

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

**Notification concerning the acquisition of KPMG Statsautoriseret  
Revisionspartnerselskab from Ernst & Young Europe LLP, through Ernst &  
Young P/S**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mrs. Eleni Karaoli	Member
Mr. Andreas Karides	Member
Mr. Charis Pastellis	Member
Mr. Christos Tsingis	Member

Date of decision: 24 January 2014

**SUMMARY OF THE DECISION**

On the 4<sup>th</sup> of December 2013, the Commission for the Protection of Competition (hereinafter the «Commission») received a notification of the proposed concentration on behalf of Ernst & Young Europe LLP, 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 KPMG Statsautoriseret Revisionspartnerselskab (hereinafter the « KPMG P/S»), through Ernst & Young P/S (hereinafter the « E&Y P/S»).

E&Y P/S is a member of Ernst & Young Global Ltd which is a limited liability company registered in the United Kingdom. The control of the members of Ernst & Young Global Ltd in European Union is exercised by Ernst & Young Europe LLP (hereinafter the «ELLP»). E&Y P/S offers audit and accounting services, tax advisory services and management consultancy.

KPMG P/S is a member of KPMG International Cooperative which runs the KPMG International network of companies. KPMG P/S offers audit and accounting services, tax advisory services and management consultancy.

This transaction was based on an agreement dated 19/11/2013 between E&Y P/S and KPMG P/S. The target company, KPMG P/S, with the completion of the transaction will be controlled by ELLP.

The Commission, taking into account the above facts and events concerning this concentration has concluded that this transaction constitutes a concentration within the meaning of section 4 (1) (b) of the Law, since it leads to a permanent change of control of KPMG P/S.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3(2) (α) of the Law were satisfied and therefore the notified transaction was of major importance under the Law. According to the notification, the aggregate turnover achieved by Ernst & Young Global Ltd and KPMG P/S exceeded, in relation to each one of them 3.417.203 euro. Furthermore both parties, engaged in commercial activities within the Republic of Cyprus and the total turnover which relates to the supply of goods and services within the Republic exceeded 3.417.203 euro.

The relevant product markets in this case were defined as (1) the provision of audit and accounting services, (2) the provision of tax advisory services, (3) the provision of management consultancy services. The geographic market for all the relevant product/services markets in this case was defined as the Republic of Cyprus.

There is a horizontal overlap of the activities of the parties, but their combined market share is below 15% and therefore there is no affected market.

The Commission, on the basis of the evidence before it, and taking into consideration the report of the Service, 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 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  
Chairperson of the Commission for the Protection of Competition