

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

**Notification of concentration regarding the acquisition of share capital of  
CTC-ARI (Holdings) Limited by Aer Rianta International (Middle East) W.L.L.**

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: 20 June 2014

**SUMMARY OF THE DECISION**

On 4 June 2014, the Commission for the Protection of Competition (hereinafter the «Commission») received notification of a proposed concentration by Aer Rianta International (Middle East) W.L.L. (hereinafter «ARIME») and CTC-ARI (Holdings) Limited (hereinafter «CTC-ARI»), in accordance with section 13 of the Control of Concentrations between Enterprises Law (Number 22(I)/99) (hereinafter the «Law»). The notification concerns the acquisition of 50% of the share capital of CTC-ARI by ARIME, which belongs to Ermes Department Stores Public Limited (hereinafter «Ermes»). The remaining 50% of the share capital of CTC-ARI is already held by ARIME.

Aer Rianta International (Middle East) W.L.L. is a company duly registered under the laws of Bahrain and is active, primarily, in the trade of goods for duty-free shops and the provision of administrative and technical services for the creation, operation and management of duty-free shops under relevant agreements.

CTC-ARI (Holdings) Limited is a company duly registered under the laws of Cyprus and 50% of its share capital is held by ARIME, and the rest 50% by Ermes. CTC-ARI is an investment holding company with three subsidiary companies which are CTC-ARI Airports, Wolcom Limited and Apolmart Limited. CTC-ARI Airports is active in the operation and management of retail stores in the airports of Larnaca and Paphos. Wolcom Limited is active in the operation and management of retail stores in Limassol port. Apolmart Limited owns land in Aradhippou.

The acquisition of 50% of the share capital of CTC-ARI by ARIME was held in accordance with the Articles of Association of CTC-ARI. The Commission deems that for purposes of assessing this merger, the agreement was concluded with the Letter of Acceptance of Ermes offer by ARIME, dated 29/5/2014.

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 results in the acquisition of sole control of CTC-ARI by ARIME.

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 concentration was of major importance under the Law. According to the notification, the aggregate turnover achieved by ARIME and CTC-ARI for the year 2013, exceeded, in relation to each one of them, 3.417.203 euro. In addition, both ARIME and CTC-ARI engage in commercial activities within the Republic of Cyprus and their aggregate turnover for the supply of goods or services within the Republic for the year 2013 exceeded 3.417.203 euro.

ARIME is active, primarily, in the trade of goods for duty-free shops and the provision of administrative and technical services for the creation, operation and management of duty-free shops in accordance with relevant agreements.

CTC-ARI, through its subsidiary CTC-ARI Airports, is active in the management and operation of retail outlets at Larnaca and Paphos airports and through its subsidiary Wolcom Ltd, in the management and operation of retail outlets at Limassol port.

The Commission for purposes of evaluating this concentration determined the relevant product/service market as the provision of retail travel services at airports and ports. The geographical market in this case was defined as the airports of Larnaca and Paphos and Limassol port.

As already mentioned, ARIME which already owns 50% of the share capital of CTC-ARI and with this concentration will acquire the remaining 50%, is active through its subsidiaries in the above mentioned relevant markets. With the implementation of the transaction, there will be a change of control from joint to sole control of CTC-ARI. Therefore there will be no increase in power for ARIME in the relevant markets of CTC-ARI, which ARIME already holds joint control. Therefore, the concentration does not create any affected markets as determined in Annex I of the Law.

The Commission, on the basis of the factual and legal circumstances, applying the relevant provisions of the Law, 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.

Mrs. Loukia Christodoulou  
Chairperson of the Commission for the Protection of Competition