



**ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ**

**ΚΥΠΡΙΑΚΗ
ΔΗΜΟΚΡΑΤΙΑ**

Decision CPC: 46/2019

Case Number: 8.13.019.27

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

**Notification of a concentration concerning the acquisition of SIA S.p.A share
capital by FSIA Investimenti S.r.l.**

Commission for the Protection of Competition:

Mr. Panayiotis Oustas	Chairperson
Mr. Andreas Karidis	Member
Mr. Aristos Aristidou Palousas	Member
Mr. Polynikis-Panayiotis Charalambides	Member

Date of Decision: 6 September 2019

DECISION SUMMARY

The Commission for the Protection of Competition (hereinafter the “Commission”) received notification with regard to a proposed concentration, on behalf of CDP Equity S.p.A. (hereinafter «CDP Equity») και FSIA Investimenti S.r.l. (hereinafter «FSIA»). The notification was filed on 5/7/2019, in accordance with Section 10 of Law 83(I)/14 regarding the Control of Concentrations between Enterprises (hereinafter the “Law”).

The concentration is accomplished by way of purchase of shares. Specifically, FSIA shall acquire 100% of the share capital of SIA S.p.A. (hereinafter «SIA» or «Target»).

FSIA Investimenti S.r.l is a company duly registered under the laws of Italy. It is an investment portfolio company and it is jointly controlled by GDP and POSTE.

CDP is a portfolio company whose majority shares are owned by the Italian Ministry of Economics, however it has an autonomous status and it is not controlled by the Ministry.

POSTE is a portfolio company of the Poste Italiane Group and is controlled by the Italian Ministry of Economics. The POSTE group is active in the postal services, parcel delivery, mobile and digital services, payments, financial and insurance services.

SIA is a company duly registered under the laws of Italy. SIA is an Information and communications technology company providing solutions and technologies to the banking, finance and public sector in addition to platforms for financial markets and e-payment services.

The details of the concentration are set forth in three Agreements:

- 1) Agreement dated 28 May 2019 between Intesa Sanpaolo S. P. A and UniCredit S. P. A on the one hand, and FSIA on the other hand, on the exercise from the last purchase option on the shares of the first two, in accordance with the shareholders ' agreement of 29 November 2013 in relation to the target enterprise,
- 2) Agreement on the sale and purchase of shares dated May 27, 2019, between F2i Reti Logiche S.R.L., CDP Equity and FSIA Investimenti S.p.A. on the target enterprise,
- 3) Agreement on the sale and purchase of shares dated May 27, 2019, between the Orizzonte Infrastrutture Tecnologiche S. R. L and CDP Equity on the target enterprise.

On the basis of the above agreements, after the completion of the proposed transaction, FSIA will increase its share capital in SIA to 57,4%, through the exercise of purchase option of the shares held by Intesa and UniCredit. At the same time, CDP Equity will directly acquire the shares of F2i (17,05% of shares) and Orizzonte (8,64% of the shares). As a result, CDP Equity will hold a direct 25,69% stake in SIA.

This direct participation of CDP Equity in the target enterprise will coexist together with its indirect participation (through FSIA) in the target enterprise.

According to the undertakings concerned, on the basis of the agreements, FSIA will acquire the control of SIA. This control will be achieved as FSIA will acquire the majority of the target company's shares and after the implementation of the transaction will have the possibility of decisive control over the SIA. In particular, FSIA will hold more than 51% of the share capital of SIA and in accordance with article 19 (a) of the SIA statute, it will be entitled to appoint 9 of the 11 members of the Board of Directors. The remaining 2 members will be selected from a list voted by the minority of shareholders, in accordance with article 19 (b) of the Statute.

In view of the above, the Commission concludes that the transaction constitutes a concentration within the meaning of Section 6(1)(a)(ii) of the Law, since it leads to a change of control of the Target on a lasting basis.

The Commission additionally finds that the criteria set forth by Section 3(2)(a) of the Law are met, and thus the notified concentration is of major importance, falling within the scope of the Law.

For the purposes of assessing the merger, the Commission concluded that the relevant product / service markets are defined as the provision of transaction processing services for Publishers (Issuing Market). The Commission further concluded that the geographic market is defined as the Republic of Cyprus.

Based on the information provided by the parties, there is no horizontal overlap, vertical or other relationship between the activities of the parties in the relevant market.

CDP's turnover in Cyprus comes from the development of software and the drafting of technical specifications concerning shipping companies, the provision of safety valves, from offshore drilling activities. The turnover of POSTE in Cyprus comes from mail exchange and parcel services, which was supplied by Cyprus postal companies itself to Italy. As mentioned by the parties concerned, the turnover of the target enterprise in Cyprus derives mainly from the provision of transaction processing services for issuers (Issuing market) and network services.

The Commission concluded that, on the basis of Annex I of the Law, the proposed merger will not give rise to any affected markets.

On the basis of the factual and legal circumstances of the case before it, the Commission unanimously decided that the concentration under consideration neither creates nor strengthens a dominant position, as there is no affected market, and therefore does not raise serious doubts as to its compatibility with the operation of competition in the market.

In conclusion, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declares it compatible with the operation of competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition