

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

Notification of concentration regarding the acquisition of Greek State Lotteries by  
Greek Lotteries-Anonymous Company of Production, Operation, Distribution and  
Management of Lotteries

Commission for the Protection of Competition:

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

Date of decision: 5 September 2013

**SUMMARY OF THE DECISION**

On the 2<sup>nd</sup> of August 2013, the Commission for the Protection of Competition (hereinafter the «Commission») received a notification on behalf of the company Prediction Football Agency Anonymous Company (hereinafter «OPAP») in accordance with section 13 of the Control of Concentrations between Enterprises Law (Number 22(I)/99) (hereinafter the «Law»).

The concentration was based on an agreement concerning the acquisition of Greek State Lotteries from the Recovery Fund of Private Property of the State Anonymous Company (hereinafter the «Recovery Fund») by a Consortium entitled Greek Lotteries-Anonymous Company of Production, Operation, Distribution and Management of Lotteries (hereinafter the «Consortium»).

Greek State Lotteries have no form of legal personality. The object of their work is the offline production, operation, circulation, promotion and management of state lotteries. It should be noted that the Recovery Fund, which is owned by the Greek State, has the exclusive right of the production, operation, circulation, promotion and management of the Greek State Lotteries.

Greek Lotteries-Anonymous Company of Production, Operation, Distribution and Management of Lotteries is a company duly registered in accordance with the laws of the Greek Republic and is a Consortium formed by 100% subsidiaries of the following businesses:

- (a) OPAP
- (b) INTRALOT S.A. integrated information systems and gaming services
- (c) Lottomatica Spa Group

Despite the participation in the Consortium of all the above companies, according to the notification, the Consortium is controlled exclusively by OPAP which is a company listed in the Athens Stock Exchange and operates in the field of lucky games.

This transaction is based on a 12-year concession agreement dated 30<sup>th</sup> July 2013 between the Consortium and the Recovery Fund (hereinafter the «Agreement»). According to the proposed transaction, the Consortium will acquire the exclusive right of the production, operation, circulation, promotion and management of the Greek State Lotteries currently exercised by the Recovery Fund.

According to the notification, the Recovery Fund was established according to the relevant Greek Law 3986/2011, having as a sole purpose the utilization of assets owned by the Republic of Greece.

In the context of the Greek Privatization Program (Law 3985/2011), the Recovery Fund conducted an International Tender regarding the concession of the exclusive right of production, operation, circulation, promotion and management of the Greek State Lotteries. The Consortium was the winner in the Tender and signed an agreement with the Recovery Fund.

The Commission, taking into account all the facts of the case as well as the fact that OPAP owns a substantial percentage of the shares in the Consortium, OPAP appoints the majority of the members of the Consortium's Board of Directors and also the right of appointing CEO's, concluded that this transaction constitutes a concentration within the meaning of section 4 (1) (b) of the Law, since there is a change of control on a permanent base concerning the Greek State Lotteries.

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, falling within the scope of the Law. According to the notification, the aggregate turnover achieved by both involved parties, in relation to each one of them for 2012 exceeded 3.417.203 euro. In addition, OPAP engages in commercial activities within the Republic of Cyprus and its aggregate turnover for 2012 exceeded 3.417.203 euro.

The target undertaking in this transaction, i.e. the Greek State Lotteries is active in the offline production, operation, circulation, promotion and management of state lotteries. OPAP is active in the lucky games industry.

The Commission, after taking into consideration all the relevant facts of the case defined the relevant product market in this case as the gambling market, without dividing it further into different sub-segments. The definition of the geographic market for the relevant product/services market in this case remains open.

Based on the information provided, only OPAP engages in commercial activities within the Republic of Cyprus in the above relevant market. 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 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  
Chairman of the Commission for the Protection of Competition