

**THE CONTROL OF CONCENTRATIONS
BETWEEN ENTERPRISES LAWS 1999 TO 2000**

Notification of a concentration concerning the acquisition of the share capital of Eurobank Ergasias S.A. by National Bank of Greece S.A., through a Public Offer

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Leontios Vryonides,	Member
Mrs. Eleni Karaoli,	Member
Mr. Costas Melanides	Member

Date of decision: 17 December 2012

SUMMARY OF THE DECISION

On the 21st of November 2012, the Commission for the Protection of Competition (hereinafter the «Commission») received a notification of a proposed concentration on behalf National Bank of Greece S.A. (hereinafter the «NBG»), in accordance with section 13 of the Control of Concentrations between Enterprises Law (Number 22(I)/99) (hereinafter the «Law»).

The concentration concerns the acquisition of the share capital of Eurobank Ergasias S.A. (hereinafter the «Eurobank») by NBG, through a Public Offer.

NBG is an anonymous company registered in accordance with the Greek Law. The company's shares are traded in the Athens and New York Stock Exchanges and NBG is active in the banking and financial sector.

Eurobank is an anonymous company registered in accordance with the Greek Law. The company's shares are traded in the Athens Stock Exchange and Eurobank is active in the banking and financial sector.

This transaction is based on a Public Offer which was announced by NBG on the 5th of October 2012 and concerns the acquisition of all the outstanding ordinary registered shares issued of Eurobank.

It is noted by the Commission that some of the shareholders of Eurobank who represent 43,6% of the share capital and the voting rights of Eurobank, have already agreed to accept the Public Offer. Moreover, taking into consideration the fact that the remaining shareholders of Eurobank do not hold directly or indirectly each one of them more than 4,38% of the share capital, the Commission decided that the percentage of 43,6%, mentioned earlier, gives control to NBG over Eurobank. Regarding the majority of shareholding, the Commission took into consideration the European's Commission decision Arjomari Wiggins Teape.¹

The Commission, taking into account the facts concerning this concentration concluded that this transaction constitutes a concentration within the meaning of section 4 (1) (b) of the Law, since it results in the acquisition of the share capital of Eurobank by NBG.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set in section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance, within the scope of the Law. According to the notification, the aggregate turnover achieved by Eurobank and NBG in relation to each one of them for 2011, exceeded 3.417.203 euro. In addition, Eurobank Cyprus Ltd (hereinafter the «Eurobank Cy») and National Bank of Greece (Cyprus) Ltd (hereinafter the «NBG Cy») engage in commercial activities within the Republic of Cyprus and their aggregate turnover for 2011 exceeded 3.417.203 euro.

Moreover, Eurobank Cy and NBG Cy are both active in the banking and financial sector whereas only NBG Cy is active in the insurance services sector.

The relevant product/services market in this case is defined as 1) the provision of loans and 2) the provision of deposits. The definition of the geographic market for the relevant product/services market in this case is the Republic of Cyprus.

As we have stated earlier, both undertakings are active in the same market; however the Commission considers that there is no affected market, since the combined market share of the undertakings is under the threshold set by the Law.

The Commission, on the basis of the factual and legal circumstances, applying the relevant provisions of the Law and taking into consideration the report of the Service, unanimously decided that this concentration does not create or strengthen a

¹ Case No. IV/M.025 – Arjomari Wiggins Teape, 10/2/1990.

dominant position as there is no affected market and therefore the concentration does not raise serious doubts as to its compatibility with the competitive market.

Therefore, the Commission, acting in accordance with section 18 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the requirements of the competitive market.

Loukia Christodoulou

Chairman of the Commission for the Protection of Competition