



ASX Announcement

9 October 2014

Update on JobStreet Transaction

Please refer to the attached document from the Competition Commission of Singapore in regards to the JobStreet transaction. SEEK to provide updates if and when they become available.



MEDIA RELEASE

8 October 2014

CCS Consults on Divestiture Commitment Proposed by SEEK Ltd. and SEEK Asia Investments Pte. Ltd. in relation to the Proposed Acquisition of JobStreet Singapore

1. The Competition Commission of Singapore (“CCS”) received a merger notification for decision on 20 February 2014 on the proposed acquisition by Seek Ltd. and Seek Asia Investments Pte. Ltd. (“Seek Asia”) (collectively “SEEK”) of 100 per cent of the issued share capital in certain recruitment business assets of the JobStreet Corporation Berhad, including JobStreet.com Pte. Ltd. (“JobStreet Singapore”), (collectively “the Parties”) (“the Proposed Acquisition”).
2. Seek Asia, through its related entities, offers online recruitment advertising services and recruitment solutions in Singapore through its online platform jobsDB.com.sg. JobStreet Singapore which operates the online platform, JobsStreet.com.sg in Singapore is in the same industry, similarly offering online recruitment advertising services and recruitment solutions in Singapore. The Proposed Acquisition will bring together the two main online recruitment advertising service providers in Singapore, each with a substantial employer / recruiter customer and jobseeker databases.
3. The notification was made under section 57 of the Competition Act (Chapter 50 B) (“the Act”) in relation to section 54 of the Act which prohibits mergers that have resulted, or may be expected to result, in a substantial lessening of competition within any market in Singapore.
4. CCS completed the Phase 1 review of the notification in April 2014 but was unable to conclude that the Proposed Acquisition would not raise competition

concerns, based on information furnished during the Phase 1 review. The Parties filed Form M2 on 12 May 2014 and the Proposed Acquisition proceeded to a Phase 2 review.¹

5. On 21 August 2014 CCS commenced market consultation on the proposed behavioral commitments ("Proposed Commitments") offered by SEEK in respect of the Proposed Acquisition in order to address the potential competition concerns that may arise as a result of the Proposed Acquisition ("First Market Consultation").² The First Market Consultation concluded on 5 September 2014.

6. In the course of the First Market Consultation, CCS received information that SEEK owns and operates jobs.com.sg in Singapore. SEEK acquired jobs.com.sg on 26 November 2013 through the acquisition of all the shares in Job Seeker Pty Ltd, which is an online recruitment aggregator based in Australia. Jobs.com.sg is an aggregator site which aggregates recruitment advertisements listed on other online job portals. This information had not been disclosed to CCS earlier by the Parties. SEEK has since confirmed its ownership and operation of job.com.sg and explained that the omission was inadvertent.

7. CCS considers this piece of information to be material to CCS's assessment of the merger.

8. To address the potential competition concerns that may arise from SEEK's ownership of the aggregator site, Jobs.com.sg, CCS today commenced market consultation on the proposed divestiture commitment offered by SEEK ("Proposed Divestiture Commitment"). The Proposed Divestiture Commitment is in addition to the Proposed Commitments which were the subject of the First Market Consultation.

9. The Proposed Divestiture Commitment provides that SEEK will divest, as a going concern, the assets of jobs.com.sg, which include:

- a) the domain name <http://www.jobs.com.sg> and the website operated from that domain by Job Seeker Pty Ltd; and
- b) rights, title and interest to use the technology used to crawl websites with job opportunities, receive information on job opportunities via XML feeds, and make such job opportunities searchable on the website located at <http://www.jobs.com.sg>, for the sole purpose of providing products and

¹ Refer to Annex 1 for an explanation of the Phases 1 and 2 merger reviews.

² Refer to Annex 2 for an explanation of the proposed behavioural commitments the subject of the First Market Consultation.

services towards the Singapore recruitment market on the domain <http://www.jobs.com.sg>. (collectively, the “Divestment Business”)

10. SEEK further commits to find a purchaser and to enter into a sale and purchase agreement for the sale of the Divestment Business within six (6) calendar months, commencing from the date of the completion of the Proposed Acquisition or the date of decision issued by CCS in relation to the Proposed Acquisition, whichever is later. Failing which, SEEK commits to appoint one or more independent persons to sell the Divestment Business at no minimum price to a purchaser.

Public Consultation

11. CCS now seeks views from market participants to assist its consideration of the Proposed Divestiture Commitment and its determination of whether the Proposed Divestiture Commitment (together with the Proposed Commitments) would be likely to address the potential competition concerns arising from SEEK’s ownership of Jobs.com.sg. Following market consultation, CCS will decide whether to accept or reject the Proposed Divestiture Commitment as well as the Proposed Commitments.

12. More information on the public consultation can be accessed and downloaded from the CCS website at www.ccs.gov.sg under the section “[Public Register and Consultation](#)”. The closing date for submissions is 17 October 2014. If the submission/correspondence contains confidential information, please also provide CCS with a non-confidential version of the submission or correspondence.

About The Competition Commission of Singapore (CCS)

CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe the Act and impose suitable remedies, directions and financial penalties.

For more information, please visit www.ccs.gov.sg.

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Annex 1

Phase 1 and Phase 2 Merger Review

Set out below is a description of the Phase 1 and Phase 2 merger review conducted by CCS. Further details can be found in the *CCS Guidelines on Merger Procedures 2012*.

A Phase 1 review entails a quick review and allows merger situations which do not raise competition concerns under the section 54 prohibition to proceed. CCS expects to complete a Phase 1 review within 30 business days. By the end of this period, CCS will determine whether to issue a favourable decision and allow the merger situation to proceed. If CCS is unable, at the end of the 30-day period, to conclude that the merger situation will not result in a substantial lessening of competition, CCS will inform the merger parties and the merger parties may file Form M2. Upon receipt of Form M2, CCS will proceed to a Phase 2 review.

A Phase 2 review entails a more detailed and extensive examination of the merger situation. While the principles of substantive assessment are the same, CCS will require access to more extensive and detailed information regarding the merger parties and the markets in question.

As the Phase 2 review is more complex, CCS will endeavour to complete a Phase 2 review within 120 business days.

Annex 2

First Market Consultation

On 21 August 2014 CCS commenced market consultation on the proposed behavioral commitments offered by SEEK in respect of the Proposed Acquisition in order to address the potential competition concerns that may arise as a result of the Proposed Acquisition.

The proposed behavioural commitments that were the subject of the First Market Consultation are as follows:

- a) SEEK will be prevented from entering in exclusive agreements with employer and recruiter customers. By deterring exclusivity, the Proposed Commitments aim to retain the current practice of multi-homing (i.e. utilising more than one online recruitment advertising service platform) by employers and recruiters, as well as jobseekers. It further aims to keep barriers to entry and expansion low, and preserve competition in the market for online recruitment advertising services;
- b) SEEK will be required to maintain current pricing of its services capped at present day rate cards or current day negotiated prices, subject to Consumer Price Index variations. By capping pricing at current levels, the Proposed Commitments seek to address concerns identified by market participants during the Phase 1 and 2 reviews that the closeness of competition between JobsDB Singapore and JobStreet Singapore is likely to cause prices to rise post-merger; and
- c) The term of the commitments will be for a period of 3 years from the date of completion of the Proposed Acquisition.

CCS has completed the First Market Consultation on 5 September 2014.

CCS has not yet announced whether it will accept or reject the proposed behavioral commitments.

The Proposed Divestiture Commitment is in addition to the proposed behavioral commitments the subject of the First Market Consultation.