



GAZDASÁGI
VERSENYHIVATAL

Russian stake in nuclear power plant equipment manufacturer Ganz Engineering Environmental

The Hungarian Competition Authority (GVH) authorised the joint acquisition of control by Zakrutoe Akcionernoe Obshhestvo Transportno-Tekhnologicheskoe Mashinosctroenie (TTM) and Ganz Gépgyár Holding over Ganz Engineering Environmental (Ganz EK).

On 24 July 2008 the undertakings made a preliminary agreement on a transaction of several phases that would result in the Russian TTM acquiring a 51 % stake of Ganz Holding Co. Ltd. (100 % owner of Ganz EK) in Ganz EK.

Ganz Gépgyár Holding is a member of the undertaking group controlled by Ganz Assets Management and Development Holding Company Ltd. (Ganz Holding Group). The Ganz Holding Group is one of the most important undertaking-groups in Hungary producing heavy machines; its products are used in track-bound public transport, energy production, water supply and management, steel construction manufacturing, urbanisation and environment protection. Within the Ganz Holding Group, Ganz EK is not involved in business activities, nevertheless as part one of the phases of the transaction mentioned, it takes over the assets necessary for manufacturing water/hydraulic machines and nuclear power plant machines from Ganz Energetika Ltd. (also belonging to the Ganz Holding Group).

TTM is member of the undertaking group controlled by Russia's state-owned Rosatom.

The GVH may not refuse to grant authorisation for a concentration where the concentration does not create or strengthen a dominant position, which would impede the formation, development or continuation of effective competition on the relevant market. Since based on the investigation, there is no concern for the creation of market dominance or the lessening of competition as a consequence of the concentration, the GVH granted authorisation for the concentration.