

Case summary:

Class: UP/I 034-03/16-02/011

Reg.no: 580-11/107-2017-004

Zagreb, 26 January 2017

Subject: Spar AG, Austria and Billa d.o.o., Zagreb, Billa Nekretnine d.o.o., Zagreb, Minaco d.o.o., Zagreb

- Assessment of compatibility of concentration

- Notice on compatibility of the concentration in Phase I;

The Croatian Competition Agency (CCA) cleared in the first phase the acquisition of direct controlling interest by the undertaking SPAR Österreichische Warenhandels-AG, Austria, 5015 Salzburg, Europastrasse 3, over the undertakings Billa, limited liability company, Zagreb, Billa Nekretnine d.o.o. Zagreb, and Minaco d. o. o. Zagreb, on a permanent basis, by acquiring a 100 % share in the companies concerned within the meaning of Article 15 paragraph 1 item 2 of the Competition Act (Official Gazette 79/09 and 80/13).

Based on the complete preliminary notification of concentration within the meaning of Article 20 of the Competition Act, the defined structure of the relevant market that involved both the actual competitors (incumbents) and the potential competitors, the post-merger market share of the parties to the concentration, expected effects of the concentration in the form of benefits for the consumers, as well as other data and findings, the Competition Council found in its session held on 26 January 2017 that it can be reasonably presumed that this concrete concentration between the undertakings concerned cannot constitute a prohibited concentration in the sense of Article 16 of the Competition Act.

After no replies or comments to the CCA public request for information have been submitted, the CCA assessed that the concentration of the undertakings in question would produce no negative effects in the relevant market in the Republic of Croatia.

Consequently, the CCA adopted the decision clearing the concentration in Phase I pursuant to Article 22 paragraph 1 of the Competition Act.

Concretely, by the implementation of the concentration at issue through Spar Hrvatska Spar AG acquires the entire operation of Billa, Billa Nekretnine and Minaco. This includes all retail shops of Billa and managing the operation of Billa Nekretnine and Minaco. The concentration will produce effects on the groceries retail market. In line with the CCA Retail Market Study from 2015 and the data submitted by the notifying party the combined market share after the implementation of the concentration will amount to less than 10 per cent in the national market.