



ΚΥΠΡΙΑΚΗ
ΔΗΜΟΚΡΑΤΙΑ



Decision CPC: 14/2019

Case Number 8.13.019.11

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW
No. 83(I)/2014**

**Notification of a concentration concerning the acquisition of the share capital
of Katama Ltd by PHC Holdings Corporation.**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karidis,	Member
Mr. Aristos Aristidou Palouzas,	Member
Mr. Panayiotis Oustas,	Member
Mr Polinikis-Panagiotis Charalambides	Member

Date of decision: 18/03/2019

SUMMARY OF THE DECISION

On 25/02/2019, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of PHC Holdings Corporations Ltd, (hereinafter the “PHCHD”), a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the “Law”) and it concerns the acquisition of the issued and outstanding equity interest of Katama Ltd (hereinafter the “Katama”) by PHCHD which is owned by investment funds consulting or managing affiliated companies of KKR & Co. Inc. (hereinafter referred to as “KKR”)) .

KKR & Co. Inc., is listed in the New York Stock Exchange and is a global investment firm, which offers a broad range of alternative asset funds and other investment products to investors. The said company also provides capital markets solutions for the firm, its portfolio companies and other clients. KKR's affiliated private equity funds invest in companies in a variety of sectors.

PHC Holdings Corporation is a company duly registered under the laws of Japan. The said company's previous name was Panasonic Healthcare Holdings Co., Ltd and it develops, manufactures and sells healthcare devices and services in the form of "in vitro" diagnostics and "life science" devices and services, which are sold worldwide.

Katama Ltd ("the Target") is a limited liability company duly registered under the laws of Cayman Islands. The said company is active, among others, in the development, manufacturing and sale of healthcare devices and services, with specialization in the field of diagnostic histology.

The transaction is based on a Purchase and Sale agreement (hereinafter the "Agreement") dated 28/01/2019, between Thermofisher Scientific Inc. ("seller") and PHCHD ("buyer").

Based on the provisions of the Agreement, 100% of the share capital of Katama would be acquired by PHCHD. It is noted that according to the notified concentration, the Anatomical Pathology Company of Thermofisher Scientific Inc. is not part of the transaction under consideration since it will be carved out.

Taking into account the above mentioned facts, the Commission concluded that the transaction in question constitutes a concentration within the meaning of Article 6(1) (a)(ii) of the Law because it will result in a change of control on a permanent basis of Katama which will be obtained by PHCHD.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3(2)(a) of the Law were satisfied and therefore the notified transaction was of major importance under the Law.

The Commission, for the purposes of evaluating this concentration, defined the relevant product/service market as the market of clinical diagnostics "in vitro" which can be divided into the following submarkets:

A) diagnostic reagents which are divided into: 1. Clinical chemistry, 2. Immunochemistry, 3. Hematology / histology, 4. Microbiology, 5. Squamous immunology and 6. Genetic control.

B) organs / consumables which are divided into: 1. Clinical Chemistry / Immunochemistry Instruments, 2. Hematology / Hemostasis / Histology / Cytology Instruments, 3. Microbiology Instruments, 4. Nucleic Acid Test Instruments, and 5. Sample Processing Systems.

For the purposes of the present case, the territory of the Republic of Cyprus has been defined as a geographic market for the market of the clinical diagnostics “in vitro” and its submarkets.

According with the undertaking concerned, this concentration does not lead to any horizontal overlap, vertical integration or combination thereof in Cyprus and hence, the concentration will not affect the Cypriot market and its competitive environment.

Considering the above, the Commission concludes that there is no affected market based on Annex I of the Law.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market and therefore the concentration does not raise serious doubts as to its compatibility with the operation of competition in the market.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition