursue and complete the planned acquisition.

CBRE Investment Management Infrastructure is indirectly controlled by CBRE Group, Inc. ("**CBRE**"), which is a NYSE-listed Fortune 200 company. CBRE is a commercial real estate services and investment firm headquartered in Dallas, Texas.

CBRE's business is focused on providing services to both occupiers of and investors in real estate. For occupiers, CBRE provides facilities management, project management, transaction (both property sales and leasing) and consulting services. For investors, CBRE provides capital markets (property sales, commercial mortgage brokerage, loan origination and servicing), property leasing, investment management, property management, valuation and development services, among others.

CBRE provides commercial real estate services under the "CBRE" brand name, investment management services under the "CBRE Global Investors" brand name and development services under the "Trammell Crow Company" brand name.

CBRE Investment Management Infrastructure is under the "CBRE Global Investor" brand name and provides infrastructure investment management services.

CBRE Ownership Structure and Triangle BidCo Structure Chart is enclosed as (confidential) Appendix 1 and 2, respectively.

Appendix 1: CBRE Ownership Structure

Appendix 2: Triangle BidCo Structure Chart

A brief outline of the two portfolio companies Karlssonbuss i Vaggeryd AB and Norled AS, which are the only two CBRE portfolio companies active within passenger transport services, is included in section 5.1.2 and 5.1.3 below.

In addition, CBRE Investment Management Infrastructure controls Wanrack, LLC, a United States fiber optic cable company and AMP Solar Joint Venture, a US, Japan and India solar energy project. Furthermore, CBRE Investment Management Infrastructure jointly controls the following portfolio companies:

- Vantage Data Centers, a data center operator (United States)
- DataBank, a data center operator (United States)
- Intellihub, a smart metering company (Australia)
- First Gas, a gas utility (New Zealand)

As part of its real estate operations, CBRE has a small real estate operation in Norway, with 2020 revenues of less than [REDACTED]. Except for Norled (described in section 5.1.3 below), CBRE does not hold a controlling interest in any Norwegian company.

Further information about CBRE Group can be found on its website: <https://www.cbre.com/>.

5.1.2 *Karlssonbuss i Vaggeryd AB*

Karlssonbuss i Vaggeryd AB ("**Karlssonbuss**") is a bus transportation company that provides PTA bus services and school bus services.¹ Karlssonbuss is headquartered in Vaggeryd, Sweden and is only active within Southern Sweden.

5.1.3 *Norled AS*

Norled AS ("**Norled**") is a Norwegian ferry and express boat company with approximately 1,000 employees, headquartered in Stavanger. CBRE has joint control over Norled together with CapMan Infra.

Norled has a fleet of 80 ferries and express boats which operate ferry and express boat routes in various parts of Norway. The ferry and express boat routes are tender based, and the principal to these contracts are Norwegian public entities, normally counties or the Norwegian Public Roads Administration.

In addition to operating tender based ferry and express routes, Norled offers a limited number of package tours for tourists, as further described in section 7.2.2 below. Norled also supplies express boat services to the following companies that operate package tours; [REDACTED]

For more information about Norled, please see: <https://www.norled.no/>

5.2 **Target Companies**

5.2.1 *Legal and organizational structure*

Prior to the Transaction, all six Target Companies are solely controlled by the Norwegian transportation group Torghatten. The group offer services within passenger transport by land and sea through a number of subsidiaries. The Target Companies jointly constitute Torghatten's services within land transportation, internally denoted Torghatten Land, and offer services within bus transportation and workshops.

Four of the Target Companies, Sørlandsruta, Norgesbuss, Trønderbilene and Torghatten Buss, mainly offer services within scheduled bus services and school transportation services offered pursuant to contracts entered into with public authorities ("**PTA contracts**"). These contracts are normally announced for tenders at regular intervals, and the Target Companies participate in such tender competitions within their respective areas of business. In addition, Sørlandsruta, Norgesbuss, Trønderbilene and Torghatten Buss offer limited services within bus rental services and bus charter

¹ [REDACTED]

services. The last two Target Companies, TTS Bil og Dekksenter and Fosen Verkstedssenter, offer workshop services, including services to trucks and buses.

In total, the Target Companies has approximately 2,800 employees and a fleet of approximately 1,500 buses.

5.2.2 *Sørlandsruta AS*

Sørlandsruta provides bus transportation services in the South of Norway. The company operates public transport bus routes in the Agder region pursuant to agreements entered into with Agder Kollektivtrafikk, the local authority responsible for public transport. The contracts include both long-distance routes between larger cities in Agder, local routes and school transport in Farsund, Lyngdal, Lindesnes, Audnedal, Hægebostad, Mandal, Marnardal, Sirdal, Kvinesdal and Flekkefjord. Upon request, the company also offers touring and bus charter transportation.

The company has its head office in Mandal. Further, Sørlandsruta has bus facilities in Farsund as well as bus stations in Lyngdal, Kvinesdal, Flekkefjord, Svennevik, Kvinlog and Byremo.

Sørlandsruta has approximately 135 employees and approximately 100 buses at its disposal. All of the buses are currently serving under PTA contracts, but may be rented by others in certain cases.

5.2.3 *Norgesbuss AS*

Norgesbuss operates bus transportation services in Oslo, Viken, and Vestland. The company mainly offer services within public transport and school transport pursuant to public tender agreements.

Norgesbuss consists of the operative parent company Norgesbuss and the subsidiaries Firda Billag Buss AS, Norgesbuss Ekspress AS and OmniService AS.

- Firda Billag Buss AS (company registration number 997 269 853) offers bus transportation services pursuant to two public transport contracts in Sunnfjord and Nordfjord at the Norwegian west coast. In addition, the company operates two express routes in Vestland, one in cooperation with Tide and Vy in Vestland and one in cooperation with Vy from Vestland to Oslo. In addition, Firda Billag Buss offers bus rental services.
- Norgesbuss Ekspress AS (company registration number 976 981 502) operates four separate routes between Oslo and Oslo Airport Gardermoen. One of them is currently paused due to the Covid-19 pandemic.
- Omniservice AS (company registration number 919 424 001) primarily offers maintenance services for Norgesbuss' buses. OmniService AS has 3 service points with a total of 13

employees. The head office is located on Rosenholm in Oppegård municipality. The company has workshops at Kjøl in Nittedal, Lørenskog and Bjerkås.

In total, Norgesbuss has approximately 1,300 employees and 650 buses at its disposal. All of Norgesbuss' buses are currently serving under PTA contracts. Their subsidiary Firda Billag Buss has three dedicated rental buses operating within the commercial bus market.

5.2.4 *Trønderbilene AS*

Trønderbilene consists of the operative parent company Trønderbilene and the subsidiary Trønderbilene AB, as well as the real estate company Vassneset Eiendom and the two workshops GB Transportservice and TB Verkstedssenter.

- Trønderbilene's Norwegian bus offering operates public transport services and workshops in Trøndelag and Innlandet. The head office is located in Levanger. Trønderbilene has approximately 750 employees and approximately 550 buses at its disposal. The majority of the buses are currently serving under PTA contracts. Less than ten buses are used for full-time commercial bus operations.
- Trønderbilene AB (company registration number 559207-4958) is a wholly owned subsidiary of Trønderbilene. The company operates a public transport bus route in Jämtland, Sweden.
- Vassneset Eiendom AS (company registration number 993 412 023) is a real estate company.
- GB Transportservice AS (company registration number 945 447 125) is a combined car workshop and heavy vehicle workshop located in Støren, Trøndelag. The company offers service and repairs performed on both cars and heavier vehicles, such as vans, motorhomes, trucks, trailers, buses and construction machinery.

5.2.5 *Torghatten Buss AS*

Torghatten Buss operates public transport services in Nordland and Troms og Finnmark, with focus on routes in rural areas and school routes. Torgatten Buss consists of the operative parent company Torghatten Buss, as well as the subsidiary Tromsø Busscharter AS.

- Tromsø Busscharter AS (company registration number 912 039 722) is a buss charter company offering bus charter services in northern Norway.

Torghatten Buss has approximately 190 employees and approximately 165 buses at its disposal. The majority of the buses are currently serving under PTA contracts. Five of Torghatten Buss' buses are dedicated rental buses.

5.2.6 TTS Bil og Dekksenter AS

TTS Bil og Dekksenter is a workshop located in Brønnøysund in Nordland. The company provides services within repair and service of all car brands, heavier motor vehicles, vans and buses. This includes mechanical work, motor repair as well as damage repair and painting of cars, vans, trucks or buses. TTS Bil og Dekksenter has 14 employees.

5.2.7 Fosen Verkstedservice AS

Fosen Verkstedservice is a workshop for light and heavy vehicles located in Fosen, Trøndelag. The company performs maintenance services and repairs an all heavy vehicle brands, and sell tire equipment for trucks and buses. Fosen Verkstedservice has 8 employees.

6 TURNOVER AND OPERATING RESULT IN NORWAY FOR THE LAST FISCAL YEAR (2020)

Company	Turnover (in thousand NOK)	Operating result (in thousand NOK)
CBRE Group		
Sørlandsruta	120,594	8,077
Norgesbuss	1,567,920	20,649
Trønderbilene	575,588	191,520
Torghatten Buss	164,433	2,779
TTS Bil og Dekksenter	32,258	1,584
Fosen Verkstedsender	1,275	-399

7 OVERLAPPING ACTIVITIES

7.1 Introduction

As described above in section 5.2, the Target Companies are active within public and commercial bus transportation services. CBRE's portfolio companies Norled and Karlssonbuss provide services within express boats and ferries and public transportation services, respectively. In addition, both Parties has a limited offer of package/tourist tours, see section 5 above. These services are however not part of the same relevant markets, as will be shown below in section 7.2.1 and 7.2.2 below.

Further, CBRE's portfolio company Norled offers a limited number of tourist tours which involves a combination of bus and boat. As described in section 7.2.2 below, these tourist tours are based on the customer ordering and buying the additional necessary transport, such as bus transport, themselves.

Accordingly, there is no vertical overlap between Norled's offering of tourist tours and the Target Companies offering within commercial bus services.

In addition, CBRE has not been able to identify any other vertical overlaps between any of its activities and the activities of the Target Companies.

7.2 No or negligible horizontal overlaps

7.2.1 Public transport by bus

7.2.1.1 Product market and geographic market

As described above, the Target Companies' activities primarily relate to public passenger transport services by bus. In addition, the Target Companies have some activities within the provision of commercial bus touring services.

The EU Commission ("**Commission**") has previously defined separate markets for the award of contracts to operate public transport bus services (the "**PTA market**") and the market for the provision of commercial long-distance services, and also considered further segmentations within those markets.³

The market for public transport services have been considered by the Commission as national in scope, while the commercial long-distance were considered with a point-to-point approach.⁴ The Parties submit that the PTA market is national in scope, while the commercial bus market may be wider, e.g. including the Nordic countries. For the purposes of this notification, the Parties submit that the exact market definition can be left open as the Transaction not under any plausible market definition significantly will impede effective competition.

7.2.1.2 Competitive analysis

There are no horizontal overlaps between the Parties' activities within passenger transport services by bus in Norway. While the Target Companies have activities within public transport bus services and certain commercial bus touring services, CBRE is not active within such services in Norway.

For completeness, the Parties notes that CBRE's portfolio company Norled offers certain express boat routes as part of the services within passenger transport that may share start and stop points with express busses operating within the same area. This includes the following boat routes: (i) Bergen – Sogndal, (ii) Bergen – Austevoll, (iii) Bergen – Sunnhordland, and (iv) Aker Brygge – Vollen.

Although there in theory may be some competition between bus and boat passenger transport in certain areas, the Parties submit that these services constitute distinct product markets. The NCA has

³ COMP/M.6818 - *DB/Veolia* para 19-26. The NCA seem to have acknowledged a similar approach in ESA's decision 042/19/COL para 41-46.

⁴ See COMP/M.6818 - *DB/Veolia* para 29-34.

previously defined a separate product market for the operation of ferry routes,⁵ and discussed whether that market also includes express boat services.⁶ In line with the Commission's practice, the Parties consider a segmentation based on means of transport to be appropriate.

The Parties also note that CBRE's Swedish portfolio company Karlssonbuss offers passenger services by bus in the Swedish market. Karlssonbuss is headquartered in Vaggeryd in Jönköping. Trønderbilene operates a single public contract within the Swedish market for public passenger services by bus in another region, Jämtland, through its subsidiary Trønderbilene AB.⁷

Based on the lack of overlap, the PTA market is not further assessed in this notification.

7.2.2 *Package tours / travel services*

7.2.2.1 Product market

The Parties are not aware that the NCA or the Commission has previously defined a market for package tours services.

As described above, Norled organises and sells package tours where express boats are used in order to provide tours to various tourist attractions. The Parties further note that the Target company Tromsø Busscharter, a subsidiary of Torghatten Buss, has an offering of charter bus rides in Northern Norway, as described in section 5.2.5 above. The Parties consider that the same tourist attractions can be reached by other means of transportation, such as trains, ferries and buses.

The Parties understand that the destination constitutes the main attraction of a package tour, and acknowledge that many package tours combine different forms of transport such as boat and bus and may therefore not be segmented further based on means of transport. However, in the view of the Parties, there are often clear customer preferences with regard to the mode of transportation, e.g. with regard to scenic views from a boat as compared to views from a bus. This indicates that not all forms of package tours are substitutable. As the transaction will not significantly impede competition under any plausible market definition, the exact delineation can nevertheless be left open.

7.2.2.2 Geographical market

The Commission has previously considered that the market for travel agency services is national in scope.⁸ The Parties are not aware of any precedents from the Commission or the NCA concerning

⁵ V2016-5- *Sogn og Fjordane fylkeskommune - Torghatten ASA*, para. 104.

⁶ V2016-5- *Sogn og Fjordane fylkeskommune - Torghatten ASA*, para. 93 – 103.

⁷ Note that the revenue generated through Trønderbilene AB is below the merger notification threshold in Sweden.

⁸ M.8862 – *GBT/HRG* para 46.

package tours. Since the transaction will not significantly impede competition under any plausible market definition, the exact delineation can be left open.

7.2.2.3 Competitive analysis

In the narrowest plausible market (regional market for the provision of package tours/travel services), there is no horizontal overlap between the Parties since CBRE (Norled) solely operates at the Norwegian west coast and Tromsø Busscharter solely operates in Northern Norway.

If the NCA considers the market to be national in scope, the Parties submit that the overlap is unable to negatively affect competition.

The potential market for package tours in Norway contains a number of market players offering highly differentiated package tours, compiled by different destinations and different means of transport. The potential market for package tours in Norway is a diverse market, characterized by strong competition and low barriers of entry. Due to the comprehensive scope of the potential market, the Parties are unable to provide an accurate estimate of their market shares. However, as both CBRE (Norled) and the Target Companies (Tromsø Busscharter) offer very limited services within this market, the Parties submit that their market shares are negligible, and in any case far below 20 % whether the market is considered as national or regional in scope.

For completeness, the Parties have included a list of their five most important customers, competitors and suppliers in the potential market for package tours in Norway, cf. section 3 second paragraph letter d) of the Regulation.










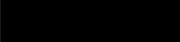

7.2.2.4 Torghatten (Tromsø Busscharter)

Customers	Competitors	Suppliers
[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	
	[REDACTED]	
	[REDACTED]	

⁹ Tromsø Busscharter's customers are primarily private persons. For completeness, Tromsø Busscharter also supply bus transportation services to the following companies [REDACTED]

¹⁰ Tromsø Busscharter [REDACTED]

7.2.2.5 CBRE (Norled)

Customers	Competitors	Suppliers
 ¹¹		
		
		
		
		

8 ANNUAL REPORTS AND FINANCIAL STATEMENTS

CBRE Group's Annual Report for 2020 is available on: <https://ir.cbre.com/financials-information/financial-results/default.aspx>.

The Target Companies' annual reports and financial statements are enclosed as Appendix 3 – 8.

Appendix 3: Sørlandsruta Annual Report and Financial Statement

Appendix 4: Norgesbuss Annual Report and Financial Statement

Appendix 5: Trønderbilene Annual Report and Financial Statement

Appendix 6: Torghatten Buss Annual Report and Financial Statement

Appendix 7: TTS Bil og Dekksenter Annual Report and Financial Statement

Appendix 8: Fosen Verkstedsenter Annual Report and Financial Statement

9 DISCLOSURE/PUBLIC ACCESS

This notification contains business secrets, cf. Section 18 b of the Competition Act. All business secrets are highlighted in yellow in Appendix 9. The notification also includes confidential appendices.

¹¹  For completeness, Norled supplies tour operators as described in section 5.1.3 above.

Justification for business secrets is set out in a separate appendix. That explanatory document is also considered as confidential information in its entirety.

Appendix 9: Confidential version

Appendix 10: Justification of business secrets

We kindly ask to be notified should the Competition Authority receive any requests for access to this notification or other documents in the case.

Best regards,

Advokatfirmaet Thommessen AS



Eivind J. Vesterkjær
Advokat