

***Case No COMP/M.4322 -
MORGAN STANLEY /
IHG / PORTFOLIO
HOTELS***

Only the English text is available and authentic.

**REGULATION (EC) No 139/2004
MERGER PROCEDURE**

Article 6(1)(b) NON-OPPOSITION
Date: 01/09/2006

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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 01-IX-2006

SG-Greffe(2006) D/204927

MERGER PROCEDURE
ARTICLE 6(1)(b) DECISION

SIMPLIFIED PROCEDURE

PUBLIC VERSION

To the notifying parties

Dear Sirs,

**Subject: Case No. COMP/M.4322 - Morgan Stanley/IHG/Portfolio Hotels
Notification of 27.07.2006 pursuant to Article 4 of Council Regulation (EC) No. 139/2004¹
Publication in the Official Journal of the European Union No. C182,
04.08.2006, page 10**

1. On 27.07.2006, the Commission received notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No. 139/2004 by which the undertakings Morgan Stanley Real Estate F International Funding, L.P. (“MSREF”, US) and InterContinental Hotels Group plc (“IHG”, UK) acquire within the meaning of Article 3(1)(b) of the Council Regulation joint control of seven InterContinental-branded hotels located in the European Union (the “Portfolio Hotels”), currently owned by IHG, via purchase of shares and management contracts.

¹ OJ L 24, 29.1.2004 p. 1

2. The business activities of the undertakings concerned are:
 - for MSREF : real estate investment and management.
 - for IHG: ownership, management and franchising of hotels on a world-wide basis.
3. After examination of the notification, the Commission has concluded that the notified operation falls within the scope of Council Regulation (EC) No. 139/2004 and of paragraph 5, subparagraph c, of the Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No. 139/2004².
4. For the reasons set out in the Notice on a simplified procedure, the Commission has decided not to oppose the notified operation and to declare it compatible with the common market and with the EEA Agreement. This decision is adopted in application of Article 6(1)(b) of Council Regulation (EC) No. 139/2004.

For the Commission
signed
Philip LOWE
Director General

² OJ C 56, 05.3.2005 p.32